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Judicial Expense Fund for the Family Court  
of the Parish of East Baton Rouge  
A Component Unit of the City of Baton Rouge  
Parish of East Baton Rouge, Louisiana  
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 7/15/98

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HAWTHORN, WARMOUTH & CARROLL, L.L.P.



CERTIFIED PUBLIC ACCOUNTANTS

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March 23, 1998

Independent Auditor's Report

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Judicial Expense Fund for the Family Court  
of the Parish of East Baton Rouge  
Baton Rouge, Louisiana

We have audited the accompanying general purpose financial statements of the Judicial Expense Fund for the Family Court of the Parish of East Baton Rouge, a component unit of the City of Baton Rouge, Parish of East Baton Rouge, Louisiana, as of and for the year ended December 31, 1997. These general purpose financial statements are the responsibility of the Fund'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 Governmental Auditing Standards, issued by the Comptroller General of the United States. These standards require that we 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. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material aspects, the financial position of the Judicial Expense Fund for the Family Court of the Parish of East Baton Rouge, 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, we have also issued a report dated March 23, 1998 on our consideration of the Judicial Expense Fund for the Family Court of the Parish of East Baton Rouge's internal control structure and its compliance with laws and regulations.

Yours truly,

*Hawthorn, Warmouth, & Carroll L.L.P.*

**Judicial Expense Fund for the Family Court of the Parish of East Baton Rouge**  
**A Component Unit of the City of Baton Rouge, Parish of East Baton Rouge, Louisiana**  
**Combined Balance Sheet - All Fund Types and Account Groups**  
**December 31, 1997**

**A S S E T S**

	<b>Governmental Fund Type General Fund</b>	<b>Account Group General Fixed Assets</b>	<b>Total (Memorandum Only)</b>
<b>Assets</b>			
Cash	\$93,906		\$93,906
Certificates of deposit	79,777		79,777
Receivable from Clerk of Court's office	8,179		8,179
Receivable from City Parish	8,130		8,130
Interest receivable	595		595
General fixed assets	_____	\$85,620	\$85,620
<b>Total assets</b>	<b><u>180,587</u></b>	<b><u>85,620</u></b>	<b><u>266,207</u></b>

**Liabilities and Fund Equity**

<b>Liabilities</b>			
Accounts payable	\$340		\$340
Accrued payroll	8,236		8,236
<b>Fund Equity</b>			
Investment in general fixed assets		\$85,620	\$85,620
Fund balance - unreserved	180,011	_____	180,011
<b>Total liabilities and fund equity</b>	<b><u>188,587</u></b>	<b><u>85,620</u></b>	<b><u>266,207</u></b>

The accompanying notes are an integral part of these statements.

**Judicial Expense Fund for the Family Court of the Parish of East Baton Rouge  
A Component Unit of the City of Baton Rouge, Parish of East Baton Rouge, Louisiana  
Statement of Revenue and Expenditures and Changes in Fund Balance  
General Fund  
Year Ended December 31, 1997**

<b>Revenue</b>	
Court fees	\$112,364
<b>Other Financing Sources</b>	
City/Parish	221,564
Interest income	3,803
Miscellaneous	<u>1,007</u>
<b>Total revenue and other financing sources</b>	<b>338,738</b>
<b>Expenditures</b>	
Current:	
General Government	
Salaries	213,090
Supplemental pay	20,674
Payroll taxes	5,721
Louisiana Workman's Compensation	2,169
Parking fees	5,800
Professional fees	2,138
Supplies	1,180
Telephone	1,286
Dues and memberships	390
Insurance communications	160
Bank service charges	224
Continuing education	1,734
Miscellaneous	1,000
Capital outlay	<u>12,166</u>
<b>Total expenditures</b>	<b>278,162</b>
<b>Excess of Revenue and Other Financing Sources Over Expenditures</b>	<b>58,766</b>
<b>Fund Balance, January 1</b>	<b>213,826</b>
<b>Fund Balance, December 31</b>	<b><u>272,592</u></b>

The accompanying notes are an integral part of these statements.

**Judicial Expense Fund for the Family Court of the Parish of East Baton Rouge**  
**A Component Unit of the City of Baton Rouge, Parish of East Baton Rouge, Louisiana**  
**Notes to Financial Statements**  
**December 31, 1997**

**Note 1-Summary of Significant Accounting Policies**

The Judicial Expense Fund for the Family Court of the Parish of East Baton Rouge was established in 1988 under Act No. 505 which was an amendment to Title 13 of the Louisiana Revised Statutes of 1950. The Expense Fund was established for the purpose of paying expenses for the Family Court deemed necessary by the Judges for efficient operations of the court.

**A. Basis of Presentation**

The accompanying financial statements of the Judicial Expense Fund for the Family Court of the Parish of East Baton Rouge conform to generally accepted accounting principles (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**B. Fund Accounting**

The Judicial Expense Fund uses funds and account groups to report 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 or an account group is an accounting entity with a self-balancing set of accounts established to record the financial position and results of operations of a specific governmental activity. The Judicial Expense Fund maintains the following fund types and account groups:

Governmental Fund Type, the General Fund, which is used to record the general operations of the Judicial Expense Fund.

General Fund Assets Account Group, which is used to account for property and equipment purchased by the General Fund.

The combined financial statements include total columns that aggregate the financial statements of the fund type and account group. The columns are labeled "Memorandum Only" because the totals are not comparable to a consolidation in that interfund transactions are not eliminated.

**C. 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. Oversight responsibility by the Judicial Expense Fund is determined on the basis of the accountability for fiscal matters under the control of the Judicial Expense Fund's administrator and Judges of the Family Court.

**Judicial Expense Fund for the Family Court of the Parish of East Baton Rouge**  
**A Component Unit of the City of Baton Rouge, Parish of East Baton Rouge, Louisiana**  
**Notes to Financial Statements**  
**December 31, 1997**

**Note 1-Summary of Significant Accounting Policies (Continued)**

**C. Reporting Entity (Continued)**

Because the operations of the Family Court are funded by East Baton Rouge City/Parish government, the Fund was determined to be a component unit of the City of Baton Rouge, the governing body of the City/Parish and the governmental body with oversight responsibility. The accompanying financial statements present information only on the funds maintained by the Judicial Expense Fund and do not present information on the City of Baton Rouge, the general government services provided by that governmental unit, or the other governmental units that comprise the governmental reporting entity.

**D. Basis of Accounting**

Basis of accounting refers to when revenue 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.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenue is recognized when it becomes measurable and available as net current assets. Court fees are considered measurable when in the hands of the clerk of court and are considered revenue at that time.

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

**E. Fixed Assets**

Fixed assets used in governmental fund type operations (general fund assets) are accounted for in the General Fixed Assets Account Group rather than in governmental funds and are recorded as expenditures in the governmental fund types at the time purchased. No depreciation has been provided on general fixed assets. All fixed assets are recorded at historical cost. The Fixed Asset Account Group is not a "Fund." It is concerned only with the measurement of financial position. It is not involved with the measurement of results of operations.

**F. Budget and Budgetary Accounting**

The expense fund does not use budgeting as part of its financial reporting.

**G. Investments**

Investments, which consist of certificates of deposit, are stated at cost.

**Judicial Expense Fund for the Family Court of the Parish of East Baton Rouge  
A Component Unit of the City of Baton Rouge, Parish of East Baton Rouge, Louisiana  
Notes to Financial Statements  
December 31, 1997**

**Note 2-Cash and Investments**

Cash and investments, which consist entirely of checking accounts and certificates of deposit, are fully insured by the Federal Deposit Insurance Corporation. These deposits are stated at cost, which approximates market.

**Note 3-Changes in General Fixed Assets**

A summary of the changes in general fixed assets follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Adjustments/ Deletions</u>	<u>Ending Balance</u>
Equipment and furniture	\$67,320	\$90,669	(832)	\$157,157
Law library	8,767	1,570	—	10,337
Building improvements	<u>2,485</u>	<u>—</u>	<u>—</u>	<u>2,485</u>
<b>Total general fixed assets</b>	<b><u>78,572</u></b>	<b><u>92,239</u></b>	<b><u>—</u></b>	<b><u>170,811</u></b>

**Note 4-Retirement**

Employees of the Family Court participate in the Employees' Retirement System-City of Baton Rouge and Parish of East Baton Rouge. The City/Parish makes the employer's portion of contributions as required by the City's charter. The employees are required to make a contribution of 8% of their salaries.

**Note 5-Per-Diem Paid to Judges**

Judges are not paid a per-diem or given compensation through the Judicial Expense Fund.



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March 23, 1998

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**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**

Judicial Expense Fund for the Family Court  
of the Parish of East Baton Rouge  
Baton Rouge, Louisiana

We have audited the general purpose financial statements of the Judicial Expense Fund for the Family Court of the Parish of East Baton Rouge, a component unit of the City of Baton Rouge, Parish of East Baton Rouge, Louisiana, as of and for the year ended December 31, 1997, and have issued our report thereon dated March 23, 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 Judicial Expense Fund for the Family Court of the Parish of East Baton Rouge's general purpose financial statements are free of material misstatements, 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 Judicial Expense Fund for the Family Court of the Parish of East Baton Rouge's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose 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 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. 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 the Judges, management and Legislative Auditor. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Yours truly,

*Hawthorn, Weymouth & Carroll LLP*