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**15TH JUDICIAL DISTRICT  
INDIGENT DEFENDER BOARD**

Financial Statement

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 11/27/97

**J. L. SONNIER**  
*Certified Public Accountant*  
*Lafayette, Louisiana*

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**INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
Fifteenth Judicial District  
Indigent Defender Board  
Lafayette, Louisiana

I have audited the accompanying general purpose financial statements of the Fifteenth Judicial District Indigent Defender Board, a component unit of the Lafayette City/Parish Consolidated Government, 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 Fifteenth Judicial District Indigent Defender Board's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my 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. These standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Fifteenth Judicial District Indigent Defender Board, a component unit of the Lafayette City/Parish Consolidated Government, as of December 31, 1997 and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued a report dated May 6, 1998 on my consideration of the Board's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants.



May 6, 1998

**FIFTEENTH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD**  
**COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS**  
 December 31, 1997

ASSETS	General Fund	General Fund Assets Account Group	Totals (Memorandum Only)	
			1997	1996
Cash	22,774	-	22,774	147,599
Due from other governments -				
Court costs and bond				
fees receivable	76,400	-	76,400	76,521
Due from Louisiana				
Indigent Defender Board	68,591	-	68,591	68,159
Equipment	-	49,368	49,368	49,368
<b>Total assets</b>	<b><u>168,165</u></b>	<b><u>49,368</u></b>	<b><u>217,523</u></b>	<b><u>332,435</u></b>
<b>LIABILITIES AND FUND EQUITY</b>				
<b>Liabilities:</b>				
Accounts payable	23,838	-	23,838	6,029
Payroll taxes payable	1,946	-	1,946	328
<b>Total liabilities</b>	<b><u>25,784</u></b>	<b><u>-</u></b>	<b><u>25,784</u></b>	<b><u>6,357</u></b>
<b>Fund equity:</b>				
Investment in general				
fund assets	-	49,368	49,368	49,196
Fund balance -				
Unreserved, undesignated	140,381	-	140,381	285,302
<b>Total fund equity</b>	<b><u>140,381</u></b>	<b><u>49,368</u></b>	<b><u>189,749</u></b>	<b><u>332,488</u></b>
<b>Total liabilities and fund equity</b>	<b><u>168,165</u></b>	<b><u>49,368</u></b>	<b><u>217,523</u></b>	<b><u>332,435</u></b>

See Notes to Financial Statements.

**FIFTEENTH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL - GENERAL FUND  
Year Ended December 31, 1997  
With Comparative Actual Amounts for Year Ended December 31, 1996**

	1997			
	Budget	Actual	Variance - Favorable (Unfavorable)	1996 Actual
<b>Revenues:</b>				
Intergovernmental revenues				
Court costs and bond forfeitures	659,508	659,519	(1,000)	617,158
District Assistance Fund - Louisiana IDB	280,000	291,839	11,839	248,640
Fees - partially indigent	50,000	43,811	6,189	35,820
Interest	5,000	1,705	(3,295)	4,487
<b>Total revenues</b>	<u>1,195,508</u>	<u>1,196,874</u>	<u>1,366</u>	<u>1,096,085</u>
<b>Expenditures:</b>				
Current - general government				
Salaries, retirement and related benefits	1,285,976	1,339,334	53,358	1,126,247
Professional services	60,800	34,083	26,717	57,884
Office and administrative	41,890	32,549	9,341	28,688
Insurance	6,580	5,734	(846)	5,681
Capital outlays - equipment	5,000	9,173	(4,173)	2,516
<b>Total expenditures</b>	<u>1,405,246</u>	<u>1,461,873</u>	<u>56,627</u>	<u>1,221,004</u>
<b>Excess (Deficiency) of revenues over expenditures</b>	<u>(209,738)</u>	<u>(264,999)</u>	<u>55,261</u>	<u>(124,919)</u>
<b>Fund balance, beginning</b>	<u>285,301</u>	<u>285,302</u>	<u>-</u>	<u>409,918</u>
<b>Fund balance, ending</b>	<u>75,563</u>	<u>120,303</u>	<u>44,740</u>	<u>285,000</u>

See Notes to Financial Statements.

**FIFTEENTH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 1997**

**L. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying component unit financial statements of the Fifteenth Judicial District Indigent Defender Board 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.

The following is a summary of certain significant accounting policies:

**Reporting Entity**

As the governing authority of the parish, for reporting purposes, the Lafayette City/Parish Consolidated Government (primary government) is the financial reporting entity for Lafayette Parish. The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that inclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the primary government for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria include:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the primary government to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the primary government.
2. Organizations for which the primary government does not appoint a voting majority but are fiscally dependent on the primary government.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Indigent defender boards, criminal court funds, and judicial expense funds are part of the operations of the district court system. The district court system is fiscally dependent on the primary government for office space and courtrooms. The substance of the relationship between the district court system and the primary government is that the primary government has

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

approval authority over its capital budget. In addition, the nature and significance of the relationship between the district court and the primary government is such that exclusion from the primary government's financial statements would render the financial statements incomplete or misleading. For these reasons, indigent defender boards are considered component units of the primary government. The Fifteenth Judicial District Indigent Defender Board is comprised of the parishes of Acadia, Lafayette and Vermilion. It was determined to be a component unit of the Lafayette City/Parish Consolidated Government based on revenues received from and support provided by each parish's court systems. The accompanying financial statements present information only on the funds maintained by the Fifteenth Judicial District Indigent Defender Board.

### **Fund Accounting**

The accounts of the Board are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of a fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. The General Fund is the operating fund of the board. It is used to account for all financial resources not accounted for in the General Fixed Assets Account Group.

### **Fixed Assets and Long-Term Liabilities**

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus.

The General Fund operations are accounted for as a spending or "financial flow" measurement focus, and only current assets and current liabilities are generally included on its balance sheet.

Fixed assets are accounted for in the General Fixed Assets Account Group and are recorded as expenditures in the General Fund when purchased. No depreciation has been provided on general fixed assets.

All fixed assets are stated at historical cost.

### **Basis of Accounting**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The General Fund is accounted for using the modified accrual basis of accounting. Its revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized when the related fund liability is incurred.

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

### **Budget and Budgetary Accounting**

The Board follows these procedures in establishing the annual budget:

- The chief public defender prepares a proposed budget and submits it to the members of the board of directors for their approval prior to the beginning of each year.
- Budgetary amendments involving an increase in attorney salaries, salaries, capital expenditures, or an increase in total expenditures require the approval of the board of directors.
- All budgetary appropriations lapse at the end of each fiscal year.

The General Fund budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted, or as amended from time to time by the Board. Such amendments were not material in relation to the original appropriations. The Board does not employ encumbrance accounting.

### **Total Column on Combined Statement**

The total column on the combined balance sheet is captioned "Memorandum Only" to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

### **Dollar Signs**

All numeric data in the financial statements and accompanying notes are presented in U.S. dollars. Dollar signs have been omitted.

## **2. BANK DEPOSITS AND INVESTMENTS**

The Board may invest in direct United States Treasury obligations, U.S. Government Agency obligations guaranteed by the U.S. Government, time certificates of deposit of state banks organized under the laws of Louisiana and national banks having their principal office in the State of Louisiana, and investments as stipulated in LSA-R.S. 39:2955.

At December 31, 1997, bank deposits totaling \$13,774 were insured by the FDIC.

## **3. VEHICULAR VIOLATION FEES AND BOND FORFEITURES RECEIVABLE**

This is the aggregate amount due from the various courts and district attorney offices of the Fifteenth Judicial District for fees collected and bonds forfeited in 1997 and not received as of December 31.



## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

### 4. CHANGES IN GENERAL FIXED ASSETS

General fixed assets are comprised of office furniture and equipment. The following is a summary of changes in the general fixed assets account group for 1997.

Balance December 31, 1996	40,180
Additions	9,174
Retirements	<u>1,024</u>
Balance December 31, 1997	<u>48,330</u>

### 5. RETIREMENT SYSTEM

The Board maintains no retirement system.

### 6. COMPENSATED ABSENCES

No accrual has been made for vacation or sick pay due to the insignificance of the amounts involved.

### 7. RECLASSIFICATION OF PRIOR YEAR AMOUNTS

Certain amounts reported in the prior year have been reclassified for comparative purposes with current year amounts.

### 8. RISK MANAGEMENT

The Board is exposed to risks of loss in the areas of general liability, malpractice, property hazards and workers' compensation. The Board is uninsured relative to those risks and is unaware of any outstanding claims or losses as of December 31, 1997. There were no outstanding claims as of December 31, 1996, and no claims were paid during 1997.

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

Board of Directors  
Fifteenth Judicial District  
Indigent Defender Board  
Lafayette, Louisiana

I have audited the general purpose financial statements of the Fifteenth Judicial District Indigent Defender Board, a component unit of the Lafayette City/Parish Consolidated Government, as of and for the year ended December 31, 1997, and have issued my report thereon dated May 8, 1998. I conducted my 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 Fifteenth Judicial District Indigent Defender Board's general purpose financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my 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 my audit, I considered the Fifteenth Judicial District Indigent Defender Board's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, I noted certain matters involving the internal control over financial reporting and its operation that I consider to be reportable conditions. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgement, could adversely affect Fifteenth Judicial District Indigent Defender Board's ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as item 97-1.

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 misstatements in amounts that would be material in relation to the general purpose 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. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, I believe none of the reportable conditions described above is a material weakness.

This report is intended for the information of the board of directors, management the Lafayette City/Parish Consolidated Government and the Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.



May 8, 1998

FIFTEENTH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
DECEMBER 31, 1997

**97-1 Segregation of Duties**

Due to the small number of individuals administering the Board's accounting functions, there is inadequate segregation of duties within the accounting system.

Auditor Response - The Board is aware of this control weakness and has implemented procedures for the monitoring of financial statements and budgetary comparisons in an effort to compensate for the weakness without incurring the cost of hiring additional personnel.

Note that no corrective action plan is deemed necessary to address finding 97-1.

**FIFTEENTH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD**

**BOARD MEMBER COMPENSATION**

**December 31, 1997**

*The members of the board of directors of the Fifteenth Judicial District Indigent Defender Board serve on a voluntary basis and receive no form of compensation for these duties.*