

310

RECEIVED  
LEGISLATIVE CLERK  
NOV 22 - 2 11 52 AM

1386  
9/28/95

OFFICIAL  
FILE COPY  
DO NOT SEND OUT  
Please remove  
copies from this  
copy and PLACE  
BACK IN FILE

DISTRICT ATTORNEY OF THE TWENTY-FIRST JUDICIAL DISTRICT  
BATEL, LOUISIANA

REPORT ON AUDIT OF  
GENERAL PURPOSE FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 1997

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date NOV 16 1997

**DISTRICT ATTORNEY FOR THE THIRTY-FIRST JUDICIAL DISTRICT  
Bella, Louisiana**

As of and for the Year Ended December 31, 1997

**CONTENTS**

	<b>PAGE</b>	<b>NUMBER</b>
<b>INDEPENDENT AUDITOR'S REPORT ON THE GENERAL PURPOSE FINANCIAL STATEMENTS</b>	-	1 - 2
<b>GENERAL PURPOSE FINANCIAL STATEMENTS</b>		3
Combined Balance Sheet - All Fund Types and Account Group	A	4
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Fund Types	B	5
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (EAS) Actual and Actual - General Fund	C	6
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (EAS) Actual and Actual - Special Revenue Funds	D	7
Notes to Financial Statements	-	8 - 16
<b>SUPPLEMENTARY INFORMATION SCHEDULES</b>		
Special Revenue Funds	-	17
Combined Balance Sheet	E	18
Combined Schedule of Revenues, Expenditures, and Changes in Fund Balances	F	19
Schedule of Expenditures of Federal Awards	G	20
<b>OTHER INDEPENDENT AUDITOR'S REPORTS AND SCHEDULES OF FINDINGS AND QUESTIONED COSTS</b>		
Independent Auditor's Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of General Purpose Financial Statements Performed in Accordance with Government Auditing Standards	-	21 - 27
Independent Auditor's Report on Compliance with Requirements Applicable to each Major Program and Internal Control over Compliance in Accordance with OIG Circular A-133	-	28 - 32
Schedule of Findings and Questioned Costs	H	33

# Durnin & James

• CERTIFIED PUBLIC ACCOUNTANTS •

John H. Durnin, CPA  
James L. James, CPA  
45 Professional Executive

Charles B. Anderson, CPA  
Edward C. Gentry, CPA

Member  
American Institute of  
Certified Public Accountants

Member  
North Carolina  
Certified Public Accountants

May 14, 1998

The Honorable Keith M. Ferrillman  
District Attorney of the  
Twenty-First Judicial District  
ASHEVILLE, NORTH CAROLINA

We have audited the accompanying general purpose financial statements of the District Attorney of the Twenty-First Judicial District, as of and for the year ended December 31, 1997, as listed in the table of contents. These general purpose financial statements are the responsibility of the District Attorney of the Twenty-First Judicial District's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the District Attorney of the Twenty-First Judicial District, as of December 31, 1997, and the results of the operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated May 14, 1998 on our consideration of the District Attorney of the Twenty-First Judicial District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements of the District Attorney of the Twenty-First Judicial District, taken as a whole. The accompanying schedule of expenditures of Federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and the schedules listed in the table of contents as supplementary information are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the District Attorney of the Twenty-First Judicial District.

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT

Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

Respectfully submitted,

  
DENNIS J. JAMES, CPA

GENERAL SERVICE FINANCIAL STATEMENTS

DISTRICT ATTORNEY OF THE TWENTY-FIRST JUDICIAL DISTRICT  
 ARIZONA, ARIZONA

EXHIBIT D

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES - ENVIRONMENTAL FUND TYPE

For the Year Ended December 31, 1991

	<u>GENERAL</u>	<u>SPECIAL</u>	<u>TOTAL</u>
	<u>FUND</u>	<u>REVENUE</u>	<u>DISBURSMENT</u>
<u>REVENUES</u>			
Commissions on Eases and Encroachments	\$ 170,758	\$ -	\$ 170,758
Court exam fees	110,420	-	110,420
Notarious check fees	78,784	-	78,784
Litigant fees	17,438	-	17,438
Intra-governmental			
State: Federal	48,588	318,487	367,075
State	10,228	122,728	132,956
Federal	-	78,888	78,888
Interest earnings	465	-	465
Other revenues	10,381	42,220	52,601
<u>Total Revenues</u>	<u>408,588</u>	<u>508,488</u>	<u>917,076</u>
<u>EXPENDITURES</u>			
Salaries/related benefits	182,071	488,478	670,549
Fringe	3,785	18,678	22,463
Telephone and utilities	40,480	20,827	61,307
Office supplies	47,798	28,212	76,010
Automobile expense	2,824	2,488	5,312
Traveling	28,851	5,288	34,139
Books and subscriptions	28,300	-	28,300
Contract services	48,357	8,788	57,145
Loan expense	18,288	28,428	46,716
Capital outlay	16,848	17,324	34,172
Other expenditures	10,381	12,888	23,269
<u>Total Expenditures</u>	<u>488,463</u>	<u>618,888</u>	<u>1,107,351</u>
Revenue Deficiency of Revenues over expenditures	88,885	110,400	199,285
Other financing sources (less) Operating transfers in (out)	<u>1,98,882</u>	<u>-88,882</u>	<u>-</u>
Revenue Deficiency of Revenues and Other Sources Over Expenditures and Other Sources	1,088	22,518	23,606
Fund Balances, beginning of year	58,648	58,728	117,376
Fund Balances, End of Year	\$ <u>59,736</u>	\$ <u>81,210</u>	\$ <u>140,946</u>

The accompanying notes are an integral part of this statement.

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT  
 Ada, Louisiana

EXHIBIT C

STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES - BUDGET, COMPARATIVE AND  
 ACTUAL - GENERAL FUND

For the Year Ended December 31, 1991

	BUDGET	ACTUAL	VARIA- TION FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
Commissions on liens and forfeitures	\$ 194,200	\$ 171,700	\$ 22,500
Court cost fees	85,700	122,420	37,720
Mirifineau check fees	72,887	75,781	2,894
Licenses fees	17,678	17,678	-
Intergovernmental			
(federal)	48,200	48,200	-
(state)	20,200	22,200	2,000
Interest earnings	478	463	(15)
Other revenues	28,620	28,763	143
Total Revenues	\$457,283	\$487,525	\$30,242
<b>EXPENDITURES</b>			
Salaries/related benefits	162,800	163,871	1,071
Travel	4,800	3,380	(1,420)
Telephone And Mailings	28,800	41,440	12,640
Office supplies	46,820	47,818	998
Automobile expense	2,800	1,824	(976)
Training	28,800	28,821	21
Books & Subscriptions	27,800	26,810	(990)
Contract services	28,700	40,757	12,057
Legal Expense	2,775	28,290	25,515
Capital outlay	26,200	26,243	43
Other expenditures	28,800	28,242	(558)
Total Expenditures	\$481,625	\$481,408	\$217
Surplus (Deficiency) of Revenues Over Expenditures	65,658	6,117	(59,541)
Other financing sources (uses) Operating transfers in (out)	(28,820)	(28,820)	-
Surplus (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	36,838	(22,703)	(59,541)
Fund Balance, Beginning of Year	\$5,680	\$5,680	-
Fund Balance, End of Year	\$42,520	\$22,977	(19,543)

The accompanying notes are an integral part of this statement.

DISTRICT ATTORNEY OF THE TWENTY-FIRST JUDICIAL DISTRICT  
 STATE OF CALIFORNIA

EXHIBIT D

STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES - BUDGET 1997-1998  
 AND ACTUAL - SPECIAL REVENUE FUND

For the Year Ended December 31, 1997

		BUDGET	ACTUAL	VARIANCE FAVORABLE UNFAVORABLE
<b>REVENUES</b>				
Grants:	Federal	\$ 315,507	\$ 315,467	\$ 2,000
	STATE	128,380	125,705	2,425
	Parish	78,000	78,000	-
Other revenues		42,683	47,375	2,678
Total Revenues		564,570	566,457	2,288
<b>EXPENDITURES</b>				
Salaries/related benefits		488,438	490,676	15,248
Travel		17,875	18,876	1,001
Telephone and utilities		23,588	23,422	1,687
Office supplies		24,788	26,202	14,622
Automobile expense		3,428	3,488	122
Training		5,454	5,339	561
Contract services		8,900	8,780	27
Lodge expense		20,000	20,400	96
Capital outlay		17,101	17,104	1,01
Other expenditures		18,323	17,098	1,223
Total Expenditures		628,805	631,582	17,087
Excess (Deficiency) of Revenues Over Expenditures		1 77,343	1 75,552	1,614
Other financing sources (uses) Operating transfers in (out)		24,823	28,847	2,622
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses		17,424	22,695	2,465
Fund balance, beginning of Year		62,718	62,718	-
Fund balance, end of Year		\$ 80,142	\$ 87,023	2,465

The accompanying notes are an integral part of this statement.



DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT  
 ANDRE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

December 31, 1987

	<u>Page</u>
1. Summary of significant accounting policies	5
A. Basis of Presentation	5
B. Reporting Entity	5 - 20
C. Fund Accounting	10 - 31
D. Basis of Accounting	11 - 22
E. Budget	22
F. Cash	22
G. Receivables	22
H. Fixed Assets	22
I. Depreciated Assets	22
J. Total Changes on Statements	22
2. Cash	13 - 22
3. Receivables	22
4. Changes in General Fixed Assets	25
5. Pension Plan (District Attorney)	15 - 24
6. Pension Plan (Other than District Attorney)	16 - 27
7. Liases	27
8. Litigation and Claims	17 - 28
9. Changes in Agency Fund Balances	28
10. Non-bank Seized Assets	28
11. Expenditures of the District Attorney not Included in the Accompanying Financial Statements	28
12. Federal Financial Assistance Programs	14 - 29
13. Subsequent Events	29

DISTRICT ATTORNEY OF THE TWENTY-FIRST JUDICIAL DISTRICT  
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS

December 31, 1987

**INTRODUCTION**

The District Attorney, provided by Article V, Section 26 of the Louisiana Constitution of 1874, has charge of every criminal prosecution by the State in his District, is the representative of the State before the grand jury in his District, and is legal adviser to the grand jury. He performs other duties as provided by law. The District Attorney is elected by the qualified electors of the judicial District for a term of six years. The Twenty-First Judicial District encompasses the Parishes of Livingston, St. Helena, and Westlake, Louisiana.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS OF PRESENTATION**

The accompanying general purpose financial statements of the District Attorney of the Twenty-First Judicial District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**B. REPORTING ENTITY**

The District Attorney of the Twenty-First Judicial District is a part of the District Court System of the State of Louisiana. However, the state statute that creates the district attorneys also gives the district attorneys control over all their operations. This includes the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. The district attorney is independent from the district court system and the parish government. Therefore, the district attorney reports as an independent financial reporting entity.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining the identification of a primary government used for financial reporting purposes. The GASB has set forth criteria to be considered in determining which governmental entities are primary governments. An entity is a primary government if it satisfies all of the following criteria:

The entity has a separate governing body elected by the citizenry in a general, popular election.

The entity is legally separate from other entities.

The entity is fiscally independent of other state and local government entities.

Based on the above listed criteria, the District Attorney has determined that

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT  
Baton Rouge, Louisiana

NOTE TO FINANCIAL STATEMENTS CONTINUED

December 31, 1997

The Office of the District Attorney of the Twenty-First Judicial District of the State of Louisiana is a primary government and financial reporting entity in accordance with GASB Statement No. 14.

The District Attorney has also determined that there are no component units that should be considered part of the District Attorney for financial reporting purposes.

**C. FUND ACCOUNTING**

The District Attorney uses funds and account groups to report on its financial position and results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds of the District Attorney are classified as governmental or fiduciary funds.

Governmental funds account for the District Attorney's general activities, including the collection and disbursement of penalties or legally restricted monies, and the acquisition of general fixed assets. Governmental funds of the District Attorney include:

**GENERAL FUND**

The general fund was established in compliance with Louisiana Revised Statute 48:571.11, which provides that twelve (12%) percent of the fines collected and funds received be transmitted to the District Attorney to defray the necessary expenditures of his office.

Monthly check collection fees collected in accordance with Louisiana Revised Statute 14:18, which provides for a specific fee whenever the District Attorney's Office collects and processes a monthly check are accounted for in the general fund. Expenditures of this revenue are at the sole discretion of the District Attorney and may be used to defray the salaries and the expenses of the office of the District Attorney but may not be used to supplement the salary of the District Attorney.

Grant funds not legally required to be accounted for in separate funds are also recorded in the general fund.

ANNUAL REPORT OF THE EIGHTY-FIFTH JUDICIAL DISTRICT  
Bate, Louisiana

NOTE TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 1987

**Title IV-B Special Revenue Fund**

The Title IV-B Special Revenue Fund consists of reimbursement grants from the Louisiana Department of Social Services, authorized by Act 117 of 1976, to establish family and child support programs compatible with Title IV-D of the social security act. The purpose of the fund is to enforce the support obligation owed by absent parents to their families and children, to locate absent parents, to establish paternity, and to obtain family and child support.

**Incentive Special Revenue Fund**

The Incentive Special Revenue Fund is used to account for payments received from the Louisiana Department of Social Services which consists of twelve per cent of all amounts collected and required to be distributed as provided in Section 497 of the Social Security Act to reduce or repay assistance payments.

**Pre-Trial Intervention Special Revenue Fund**

The pre-trial intervention special revenue fund is used to account for the enrollment fees of participants in this program. The fund also serves as an agency to handle restitution payments made by the participants.

The fiduciary fund of the district attorney is an agency fund described as follows:

**Special District Attorney Asset Forfeiture Trust Fund  
(Agency Fund)**

The Special District Attorney Asset Forfeiture Trust Fund (Agency Fund) accounts for assets held as an agent for others. The assets held are those seized under the provisions of Louisiana Revised Statutes 40:2081 to 40:2022. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**D. BASIS OF ACCOUNTING**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by the governmental funds and agency fund. The governmental funds use the following practices in recording revenues and expenditures:

DISTRICT ATTORNEY OF THE TWENTY-FIRST JUDICIAL DISTRICT  
Shreve, Louisiana

GENERAL FINANCIAL STATEMENTS (CONTINUED)

December 31, 1997

**Revenues**

Commissions on loans, forfeitures, and court cost fees are recorded in the year they are collected by the tax collectors.

Grants are recorded when the DISTRICT ATTORNEY is entitled to the funds.

Interest income on investments is recorded when the investments have matured and the income is available.

Substantially all other revenues are recorded when received.

**Expenditures**

EXPENDITURES ARE GENERALLY RECOGNIZED UNDER THE MODIFIED ACCRUAL BASIS OF ACCOUNTING WHEN THE RELATED FUND LIABILITY IS INCURRED, EXCEPT FOR THE PAYMENT OF PRINCIPAL AND INTEREST ON GENERAL LONG-TERM OBLIGATIONS WHICH ARE NOT RECOGNIZED UNTIL DUE.

**Other Financing Sources (Uses)**

Transfers between funds that are not reported to be repaid (and any OTHER FINANCING SOURCE/USE) ARE ACCOUNTED FOR AS OTHER FINANCING SOURCE (USE) AND ARE RECORDED WHEN TRANSFERRED.

**8. BUDGET**

A budget was adopted for the fiscal year ended December 31, 1997, providing a complete financial plan for the general fund and special revenue funds. The budget was prepared on the modified accrual basis. Budget adoption included public notice of the proposed budget, public inspection of the proposed budget, and a public hearing on the budget held on December 14, 1996, at which time the budget was adopted. Because of business balance budgeted and actual amounts, the 1997 operating budget was amended on December 31, 1997. The amendment process included all phases of budget adoption as described above. Unexpended budget balances lapse at year end. The level of control for each budget is on the fund basis.

**9. CASH**

Cash includes amounts in demand deposits and interest-bearing demand deposits. Under state law, the DISTRICT ATTORNEY may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT  
MOBILE, LOUISIANA

MOVES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 1987

**4. INCURRANCES**

Incurrences accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed in the district attorney's accounting system.

**5. FIXED ASSETS**

Fixed assets are recorded as expenditures at the time purchased or constructed, and the related assets are capitalized (reported in the general fixed assets account group). Public domain or infrastructures are not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost if historical cost is not available.

**6. CUMULATED VACATION**

The district attorney has the following policy relating to vacation and sick leave:

Each full-time clerical employee is entitled to 18 days of annual and 18 days of sick leave per year. Employees with 10 years of service or more are entitled to 18 days of annual and 18 days of sick leave per year. Neither annual leave nor sick leave may be accumulated beyond the district attorney's fiscal year-end. Upon termination, the current year's unused annual leave is paid but any unused sick leave is forfeited.

The cost of current leave privileges, computed in accordance with GASB Codification Section 608, is recognized as a current-year expenditure when leave is actually taken.

**7. TOTAL COLLATERAL STATEMENTS**

The total collaterals on the statements are captioned Memoranda Only to indicate that they are presented only to facilitate financial analysis. Data in these collaterals do not present financial position or results of operations in conformity with generally accepted accounting principles, neither is such data comparable to a consolidation.

**8. GASB**

As December 31, 1987, the district attorney has cash bank balances totaling \$182,000 as follows:

**DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT  
PARIS, LOUISIANA**

**NOTE TO FINANCIAL STATEMENTS CONTINUED**

December 31, 1987

Cash on Hand	\$ 483
Demand Deposits	36,423
Interest-bearing Demand Deposits	214,724
Total	<u>\$311,630</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is usually acceptable to bank parties. In December 31, 1987, the district attorney has \$214,724 in Deposits (collected bank balances). These deposits are secured from risk by \$107,362 of federal deposit insurance and \$107,362 of pledged securities held by the custodial bank in the name of the fiscal agent bank OMBB Category 21.

There is no security agreement with CENTRAL Progressive Bank, the bank pledging the above securities, as required by the Financial Institutions Modern Security and Enforcement Act of 1980 (FISMA). Therefore, the pledge of collateral is not void against the FDIC.

Even though the pledged securities are considered uncollateralized Category 21 under the provisions of OMBB Statement No. 3, Louisiana Revised Statute 27:1227 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 18 days of being notified by the district attorney that the fiscal agent has failed to pay deposited funds upon demand.

**3. RECEIVABLES**

The following is a summary of receivables at December 31, 1987:

<u>Name of Institution</u>	General	Special	<u>Total</u>
	<u>Fund</u>	<u>Fund</u>	
Commissions on fines and forfeitures	\$23,423	\$ -	\$ 23,423
Court cost and workless check fees	36,423	-	36,423
Grants	13,224	49,799	63,023
Intergovernmental	3,947	-	3,947
Other	1,283	-	1,283
<b>Total</b>	<b>\$78,299</b>	<b>\$49,799</b>	<b>\$128,098</b>

**3a. OMB FROM/TO OTHER FUNDS**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Title IV-B Special Revenue Fund	General Fund	\$49,799

DISTRICT ATTORNEY OF THE TWENTY-FIRST JUDICIAL DISTRICT  
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 1977

4. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance 12/31/76	Additions	Reductions	Balance 12/31/77
Equipment and Furniture	\$124,820	\$ 24,247	\$ 45,873	\$103,194
Vehicles	18,553	-----	20,820	7,733
Total	\$143,373	\$ 24,247	\$ 66,693	\$100,927

5. PENSION PLAN (DISTRICT ATTORNEY)

Plan Description - The district attorney and assistant district attorneys are members of the Louisiana District Attorneys Retirement System (System), a cost sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

Assistant district attorneys who earn, as a minimum, the amount paid by the state for assistant district attorneys and are under the age of 40 at the time of original employment and all district attorneys are required to participate in the System. For members who joined the System before July 1, 1976, and who elected not to be covered by the new provisions, the following applies: Any member with 25 or more years of creditable service regardless of age may retire with a 3 per cent benefit reduction for each year below age 55, provided that no reduction is applied if the member has 25 or more years of service. Any member with at least 20 years of service may retire at age 55 with a 3 per cent benefit reduction for each year below age 60. In addition, any member with at least 20 years of service may retire at age 65 with a 3 per cent benefit reduction for each year below the age of 65. The retirement benefit is equal to 3 per cent of the member's average final compensation multiplied by the number of years of the membership service, not to exceed 100 per cent of his average final compensation.

For members who joined the System after July 1, 1976, or who elected to be covered by the new provisions the following applies: Members are eligible to receive normal retirement benefits if they are age 60 and have 25 years of service credit, are age 55 and have 24 years of service credit, or have 20 years of service credit regardless of age. The normal retirement benefit is equal to 3.5 per cent of the member's final average compensation multiplied by years of membership service. A member is eligible for early retirement if he is age 55 and has 10 years of service credit. The early retirement benefit is equal to the normal retirement benefit reduced 3 per cent for each year the member retires in advance of normal retirement age. Benefits may not exceed 100 per cent of average final compensation. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. This report may be obtained by writing to the Louisiana District Attorneys Retirement



DISTRICT ATTORNEY OF THE TENTH-FIRST JUDICIAL DISTRICT  
Baton Rouge, Louisiana

NOTE TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 1989

SYSTEM, 1107 MONROE STREET, New Orleans, Louisiana 70116-0881, or by calling (504) 547-5561.

**Funding Policy** - Plan members are required by state statute to contribute 7.8 percent of their annual covered salary and the district attorney is required to contribute at an actuarially determined rate. The current rate is 1.35 percent of annual covered payroll less 0.58 percent until June 30, 1997. Contributions to the System also include .2 percent of the ad valorem taxes collected throughout the state and revenue sharing funds as appropriated by the legislature. The contribution requirements of plan members and the district attorney are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:303, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The district attorney's contributions to the System for the years ending December 31, 1987, 1988, and 1989, were \$2,648, \$3,850, and \$1,988, respectively, equal to the required contributions for each year.

4. **FERRIS PLAN (OTHER THAN DISTRICT ATTORNEY)**

Effective April 1, 1987, certain employees become members of the Ferris Plan Employees Retirement System of Louisiana, substantially all employees, with the exception of the district attorney and assistant district attorneys, of the District Attorney of the Tenth-First Judicial District are members of the Ferris Plan Employees Retirement System of Louisiana (System), a non-sharing multiple-employer defined benefit, public employee retirement system (PERS), controlled and administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the District Attorney are members of Plan B.

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 48 with at least 25 years of creditable service, at or after age 55 with at least 20 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only prior to January 1, 1988, the benefit is equal to two percent of final average salary plus one for each year of supplemental-plan-only service earned prior to January 1, 1988. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefits accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

The system issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That

DISTRICT ATTORNEY OF THE TWENTY-FIRST JUDICIAL DISTRICT  
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 1997

report may be obtained by writing to the Parochial Employees Retirement System of Louisiana, P. O. Box 34018, Baton Rouge, Louisiana 70898-0018, or by calling (504)328-1882.

**Reading Union.** Plan members are required by state statute to contribute 2.5 percent of their annual covered salary and the District Attorney of the Twenty-First Judicial District is required to contribute at an actuarially determined rate. The current rate is 2.75 percent of annual covered payroll. Contributions to the System include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each parish, except Orleans and East Baton Rouge Parishes. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. State statute requires covered employees to contribute a percentage of their salaries to the System. As provided by Louisiana Revised Statute 11:125, the employee contributions are determined by an actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The District Attorney of the Twenty-First Judicial District's contributions to the System for the year ending December 31, 1997 was \$2,828, equal to the required contributions for the year.

7. **LEASES**

The District Attorney leases certain buildings under long-term leases. Most of the leases are operating leases for a period of three years with renewal options. All other leases are month-to-month leases on several pieces of office equipment. The District Attorney has no obligations under capital leases.

The following is a schedule of future minimum rental payments required under the above operating leases as of December 31, 1997:

Year Ending December 31,	Amount
1998	\$35,216
1999	26,963
2000	2,828
Total	\$65,007

Serial deposits amounted to \$38,748 in 1997.

8. **LITIGATION AND CLAIMS**

At December 31, 1997, the District Attorney was involved in the following litigation:

Twenty-First Judicial District Court, *Merdy vs. City, et al.*

Journal of a loss contingency for the litigation listed above has not been recorded in the financial statements as responsibility has not been determined and the possible loss or range of loss for the legal action cannot be reasonably estimated.

DISTRICT ATTORNEY OF THE TWENTY-FIRST JUDICIAL DISTRICT  
MOBILE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 1987

9. CHANGES IN AGENCY FUND BALANCES

A summary of changes in agency fund unrestricted deposits follows:

Special District Attorney Amelia Parfittone Trust Fund (Agency Fund)

	<u>Cash</u>	<u>NON-CASH</u>	<u>TOTAL</u>
Unrestricted deposits beginning of year	\$ 154,480	\$ 18,780	\$ 173,260
ADDITIONS	122,490	88,376	210,866
DEDUCTIONS	(242,816)	(22,280)	(265,096)
Unrestricted deposits at end of year	\$ 134,154	\$ 84,876	\$ 219,030

10. NON-CASH ASSETS

The District Attorney is deemed to be in custody of property seized in accordance with Louisiana Revised Statutes 48:1811 to 48:1822. The seized assets are listed on the Balance Sheet under agency fund, as either cash or non-cash seized assets. The non-cash seized assets represent property other than cash seized under the authority of the above mentioned Louisiana Revised Statutes. The non-cash assets are held in the custody of and by the seizing agency. At the completion of the forfeiture proceedings, the seizing agency may sell the non-cash property and remit the cash proceeds to the district attorney for distribution according to Louisiana Revised Statutes.

11. EXPENDITURES OF THE DISTRICT ATTORNEY NOT INCLUDED IN THE ACCOMPANYING FINANCIAL STATEMENTS

The accompanying financial statements do not include certain expenditures of the District Attorney paid out of the funds of the criminal court, the parish council police juried, or directly by the state. A portion of the salaries of the district attorney and assistant district attorney's are paid directly by the state. The parish council police juried pay certain salaries, or portions thereof, and employer contributions of the district attorney and his staff.

12. FEDERAL FINANCIAL ASSISTANCE PROGRAMS

The District Attorney participates in the United States Department of Health and Human Services Support Enforcement, Title IV-A program, Catalog of Federal Domestic Assistance No. 22.783. This program is funded by indirect assistance payments, in the form of both incentive payments and reimbursements of a portion of certain expenditures, received from the Louisiana Department of Social Services. For the year ended December 31, 1987, the District Attorney for the Twenty-First Judicial District expended \$188,311 and \$121,716 in reimbursements and incentive payments, respectively.

The reimbursement payments are restricted by a formal agreement between the District Attorney and Department of Social Services and includes a budget of expected expenditures for each fiscal year ended June 30. The District Attorney submits

DISTRICT ATTORNEY OF THE TWENTY-FIRST JUDICIAL DISTRICT  
MOBILE, LOUISIANA

NOTE TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 1997

reimbursement requests to the Department of Social Services on a monthly basis.

There are no restrictions on how incentive payments may be expended, except as may be required by state law for any other funds of the district attorney.

The district attorney also participated in various United States Office of Justice programs administered by the Louisiana Commission on Law Enforcement and Administration of Criminal Justice. The programs are funded by indirect assistance payments in the form of reimbursements of certain expenditures. For the year ended December 31, 1997, the District Attorney for the Twenty-First Judicial District expended the amounts for the various programs.

PROGRAM TITLE	FUND NO.	EXPENDITURES
Tri-Partisan Victim's Assistance	10.575	\$48,000
Juvenile Community Service Program	10.540	22,150
		\$70,150

The reimbursement and incentive payments may be subjected to further review and audit by the federal grantor agency. No provision has been made in the financial statements for the reimbursement of any expenditures that may be disallowed as a result of such a review or audit.

11. SUBSEQUENT EVENTS

Subsequent to December 31, 1997, the following events occurred:

As of January 1, 1998 an additional division was added as a result of the Capital District Violence Against Women's Act.

SUPPLEMENTARY INFORMATION SCHEDULES

#### **SPECIAL REVENUE FUNDS**

**TITLE IV-D SPECIAL REVENUE FUND** - The Title IV-D Special Revenue Fund consists of reimbursement grants from the Louisiana Department of Social Services, authorized by act 517 of 1975, to establish family and child support programs compatible with Title IV-D of the Social Security Act. The purpose of the fund is to enforce the support obligation owed by absent parents to their families and children, to locate absent parents, to establish paternity, and to obtain family and child support.

**INCENTIVE SPECIAL REVENUE FUND** - The Incentive Special Revenue Fund is used to account for payments received from the Louisiana Department of Social Services which consists of twelve per cent of all amounts collected and required to be distributed as provided in Section 407 of the Social Security Act to reduce or repay assistance payments.

**PRE-TRIAL INTERVENTION SPECIAL REVENUE FUND** - The Pre-Trial Intervention Special Revenue Fund is used to account for the enrollment fees of participants in this program. The fund also serves as an agency to handle restitution payments made by the participants.

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT  
 Baton Rouge, Louisiana.

EXHIBIT B

SPECIAL REVENUE FUND

COMBINED BALANCE SHEET

December 31, 1997

	TITLE IN-D FUND	INCENTIVE FUND	PER-TOTAL INCENTIVATION FUND	TOTAL
<b>ASSETS</b>				
Cash	\$ 6,333	\$ 6,880	\$ 21,833	\$ 35,046
Receivables	36,548	28,528	-	65,076
Due from other funds	<u>18,823</u>	<u>          </u>	<u>          </u>	<u>18,823</u>
Total Assets	<u>\$ 68,704</u>	<u>\$ 35,408</u>	<u>\$ 21,833</u>	<u>\$ 125,945</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 3,437	\$ 481	\$ 389	\$ 4,307
Applications From Payable	325	-	-	325
Payments Due To Others	<u>          </u>	<u>          </u>	<u>2,821</u>	<u>2,821</u>
Total Liabilities	3,762	481	3,210	7,454
<b>Fund Balances:</b>				
Unreserved - undesignated	<u>64,942</u>	<u>34,927</u>	<u>18,623</u>	<u>118,492</u>
Total Liabilities and Fund Balances	<u>\$ 68,704</u>	<u>\$ 35,408</u>	<u>\$ 21,833</u>	<u>\$ 125,945</u>

See auditor's report.

SPECIAL REVENUE FUND

COMBINED SCHEDULE OF REVENUES, EXPENDITURES, AND  
CARRIED-IN FUND BALANCES

For the Year Ended December 31, 1997

		TITLE	PROVISION	RE-TITLE	
		19-D	FUND	INTERVENTION	TOTAL
		FUND	FUND	FUND	
<b>REVENUES</b>					
Grants:	Federal	1000,301	1 10,100	0 -	1010,401
	State	-	100,700	-	100,700
	Local	42,000	0,000	-	42,000
Other Revenues		<u>3,420</u>	<u>3,300</u>	<u>10,000</u>	<u>16,720</u>
TOTAL REVENUES		<u>1045,721</u>	<u>113,400</u>	<u>10,000</u>	<u>1169,121</u>
<b>EXPENDITURES</b>					
Salaries/Wages		600,200	100,400	10,000	710,600
Travel		0,700	0,000	2,000	2,700
Telephone and utilities		30,000	2,700	-	32,700
Office supplies		10,000	0,700	2,400	13,100
Automobile expenses		2,000	2,000	-	4,000
Training		0,000	0,300	2,000	2,300
Contract services		0,100	000	-	1,100
Lease expenses		17,000	0,200	-	17,200
Capital outlay		12,000	001	0,000	12,001
Other expenditures		<u>2,300</u>	<u>2,300</u>	<u>200</u>	<u>4,800</u>
Total Expenditures		<u>664,300</u>	<u>105,900</u>	<u>12,200</u>	<u>782,400</u>
Excess (Deficiency) of Revenues over expenditures		<u>381,421</u>	<u>7,500</u>	<u>0,000</u>	<u>388,921</u>
<b>Other Financing Sources</b>					
Operating transfers in		<u>00,000</u>	<u>-</u>	<u>-</u>	<u>00,000</u>
Excess (Deficiency) of Revenues and other Sources Over Expenditures		<u>4,000</u>	<u>0,000</u>	<u>10,000</u>	<u>14,000</u>
Fund Balance, Beginning of Year		<u>40,000</u>	<u>17,300</u>	<u>0,000</u>	<u>57,300</u>
Fund Balance, End of Year		<u>44,000</u>	<u>17,300</u>	<u>10,000</u>	<u>71,300</u>

See Auditor's report.



SCHEMULE OF EXPENDITURES OF FEDERAL ARMS

DISTRICT ACCOUNT OF THE SEVEN-YEAR FEDERAL DISTRICT  
 Andhra, Assam, Bihar

TABLE 10

ACCOUNT OF EXPENDITURE OF FEDERAL FUNDS

FOR THE YEAR ENDED December 31, 1977

Federal Ministry/ Five-Year Scheme/ Account Title	Federal CRP Number	Five-Year Scheme's Number	Expended in Service Account	Statement of Expenditure
<b>Department of Health and Family Welfare</b>				
Child Support Programme (Type IV)	13-780	0-00-00 14 000	100.013	100.013
<b>Department of Justice</b>				
701-PAKIS STATE'S BARRISTERS Program No. 84-05-01-000	14-878	0-0	28.803	28.803
701-PAKIS STATE'S BARRISTERS Program No. 84-05-01-000	14-879	0-0	20.000	20.000
Outside Community Service Program No. 84-05-01-000	14-880	0-0	11.208	11.208
			160.024	160.024

See auditor's report.

OTHER INDEPENDENT EXPERTS' REPORTS  
AND  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
BASED ON AN AUDIT OF GENERAL PURPOSE  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS

# Durnin & James

MEMBERS OF THE PUBLIC ACCOUNTANTS

John D. Durnin, CPA  
David D. James, CPA  
24 Professional Corporation

Member  
American Institute of  
Certified Public Accountants

Charles H. Maloney, CPA  
Brian C. Bostick, CPA

Member  
Institute of Certified  
Public Accountants

May 14, 1998

**Independent Auditor's Report on Compliance  
and on Internal Control over Financial Reporting  
Based on an Audit of General Purpose  
Financial Statements Performed in Accordance  
with Government Auditing Standards**

The Honorable BOBBI M. MERRILLSON  
District Attorney of the  
Twenty-First Judicial District  
Bella, Louisiana

We have audited the general purpose financial statements of the District Attorney of the Twenty-First Judicial District, Bella, Louisiana, as of and for the year ended December 31, 1997, and have issued our report thereon dated May 14, 1998. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

#### Compliance

As part of obtaining reasonable assurance about whether The District Attorney of the Twenty-First Judicial District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

#### Internal Control over Financial Reporting

In planning and performing our audit, we considered the District Attorney of the Twenty-First Judicial District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT

of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of management, the Louisiana Legislative Auditor, internal auditing agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,

*Darrin L. James*  
DARRIN L. JAMES, CPA

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
WITH REQUIREMENTS APPLICABLE TO  
EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

# Durnin & James

MEMBER PUBLIC ACCOUNTANTS

John B. Durnin, CPA  
Richard E. Jones, CPA  
\*A Professional Corporation

Charles E. Mahan, CPA  
Bryan J. Gray, CPA

Member  
American Institute of  
Certified Public Accountants

Member  
Institute of Certified  
Public Accountants

May 24, 1997

**Independent Auditor's Report on Compliance  
with Requirements Applicable to  
Each Major Program and Internal Control  
Over Compliance in Accordance with OMB Circular A-133**

The Honorable ROSE M. MERRILLON  
District Attorney of the  
Twenty-First Judicial District  
Acme, Louisiana

We have audited the compliance of the District Attorney of the Twenty-First Judicial District with the types of compliance requirements described in the U. S. OFFICE OF MANAGEMENT AND BUDGET, OMBI Circular A-133, Compliance Requirements that are applicable to each of its major federal programs for the year ended December 31, 1997. The District Attorney of the Twenty-First Judicial District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the District Attorney of the Twenty-First Judicial District's management. Our responsibility is to express an opinion on District Attorney of the Twenty-First Judicial District's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audit of State, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District Attorney of the Twenty-First Judicial District's compliance with these requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on District Attorney of the Twenty-First Judicial District's compliance with these requirements.

In our opinion, the District Attorney of the Twenty-First Judicial District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 1997.



DISTRICT ATTORNEY OF THE TWENTY-FIRST JUDICIAL DISTRICT

Internal Control Over Compliance

The management of the District Attorney of the Twenty-First Judicial District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to Federal programs. In planning and performing our audit, we considered the District Attorney of the Twenty-First Judicial District's internal control over compliance with requirements that could have a direct and material effect on a major Federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with GAO Circular 8-113.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major Federal program being audited may occur or not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of management, the Louisiana Legislative Auditor, Federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,

  
DENNIS J. JAMES, CPA

SCHEDULE OF FISHING AND QUESTIONED FORMS

