

RECEIVED
LEGISLATIVE AIDERS

SO. AL - 1 PHO-58

RECEIVED
THIRD JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
1000 WEST BROAD ST
MONTGOMERY, ALABAMA 36102
PHONE: 251-261-1000
FAX: 251-261-1001

**THIRD JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 1999**

14

1636

98601995

98601995

1636

Under provisions of state law, this report is a public document. A copy of the report has been furnished to the persons, or persons, entity and other designated public officials. The report is available for public inspection at the State Department of the Legislative Aide for each, whose jurisdiction, at the office of the people clerk of court.

Release Date: AUG 03 1999

THIRD JUDICIAL DISTRICT
INCENT DEFENDER BOARD
PARISH OF LINCOLN AND UNION, LOUISIANA

TABLE OF CONTENTS

	<u>PAGE</u>
Compilation Report	1
Balance Sheet	2
Statement of Revenues, Expenditures, and Changes in Fund Balance	3
Notes to the Financial Statements	4 - 6
Independent Accountant's Report on Applying Agreed - Upon Procedures	7 - 9

WILLIAM D. EDWARDS

Certified Public Accountant
A Professional Accounting Corporation
Member: AICPA / Society of CPAs

Third Judicial District
Judgment Debtor Board
Parishes of Lincoln and Union, Louisiana

I have compiled the accompanying general purpose financial statements of the Third Judicial District Judgment Debtor Board as of December 31, 1997, in accordance with standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.



Walter, Louisiana
June 28, 1998

**THIRD JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
PARISHES OF LINCOLN AND LINDEN, LOUISIANA
YEAR ENDED DECEMBER 31, 1997**

Balance Sheet

ASSETS	<u>General</u>	
Cash	\$ 233,213	
Accounts Receivable - Other Government Units	12,168	
TOTAL ASSETS	\$ 245,381	\$ 245,381
LIABILITIES AND FUND EQUITY		
LIABILITIES		
Accounts Payable	\$ 2,262	
TOTAL LIABILITIES		2,262
FUND EQUITY		
Fund Balance - Unreserved/Undesignated	243,119	
TOTAL FUND EQUITY		243,119
TOTAL LIABILITIES AND FUND EQUITY	\$ 245,381	\$ 245,381

The accompanying notes are an integral part of this statement.

**THIRD JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
PARISHES OF LINCOLN AND UNION, LOUISIANA**

**Statement of Revenues, Expenditures, and
Changes in Fund Balance
Year Ended December 31, 1997**

REVENUE

Court costs on fees and forfeitures	\$ 265,100	
Use of money and property - interest earnings	500	
Total Revenues	\$ 265,600	\$ 265,600

EXPENDITURES

General government		
Compensation - Chief Indigent Defender	\$ 143,800	
Attorney fees	38,385	
Accounting services	3,345	
Books and Publications	1,828	
Insurance	538	
Office supplies and expense	21,718	
Office Systems	11,000	
Equipment Rent	6,025	
Telephone Expense	3,175	
Total Expenditures		248,824

EXCESS OF EXPENDITURES OVER REVENUES **17,777**

FUND BALANCE AT BEGINNING OF YEAR **219,891**

FUND BALANCE AT END OF YEAR **\$ 202,114**

The accompanying notes are an integral part of this statement.

**THIRD JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
PARISHES OF LINCOLN AND UNION, LOUISIANA**

**Notes to the Financial Statements
Year Ended December 31, 1997**

INTRODUCTION

The Third Judicial District Indigent Defender Board, established in compliance with Louisiana Revised Statutes 15:144-149, provides counsel to represent indigents (poorly indigent(s)) in criminal and quasi-criminal cases at the district court level. The judicial district encompasses the parishes of Lincoln and Union, Louisiana. The board is composed of five members who are appointed by the district court. The board members serve without compensation. Revenues to finance the board's operations are provided primarily from court costs on fees imposed by the various courts within the district. The board has no employees; however, it has a contract with its chief indigent defender to provide legal services to indigents.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the Third 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.

B. REPORTING ENTITY

Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in accordance with GASB Codification Section 2100, the indigent defender board is a part of the district court system of the State of Louisiana. However, the state statutes that create the boards also give each of the boards 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 indigent defender board is financially independent and operates autonomously from the State of Louisiana and independently for the district court system. Therefore, the board reports as an independent reporting entity, and the financial statements include only the transactions of the Third Judicial District Indigent Defender Board.

**THIRD JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
PARISHES OF LINCOLN AND UNION, LOUISIANA**

**Notes to the Financial Statements (Continued)
Year Ended December 31, 1997**

C. FUND ACCOUNTING

The board uses a fund (General Fund) to report on its financial position and the results of 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 accounting entity with a self-balancing set of accounts. The fund of the board is classified as a governmental fund (General Fund), which accounts for the board's general activities.

B. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The General Fund is accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The operating statement presents increases and decreases in net current assets. The modified accrual basis of accounting is used by the General Fund. The General Fund uses the following practices in recording revenues and expenditures:

Revenues

Court costs on fines and forfeitures are recorded in the year they are collected by the appropriate courts.

Fees from indigents are recorded when received.

Interest income is recorded in the year in which it is earned.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

**THIRD JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
PARISHES OF LINCOLN AND UNION, LOUISIANA**

**Notes to the Financial Statements (Continued)
Year Ended December 31, 1997**

E. BUDGET PRACTICES

Management has determined that, because of the nature and amount of expenditures, adoption of a budget is not required for control purposes. Accordingly, the board did not adopt a budget for the year ended December 31, 1997. Therefore, the accompanying financial statements do not include a budget comparison.

F. CASH

Cash includes accounts in demand deposits maintained by the indigent defender board. Under state law, the indigent defender board 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.

2. CASH

At December 31, 1997, the board has cash totaling \$ 233,212, in demand deposits. 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 bank. The board has deposit balances (collected bank balances) of \$257,008, at December 31, 1997, which are fully insured by federal deposit insurance (GASB Risk Category 1).

3. LITIGATION AND CLAIMS

There is no litigation pending against the indigent defender board at December 31, 1997.

WILLIAM D. EDWARDS

Certified Public Accountant
A Professional Accounting Corporation
Member: AICPA, Society of CPAs

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Management of the Third Judicial District Indigent Defender Board

I have performed the procedures included in the *Louisiana-Government Audit Guide* referenced below, which was agreed to by the management of the Third Judicial District Indigent Defender Board and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the board's compliance with certain laws and regulations during the year ended December 31, 1997 included in the accompanying *Louisiana Attention: Governmental*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified user of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$5,000, or public works exceeding \$30,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2215 (the public bid law).

No expenditures were made during the year for materials and supplies exceeding \$5,000 and no expenditure was made for public works exceeding \$30,000. I examined cash disbursement records which indicated no purchases which would require public bidding requirements.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1129 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management did not provide me with the required data including the noted information. Two board members have not responded to the questionnaire at the report date.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided me with the required information, which shows there are no employees.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (2) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

There are no employees.

Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.

The Board did not adopt a budget.

6. Trace the budget adoption and amendments to the minute book.

As noted in 5 above, there is no budget for the fiscal year ended December 31, 1993.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceed budgeted amounts by more than 5%.

As noted in 5 above, there is no budget for the fiscal year ended December 31, 1993.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:
(a) trace payments to supporting documentation as to proper amount and payee;

I examined supporting documentation for each of the six selected disbursements and found the following:

All six checks were traced to supporting documentation.

(b) determine if payments were properly coded to the correct fund and general ledger account;

All six checks were coded to the correct fund and general ledger account.

(c) determine whether payments received approval from proper authorities.

All six checks received approval from proper authorities.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

The Third Judicial District Indigent Defendants Board is only required to post a notice of each meeting and the accompanying agenda on the doors of the district's office building. Although management has asserted that such documents were properly posted, I could find no evidence supporting such assertion other than an unmarked copy of the notices and agendas. There were no official meetings of the board in 1997, due to lack of a quorum.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

None of the deposits were proceeds from bank loans, bonds, or like indebtedness.

Advances and Benefits

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

There are no employees.

I was not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of the Third Judicial District Indigent Defender Board and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.



Monroe, Louisiana
June 28, 1998

LOUISIANA ATTESTATION QUESTIONNAIRE

06/27/98 Date

William D. Edwards, CPA AFAC

210 N. Terrell

Baton Rouge, La. 71228

(Auditor)

In connection with your compilation of our financial statements as of 12/31/97, and for the period then ended, and as required by Louisiana Revised Statute 28:513 and the Louisiana Governmental Audit Guide, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of 6/2/98 (Date).

Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office.

Yes No **Code of Ethics for Public Officials and Public Employees**

It is true that no employees or officials have accepted anything of value, whether in the form of service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes No

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1983, under circumstances that would constitute a violation of LSA-RS 42:1113.

Yes No **Budgeting**

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 38:1301-14) or the budget requirements of LSA-RS 39-43.

Yes No

LOUISIANA ATTESTATION QUESTIONNAIRE

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:3, 44:31, and 44:38.

Yes No

We have filed our annual financial statements in accordance with LSA-RS 24:514, 24:463, and/or 24:52, as applicable.

Yes No

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes No

Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:17.

Yes No

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, and LSA-RS 47:1416-60.

Yes No

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinions 79-728.

Yes No

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance with any laws or regulations subsequent to the issuance of this report.

LOUISIANA ATTESTATION QUESTIONNAIRE

Deanna D McCallie Secretary 6/2/98 Date

Treasurer Date

President Date

Note-Quasi-public entities should delete reference to the above statutes, unless required to follow such laws by contract with their public funding agencies. The quasi-public entities should include a representation that they have complied with the contractual provisions under which they have received state and/or local funds.