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DISTRICT ATTORNEY OF THE EIGHTEENTH  
JUDICIAL DISTRICT

Parishes of Iberville, Pointe Coupee,  
and West Baton Rouge, Louisiana

General Purpose Financial Statements  
and Independent Auditors' Report  
For The Year Ended December 31, 1998

Under provisions of state law, this  
report is a public document. A  
copy of the report has been submit-  
ted 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 Audi-  
tor and, where appropriate, at the  
office of the parish clerk of court.

Release Date JUN 02 1999

DISTRICT ATTORNEY OF THE EIGHTEENTH  
JUDICIAL DISTRICT

Parishes of Iberville, Pointe Coupee,  
and West Baton Rouge, Louisiana

General Purpose Financial Statements  
and Independent Auditors' Report  
For The Year Ended December 31, 1998

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# MAJOR & MORRISON

CERTIFIED PUBLIC ACCOUNTANTS

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MEMBERS:  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITORS' REPORT

To the District Attorney, 18th Judicial District  
P O Box 880  
Plaquemine, Louisiana 70765-08880

We have audited the accompanying general purpose financial statements of the District Attorney, 18th Judicial District for the Parishes of Iberville, Pointe Coupee and West Baton Rouge, State of Louisiana, a component unit of the Iberville, Pointe Coupee and West Baton Rouge Parish Police Juries, as of and for the year ended December 31, 1998, as listed in the table of contents. These general purpose financial statements are the responsibility of the management of the District Attorney, 18th Judicial District. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

Except as discussed in the following paragraph, 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.

Governmental Accounting Standards Board Technical Bulletin 98-1, *Disclosures about Year 2000 Issues*, requires disclosure of certain matters regarding the Year 2000 issue. The District Attorney of the 18th District has included such disclosures in Note 9. Because of the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Accordingly, insufficient audit evidence exists to support the District Attorney of the 18th District's disclosures with respect to the Year 2000 issue made in Note 9. Further, we do not provide assurance that the District Attorney of the 18th District is or will be year 2000 ready, that the District Attorney of the 18th District's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the District Attorney of the 18th District does business will be 2000 ready.

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to examine evidence regarding year 2000 disclosures, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the District Attorney, 18th Judicial District for the Parishes of Iberville, Pointe Coupee and West Baton Rouge, State of Louisiana, as of December 31, 1998, 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 May 10, 1999 on our consideration of the District Attorney's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

POST OFFICE BOX 190, NEW ROADS, LA 70760 - PHONE (225) 638-4531 FAX (225) 638-6898

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying supplemental information schedules listed in the foregoing table of contents are presented for the purpose of additional analysis and are not a required part of the general purpose financial statements of the District Attorney. 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.

*Major and Morrison*

Major and Morrison  
New Roads, Louisiana  
May 10, 1999

JUNIANIS

**DISTRICT ATTORNEY OF THE EIGHTEENTH  
JUDICIAL DISTRICT  
Plaquemine, Louisiana  
ALL FUND TYPES AND ACCOUNT GROUPS**

**Combined Balance Sheet, December 31, 1998**

	<u>GOVERNMENTAL</u> <u>FUND TYPE</u>		<u>FIDUCIARY</u> <u>FUND TYPE</u>		<u>ACCOUNT</u> <u>GROUP</u>	
	<u>GENERAL</u> <u>FUND</u>	<u>SPECIAL</u> <u>REVENUE</u> <u>FUNDS</u>	<u>AGENCY</u> <u>FUNDS</u>	<u>GENERAL</u> <u>FIXED</u> <u>ASSETS</u>	<u>GENERAL</u> <u>FIXED</u> <u>ASSETS</u>	<u>TOTAL</u> <u>(MEMORANDUM</u> <u>ONLY)</u>
<b>ASSETS AND OTHER DEBITS</b>						
<b>Assets:</b>						
Cash and cash equivalents	\$ 283,526	\$ 10,010	\$ 27,727	\$ 0	\$ 0	\$ 321,263
Receivables	29,067	24,103	0	0	0	53,170
Other assets	0	200	0	0	0	200
Land, buildings, and equipment	0	0	0	175,702	175,702	175,702
<b>Total Assets and Other Debits</b>	<b>\$ 312,593</b>	<b>\$ 34,313</b>	<b>\$ 27,727</b>	<b>\$ 175,702</b>	<b>\$ 175,702</b>	<b>\$ 550,335</b>
<b>LIABILITIES, EQUITY, AND OTHER CREDITS</b>						
<b>Liabilities:</b>						
Accounts payable	\$ 2,347	\$ 2,319	\$ 0	\$ 0	\$ 0	\$ 4,666
Payroll deductions and withholdings	1,141	763	0	0	0	1,904
Amounts held in custody for others	0	0	27,727	0	0	27,727
<b>Total Liabilities:</b>	<b>3,488</b>	<b>3,082</b>	<b>27,727</b>	<b>0</b>	<b>0</b>	<b>34,297</b>
<b>Equity and Other Credits:</b>						
Investment in general fixed assets	0	0	0	175,702	175,702	175,702
Fund balances						
Unreserved - designated	0	31,231	0	0	0	31,231
Unreserved - undesignated	309,105	0	0	0	0	309,105
<b>Total Equity and Other Credits</b>	<b>309,105</b>	<b>31,231</b>	<b>0</b>	<b>175,702</b>	<b>175,702</b>	<b>516,038</b>
<b>TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS</b>	<b>\$ 312,593</b>	<b>\$ 34,313</b>	<b>\$ 27,727</b>	<b>\$ 175,702</b>	<b>\$ 175,702</b>	<b>\$ 550,335</b>

The accompanying notes are an integral part of this statement.



**DISTRICT ATTORNEY OF THE EIGHTEENTH  
JUDICIAL DISTRICT  
Plaquemine, Louisiana  
GOVERNMENTAL FUNDS**

**Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
For the Year Ended December 31, 1998**

<b>REVENUES</b>	<b>GENERAL FUND</b>	<b>SPECIAL REVENUE FUND</b>	<b>TOTAL (MEMORANDUM ONLY)</b>
Commissions on fines and forfeitures and fees for collection of worthless checks	\$ 358,240	\$ 42,292	\$ 400,532
Intergovernmental revenues:			
Parish police juries	99,468	0	99,468
Federal grants	0	159,544	159,544
Other	28,603	0	28,603
Interest earnings	3,378	0	3,378
Other revenues	68,346	0	68,346
 Total revenues	 558,035	 201,836	 759,871
 <b>EXPENDITURES</b>			
Salaries and related benefits	297,226	140,956	438,182
Legal and accounting	9,501	2,644	12,145
Insurance	2,397	0	2,397
Office supplies	12,503	10,562	23,065
Repairs and maintenance	5,036	10,486	15,522
Utilities	3,839	5,554	9,393
Capital outlay	22,092	1,622	23,714
Miscellaneous	21,864	21,392	43,256
 Total expenditures	 374,458	 193,216	 567,674
 <b>EXCESS(Deficiency) OF REVENUES OVER EXPENDITURES</b>	 183,577	 8,620	 192,197
 <b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds from sale of assets	21,206	0	21,206
Transfers in	41,554	44,000	85,554
Transfers out	(44,000)	(41,554)	(85,554)
Total other financing sources (uses)	18,760	2,446	21,206
 <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER USES</b>	 202,337	 11,066	 213,403
 <b>FUND BALANCE AT BEGINNING OF YEAR</b>	 106,768	 20,165	 126,933
<b>FUND BALANCE AT END OF YEAR</b>	<b>\$ 309,105</b>	<b>\$ 31,231</b>	<b>\$ 340,336</b>

The accompanying notes are an integral part of this statement.

**DISTRICT ATTORNEY OF THE EIGHTEENTH  
JUDICIAL DISTRICT  
Plaquemine, Louisiana  
GOVERNMENTAL FUNDS - GENERAL FUNDS**

**Statement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget  
(GAAP Basis) and Actual  
For the Year Ended December 31, 1998**

<b>REVENUES</b>	<b>BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE FAVORABLE (UNFAVORABLE)</b>
Commissions on fines, forfeitures and fees for collection of worthless checks	\$ 291,000	\$ 358,240	\$ 67,240
Intergovernmental revenues:			
Parish police jury	127,000	99,468	\$ (27,532)
Other	0	28,603	28,603
Interest earnings	0	3,378	3,378
Other revenues	80,000	68,346	(11,654)
 Total revenues	 498,000	 558,035	 60,035
 <b>EXPENDITURES</b>			
Salaries and related benefits	304,000	297,226	6,774
Legal and accounting	10,000	9,501	499
Insurance	4,000	2,397	1,603
Office supplies	15,000	12,503	2,497
Repairs and maintenance	12,000	5,036	6,964
Utilities	5,000	3,839	1,161
Capital outlay	74,000	22,092	51,908
Miscellaneous	31,000	21,864	9,136
 Total expenditures	 455,000	 374,458	 80,542
 <b>EXCESS(Deficiency) OF REVENUES OVER EXPENDITURES</b>	 43,000	 183,577	 140,577
 <b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds from sale of assets	0	21,206	21,206
Transfers in	41,554	41,554	0
Transfers out	(44,554)	(44,000)	554
 Total other financing sources (uses)	 (3,000)	 18,760	 21,760
 <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER USES</b>	 40,000	 202,337	 162,337
 <b>FUND BALANCE AT BEGINNING OF YEAR</b>	 106,768	 106,768	 0
 <b>FUND BALANCE AT END OF YEAR</b>	 \$ 146,768	 \$ 309,105	 \$ 162,337

The accompanying notes are an integral part of this statement.

**DISTRICT ATTORNEY OF THE EIGHTEENTH  
JUDICIAL DISTRICT  
Plaquemine, Louisiana  
GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS**

**Statement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget  
(GAAP Basis) and Actual**

<b>REVENUES</b>	<b>BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE FAVORABLE (UNFAVORABLE)</b>
Commissions on fines, forfeitures and fees for collection of worthless checks	\$ 40,000	\$ 42,292	\$ 2,292
Intergovernmental revenues:			
Federal grants	189,937	159,544	(30,393)
<b>Total revenues</b>	<b>229,937</b>	<b>201,836</b>	<b>(28,101)</b>
 <b>EXPENDITURES</b>			
Salaries and related benefits	148,960	140,956	8,004
Legal and accounting	2,000	2,644	(644)
Office supplies	10,660	10,562	98
Repairs and maintenance	9,000	10,486	(1,486)
Utilities	4,000	5,554	(1,554)
Capital outlay	0	1,622	(1,622)
Miscellaneous	45,497	21,392	24,105
<b>Total expenditures</b>	<b>220,117</b>	<b>193,216</b>	<b>26,901</b>
 <b>EXCESS(Deficiency) OF REVENUES OVER EXPENDITURES</b>	<b>9,820</b>	<b>8,620</b>	<b>(1,200)</b>
 <b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	58,180	44,000	(14,180)
Transfers out	(77,000)	(41,554)	35,446
<b>Total other financing sources (uses)</b>	<b>(18,820)</b>	<b>2,446</b>	<b>21,266</b>
 <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER USES</b>	<b>(9,000)</b>	<b>11,066</b>	<b>20,066</b>
 <b>FUND BALANCE AT BEGINNING OF YEAR</b>	<b>18,354</b>	<b>20,165</b>	<b>1,811</b>
 <b>FUND BALANCE AT END OF YEAR</b>	<b>\$ 9,354</b>	<b>\$ 31,231</b>	<b>\$ 21,877</b>

The accompanying notes are an integral part of this statement.



**DISTRICT ATTORNEY OF THE EIGHTEENTH JUDICIAL DISTRICT  
Parishes of Iberville, Pointe Coupee,  
and West Baton Rouge, Louisiana**

**Notes to the Financial Statements  
For the Year Ended December 31, 1998**

**INTRODUCTION**

As provided by Article V, Section 26 of the Louisiana Constitution of 1984, the District Attorney 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 the legal advisor 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 District Attorney currently employs 33 people.

**1. SUMMARY OF SIGNIFICANT POLICIES**

**A. BASIS OF PRESENTATION**

The accompanying general purpose financial statements of the District Attorney of the 18th Judicial District, a component unit of the Iberville, Pointe Coupee, and West Baton Rouge Parish Police Juries, have been prepared in conformity with general 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 is an independent elected official; however, the district attorney is fiscally dependent on the Iberville, Pointe Coupee, and West Baton Rouge Parish Police Juries. The police juries maintain and operate the parish courthouse in which the district attorney's offices are located and provide funds for payroll and other expenses of the district attorney's office. For these reasons, the district attorney was determined to be a component unit of the Iberville, Pointe Coupee, and West Baton Rouge Parish Police Juries, the financial reporting entities of the Iberville, Pointe Coupee, and West Baton Rouge Parishes.

The accompanying financial statements present information only on the funds maintained by the district attorney and do not present information on the police juries, the general governmental services provided by those governmental units, or the other governmental units that comprise the financial reporting entities.

**C. FUND ACCOUNTING**

The district attorney uses funds and account groups to report on its financial position and the 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 accounting 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.

DISTRICT ATTORNEY OF THE EIGHTEENTH JUDICIAL DISTRICT  
Parishes of Iberville, Pointe Coupee,  
And West Baton Rouge, Louisiana  
Notes to the Financial Statements (Continued)

1. SUMMARY OF SIGNIFICANT POLICIES (CONTINUED)

Funds of the district attorney are classified as governmental funds. Governmental funds account for the district attorney's general activities, including the collection and disbursement of specific or legally restricted monies, and the acquisition of general fixed assets. Governmental funds of the district attorney include the following:

**General Fund**

The General Fund was established in compliance with Louisiana Revised Statute 15:571.11, which provides that 12% of the fines collected and bonds forfeited be transmitted to the district attorney to defray the necessary expenditures of his office.

**Title IV-D Special Revenue Fund**

The Title IV-D Special Revenue Fund consists of incentive payments and reimbursement grants from the Louisiana Department of Social Services, authorized by Act 117 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.

**Worthless Check Collection Fee Special Revenue Fund**

The Worthless Check Collection Fee Special Revenue Fund consists of fees collected in accordance with Louisiana Revised Statute 16:15, which provides for a specific fee whenever the district attorney's office collects and processes a worthless check. Expenditures from this fund 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.

**Fiduciary Funds**

Fiduciary Funds include Trust Funds and Agency Funds to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. Agency Funds are purely custodial and thus do not involve measurement of results of operations.

The District Attorney's Office maintains an Agency Fund to account for certain assets seized for forfeiture and held in the custody of the District Attorney.

The District Attorney's Office also maintains an Agency Fund to account for criminal bail bond premium fees collected and distributed in accordance with Act 834 of 1993.

DISTRICT ATTORNEY OF THE EIGHTEENTH JUDICIAL DISTRICT  
Parishes of Iberville, Pointe Coupee,  
And West Baton Rouge, Louisiana  
Notes to the Financial Statements(Continued)

1. SUMMARY OF SIGNIFICANT POLICIES (CONTINUED)

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. The governmental funds use the following practices in recording revenues and expenditures:

**Revenues**

Revenues are recognized when they become both measurable and available to finance expenditures of the current period. Certain revenues are assessed and collected in such a manner that they can be accrued appropriately.

Commissions on the fines and forfeitures are recorded in the year they are collected by the tax collector, an intermediary collecting government.

Intergovernmental revenues are recorded when the District Attorney is entitled to the funds.

**Expenditures**

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

**Other Financing Sources (Uses)**

Transfers between funds that are not expected to be repaid and proceeds from the sale of assets are accounted for as other financing sources (uses).

E. BUDGETS

Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles. The proposed budget for fiscal year December 31, 1998 was made available for public inspection in accordance with RS39:1306. The proposed budget, prepared on the modified accrual basis of accounting, was published in the official journal in accordance with RS39:1306. The public hearing was held at the District Attorney's office on December 8, 1997 for comments from taxpayers. The budget was legally adopted and amended, as necessary, by the District Attorney.

All expenditure appropriations lapse at year end. The District Attorney has sole authority to make changes or amendments within various budget classification. Amendments were made to the original General Fund budget for the year ended December 31, 1998. Budget amounts included in the accompanying financial statements include the amended budget.



DISTRICT ATTORNEY OF THE EIGHTEENTH JUDICIAL DISTRICT  
Parishes of Iberville, Pointe Coupee,  
And West Baton Rouge, Louisiana  
Notes to the Financial Statements (Continued)

1. SUMMARY OF SIGNIFICANT POLICIES (CONTINUED)

**F. ENCUMBRANCES**

Encumbrance accounting, is not employed by the Office of the District Attorney of the Eighteenth Judicial district.

**G. CASH AND CASH EQUIVALENTS  
AND INVESTMENTS**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. 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 or any other state of the United States, or under the laws of the United States.

Investments are limited by R.S. 33:2955 and the district attorney's investment policy. The district attorney may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

**H. FIXED ASSETS**

Fixed assets are recorded as expenditures at the time purchased or constructed, and the related assets are reported in the General Fixed Assets Account Group. Public domain or infrastructures are not capitalized. Interest costs incurred during construction are not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost.

**I. COMPENSATED ABSENCES**

The District Attorney's employees are normally granted two weeks of noncumulative and nonvesting vacation leave a year. Sick leave is granted on "as needed basis". No accrual has been made for vacation pay.

**J. FUND EQUITY**

**Reserves**

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use.

**Designated Fund Balances**

Designated fund balances represent tentative plans for future use of financial resources.

**K. TOTAL COLUMNS ON STATEMENTS**

The total columns are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

DISTRICT ATTORNEY OF THE EIGHTEENTH JUDICIAL DISTRICT  
 Parishes of Iberville, Pointe Coupee,  
 And West Baton Rouge, Louisiana  
 Notes to the Financial Statements (Continued)

1. SUMMARY OF SIGNIFICANT POLICIES (CONTINUED)

L. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. CASH AND CASH EQUIVALENTS

At December 31, 1998, the district attorney has cash and cash equivalents totaling \$321,263 as follows:

Demand deposits	\$ 100,415
Money market accounts	<u>\$ 220,848</u>
Total	<u>\$ 321,263</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal 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 mutually acceptable to both parties. At December 31, 1998, the district attorney has \$342,692 in deposits (bank balances). These deposits are secured from risk by \$221,844 of federal deposit insurance and \$305,573 of pledged securities held by the custodial banks in the name of the fiscal agent banks.

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 3, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 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, 1998:

	<u>General Fund</u>	<u>Other</u>	<u>Total</u>
Accounts Receivable	<u>\$29,067</u>	<u>\$24,103</u>	<u>\$53,170</u>



DISTRICT ATTORNEY OF THE EIGHTEENTH JUDICIAL DISTRICT  
 Parishes of Iberville, Pointe Coupee,  
 And West Baton Rouge, Louisiana  
 Notes to the Financial Statements (Continued)

4. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance January 1, 1998	Additions	Deletions	Balance December 31, 1998
Automobile	\$ 52,594	\$ 15,000	\$ 43,689	\$ 23,905
Office furniture & equipment	<u>143,084</u>	<u>8,713</u>	<u>-</u>	<u>151,797</u>
TOTAL	<u>\$195,678</u> =====	<u>\$ 23,713</u> =====	<u>\$ 43,689</u> =====	<u>\$175,702</u> =====

5. PENSION PLAN

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 60 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, 1990, and who elected not to be covered by the new provisions, the following applies: Any member with 23 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 30 or more years of service. Any member with at least 18 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 10 years of service may retire at age 60 with a 3 per cent benefit reduction for each year retiring below the age of 62. The retirement benefit is equal to 3 per cent of the member's average final compensation multiplied by the number of years of his membership service, not to exceed 100 per cent of his average final compensation.

For members who joined the System after July 1, 1990, 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 10 years of service credit, are age 55 and have 24 years of service credit, or have 30 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 18 years of service credit. The early retirement benefit is equal to 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. That report may be obtained by writing to the Louisiana District Attorneys Retirement System, 2109 Decatur Street, New Orleans, Louisiana 70116-2091, or by calling (504) 947-5551.

**DISTRICT ATTORNEY OF THE EIGHTEENTH JUDICIAL DISTRICT**  
**Parishes of Iberville, Pointe Coupee,**  
**And West Baton Rouge, Louisiana**  
**Notes to the Financial Statements (Continued)**

FUNDING POLICY. Plan members are required by state statute to contribute 7.0 percent of their annual covered salary and the district attorney is required to contribute at an actuarially determined rate. The rate from July 1, 1997 to June 30, 1998 was 1.25 percent and the rate from July 1, 1998 to June 30, 1999 is 0.00 percent of covered payroll. 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 11:103, 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, 1998, 1997, and 1996, were \$1,234, \$2,180, and \$3,828, respectively, equal to the required contributions for each year.

**6. LEASES**

The district attorney had no capital leases as of December 31, 1998. The district attorney has operating leases of the following nature:

Lease of copier @ \$322 per month.

The minimum annual commitments under operating leases are as follows:

Fiscal year:	<u>Equipment</u>
1999	3,866
2000	3,866
2001	3,866
2002	<u>644</u>
Total	<u>\$12,242</u>

**7. LITIGATION AND CLAIMS**

There is no litigation pending against the District Attorney's Office.

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

The accompanying financial statements do not include expenses of the District Attorney paid from the criminal court funds, from other parish funds or directly by the state. A portion of the salaries of the District Attorney and Assistant District Attorneys are paid by the state. The parishes of West Baton Rouge and Iberville pay certain salaries and employer contributions of some clerical personnel.

**9. YEAR 2000 ISSUE**

The year 2000 issue is the result of shortcomings in many electronic data processing systems and other electronic equipment that may adversely affect the government's operations as early as fiscal year 1999.

The District Attorney of the 18th District has not inventoried computer systems and other electronic equipment that may be affected by the year 2000 issue and that are necessary to conducting the District Attorney of the 18th District operations. It is unknown as of May 10, 1999, what effects, if any, failing to remediate any such systems will have upon the District Attorney of the 18th District operations and financial reporting.

DISTRICT ATTORNEY OF THE EIGHTEENTH JUDICIAL DISTRICT  
 Parishes of Iberville, Pointe Coupee,  
 And West Baton Rouge, Louisiana  
 Notes to the Financial Statements (Continued)

Because of the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Management cannot assure that the District Attorney of the 18th District is or will be Year 2000 ready, that the District Attorney's remediation efforts will be successful in whole or in part, or that parties with whom the District Attorney does business will be year 2000 ready.

**10. FEDERAL FINANCIAL ASSISTANCE PROGRAM**

The District Attorney participates in the following federal financial assistance programs:

<u>Federal Grants/ Program Title</u>	<u>CFDA Number</u>	<u>Pass-Through Grantors Number</u>	<u>Expenditures</u>
Department of Health and Human Services Passed through Louisiana Department of Social Services:			
Title IV-D - Reimbursement assistance for child support			
Direct Grant Reimbursement Funds	13.783	Proj# 3551449	\$121,858
Incentive Payments	13.783		<u>\$ 37,686</u>
			<u>\$159,544</u>

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. The reimbursed 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 ending June 30. The District Attorney submits 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. However, these payments, as well as the reimbursement 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.

**SUPPLEMENTAL INFORMATION SCHEDULES**



**DISTRICT ATTORNEY OF THE EIGHTEENTH  
JUDICIAL DISTRICT  
Plaquemine, Louisiana**

**Combined Statement of Changes In  
Assets and Liabilities - All Agency Funds  
For The Year Ended December 31, 1998**

	<b>Balance 1/1/98</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance 12/31/98</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 119,283	\$ 595,024	\$ 686,580	\$ 27,727
Receivables	3,114	0	3,114	0
	<b>\$ 122,397</b>	<b>\$ 595,024</b>	<b>\$ 689,694</b>	<b>\$ 27,727</b>
Total Assets				
<b>LIABILITIES</b>				
Due to other funds	\$ 933	\$ 0	\$ 933	\$ 0
Due to other governmental entities	2,181	0	2,181	0
Amounts held in custody for others	119,283	595,024	686,580	27,727
	<b>\$ 122,397</b>	<b>\$ 595,024</b>	<b>\$ 685,332</b>	<b>\$ 27,727</b>
Total Liabilities				

The accompanying notes are an integral part of this statement.



# MAJOR & MORRISON

CERTIFIED PUBLIC ACCOUNTANTS

VAN P. MAJOR, CPA, PC  
JOHN L. MORRISON III, CPA, PC  
JOHN H. CAZAYOUX, CPA, PC

MEMBERS:  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

## REPORT ON COMPLIANCE AND INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Richard J. Ward, Jr.  
District Attorney, 18th Judicial District  
P O Box 880  
Plaquemine, Louisiana 70765

We have audited the general purpose financial statements of the District Attorney, 18th Judicial District for the Parishes of Iberville, Pointe Coupee, and West Baton Rouge, State of Louisiana, a component unit of the Iberville, Pointe Coupee, and West Baton Rouge Parish Police Juries, as of and for the year ended December 31, 1998 and have issued our report thereon dated May 10, 1999, which was qualified because insufficient audit evidence exists to support the District Attorney's disclosures with respect to the year 2000 issue. Except as discussed in the preceding sentence, 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's general purpose financial statements are free of material misstatement, we performed tests of 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'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. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgement, could adversely affect the District Attorney's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying Corrective Action Plan for Current Year Audit Findings as item 98-1.

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 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. Our 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 material weaknesses. However, we believe the reportable condition described above is a material weakness.

We also noted other matters involving the internal control structure and its operation that we have reported orally to the management of the District Attorney.

This report is intended for the information of the District Attorney, federal awarding agencies, pass-through entities, and the legislative auditor. However, this report is a matter of public record and its distribution is not limited.

*Major and Morrison*

Major & Morrison  
New Roads, Louisiana  
May 10, 1999

DISTRICT ATTORNEY OF THE EIGHTEENTH  
JUDICIAL DISTRICT

Plaquemine, Louisiana  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 1998

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: Qualified

Internal control over financial reporting:

Material weakness(es) identified?   X   yes    no

Reportable condition(s) identified not  
considered to be material weaknesses?    yes   X   none reported

Noncompliance material to financial statements  
noted?    yes   X   no

SECTION II - FINANCIAL STATEMENT FINDINGS

Finding 98-1

Criteria: Accounting duties should be segregated to achieve effective internal control and safeguarding of assets.

Condition: Lack of segregation of duties in processing cash transactions.

Effect: A defalcation or misappropriation of funds could more easily occur.

Cause: Lack of segregation of duties which permits control to be exercised over the accounting records by a person who also handles or controls cash transactions without any intervention by another person.

Recommendation: We recommend that steps be taken to segregate duties in processing cash transactions.

Management's Response: Because of the limited number of accounting personnel, total segregation of accounting duties will not be possible or cost beneficial. However, management will review accounting procedures and make internal control improvements that are practical.

DISTRICT ATTORNEY OF THE EIGHTEENTH  
 JUDICIAL DISTRICT  
 Plaquemine, Louisiana

Summary Schedule of Prior Audit Findings  
 For the Year Ended December 31, 1998

<u>Ref. No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken</u>	<u>Planned Corrective Action/Partial Corrective Action Taken</u>
Section I - Internal Control and Compliance Material to the Financial Statements:				
Int Cont #1	FY97	Lack of segregation.	Partially	Total segregation is impractical. Will make cost effective improvements.

Section II -- Internal Control and Compliance Material to Federal Awards:

Not applicable.

Section III - Management Letter

Not applicable.

DISTRICT ATTORNEY OF THE EIGHTEENTH  
JUDICIAL DISTRICT  
Plaquemine, Louisiana

Corrective Action Plan for  
Current Year Audit Findings  
For the Year Ended December 31, 1998

<u>Ref. No.</u>	<u>Description of Finding</u>	<u>Corrective Action Planned</u>	<u>Name of Contact Person</u>	<u>Anticipated Completed</u>
<b>Section I - Internal Control and Compliance Material to the Financial Statements:</b>				
98-1	Lack of segregation.	Due to the size of the District Attorney's office, total segregation of accounting duties is impractical. Management will review accounting procedures and make internal control improvements that are cost effective.	R. Ward	Ongoing

**Section II - Internal Control and Compliance Material to Federal Awards:**

Not applicable.

**Section III - Management Letter**

Not applicable.