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Financial Report
Thirty-Second Judicial District
Indigent Defender Board

Houma, Louisiana

December 31, 1995

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 JUN 26 1996

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Bourgeois Bennett

INDEPENDENT AUDITOR'S REPORT

To the Thirty-Second Judicial District
Indigent Defender Board,
Houma, Louisiana.

We have audited the accompanying general purpose financial statements of the Thirty-Second Judicial District Indigent Defender Board (the Board), State of Louisiana, a component unit of the Terrebonne Parish Consolidated Government, as of and for the year ended December 31, 1995, as listed in the table of contents. These general purpose financial statements are the responsibility of the management of the Board. 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 Government Auditing Standard, 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 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 above present fairly, in all material respects, the financial position of the Thirty-Second Judicial District Indigent Defender Board as of December 31, 1995, 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 31, 1996 on our consideration of the Thirty-Second Judicial District Indigent Defender Board's internal control structure and a report dated May 31, 1996 on its compliance with laws and regulations.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

Houma, La.,
May 31, 1996.

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COMBINED BALANCE SHEET
GOVERNMENTAL FUND TYPE AND ACCOUNT GROUP

Thirty -Second Judicial District
Indigent Defender Board

December 31, 1995

	<u>Governmental Fund Type - General</u>	<u>General Fixed Assets Account Group</u>	<u>Total (Memorandum Only)</u>
<u>ASSETS</u>			
Cash	\$ 116,511	\$ -	\$ 116,511
Investments	136,009	-	136,009
Due from governmental units	18,008	-	18,008
Due from indigents	413	-	413
Fixed assets	-	49,900	49,900
	<hr/>	<hr/>	<hr/>
Totals	<u>\$ 270,941</u>	<u>\$ 49,900</u>	<u>\$ 320,841</u>
<u>LIABILITIES</u>			
Accounts payable and accrued expenses	\$ 37,761		\$ 37,761
Deferred revenue	30,000		30,000
	<hr/>		<hr/>
Total liabilities	<u>67,761</u>		<u>67,761</u>
<u>FUND EQUITY</u>			
Investment in general fixed assets	-	\$ 49,900	49,900
Fund balance - unreserved	203,180	-	203,180
	<hr/>	<hr/>	<hr/>
Total fund equity	<u>203,180</u>	<u>49,900</u>	<u>253,080</u>
	<hr/>	<hr/>	<hr/>
Totals	<u>\$ 270,941</u>	<u>\$ 49,900</u>	<u>\$ 320,841</u>

See notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL -
GOVERNMENTAL FUND TYPE - GENERAL FUND**

**Thirty-Second Judicial District
Indigent Defender Board**

For the year ended December 31, 1995

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues			
Grants:			
Louisiana Indigent Defender Board	\$ -	\$ 77,899	\$ 77,899
Service fees:			
Terrebonne Parish Consolidated Government	210,000	194,723	(15,277)
City Court of Houma	60,173	58,654	(1,519)
Terrebonne Parish Sheriff	51,500	48,513	(2,987)
Terrebonne Parish District Attorney	35,300	49,277	13,977
Reimbursed fees from indigents	15,500	12,589	(2,911)
Miscellaneous - interest earned	3,000	8,699	5,699
Total revenues	<u>375,473</u>	<u>450,354</u>	<u>74,881</u>
Expenditures			
General government:			
Personal services:			
Salaries and related benefits	102,500	92,970	9,530
Supplies and materials:			
Office expense and supplies	13,500	13,642	(142)
Books and subscriptions	1,400	2,010	(610)
Other services and charges:			
Professional services	245,000	277,309	(32,309)
Travel	3,000	2,011	989
Equipment maintenance and repair	3,500	3,372	128
Continuing legal education and dues	1,300	2,535	(1,235)
Capital expenditures	5,000	9,770	(4,770)
Total expenditures	<u>375,200</u>	<u>403,619</u>	<u>(28,419)</u>
Excess Revenues Over Expenditures	<u>\$ 273</u>	<u>46,735</u>	<u>\$ 46,462</u>
Fund Balances			
Beginning of year		<u>156,445</u>	
End of year		<u>\$ 203,180</u>	

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS**Thirty-Second Judicial District
Indigent Defender Board**

December 31, 1995

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the Thirty-Second Judicial District Indigent Defender Board (the Board) conform to generally accepted accounting principles as applicable to governments. The following is a summary of significant accounting policies:

a) Reporting Entity

The Board is a component unit of the Terrebonne Parish Consolidated Government (the Parish) and as such, these financial statements will be included in the comprehensive annual financial report (CAFR) of the Parish for the year ended December 31, 1995.

The Board has reviewed all of its activities and determined that there are no potential component units which should be included in its financial statements.

b) Fund Accounting

The government 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 related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, 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.

Governmental Funds

Governmental Funds are those through which most governmental functions of the Board are financed. The acquisition, use and balances of the Board's expendable financial resources and the related liabilities are accounted for through Governmental Funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following is the Governmental Fund of the District:

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b) Fund Accounting (Continued)

General Fund - The General Fund is the general operating fund of the Board. It is used to account for all financial resources and expenditures of the Board except those that are required to be accounted for in another fund.

Account Groups

An account group is used to establish accounting control and accountability. The Board's account group is as follows:

General Fixed Assets Account Group - This account group is used to account for all general fixed assets of the Board.

c) Basis of Accounting

Basis of accounting refers to when revenues and expenditures 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 Governmental 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. Court costs on fines and forfeitures imposed by the Board and city courts are recorded in the year they are collected by the tax collectors. Fees from indigents are recorded when available. Interest income on investments is recorded as revenue when the investments have matured and the income is available. Miscellaneous revenues are recorded as revenues when received in cash by the Board because they are generally not measurable until actually received.

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

d) Operating Budgetary Data

The Board adopted an internal budget for 1995 on a basis consistent with generally accepted accounting principles. All budgeted amounts which are not expended, or obligated through contracts, lapse at year end.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e) Bad Debts

The general purpose financial statements for the Board contain no allowance for bad debts. Uncollectible amounts due for receivables are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. These amounts are not considered to be material in relation to the financial position or operations of the fund.

f) General Fixed Assets

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. The 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. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems, are not capitalized along with other general fixed assets. No depreciation has been provided on general fixed assets.

All fixed assets are valued at historical costs.

g) Vacation and Sick Leave

The employees of the Board are paid by the Thirty-Second Judicial District. There is no accumulated vacation or sick leave liability to the Board at December 31, 1995.

h) Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded in the fund general ledger, is not utilized by the Board.

i) Total Column on Combined Statements - Overview

The total column on the combined statements - overview is captioned memorandum only to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position or results of operations, in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

Note 2 - CASH AND INVESTMENTS

Cash and investments are stated at cost. Under state law, demand deposits, interest bearings demand deposits (or the resulting bank balances) and certificates of deposit must be secured by the federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 1995, the Board had \$118,833 in deposits (collected bank balances). These deposits are secured from risk by \$100,000 of federal deposit insurance and \$109,231 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 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 Board that the fiscal agent has failed to pay deposited funds upon demand.

During the year ended December 31, 1995, the Board's investments consisted solely of investments in the Louisiana Asset Management Pool (LAMP), which invests in United States Government Obligations, agencies and instrumentalities and collateralized repurchase agreements. Even though LAMP is complying with Louisiana law concerning permissible investments, these investments, which approximate market value, are not fully guaranteed as to principal and interest.

Note 3 - DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units at December 31, 1995 consisted of the following:

Terrebonne Parish Consolidated Government	\$ 8,904
Terrebonne Parish Sheriff	3,827
City Court of Houma	3,825
Terrebonne Parish District Attorney	<u>1,452</u>
Total	<u>\$18,008</u>

Note 3 - DUE FROM OTHER GOVERNMENTAL UNITS (Continued)

The amounts due from the Terrebonne Parish Consolidated Government, Terrebonne Parish Sheriff's Office, and City Court of Houma are for court costs on fines and forfeitures imposed by the Board. Amounts due from the Terrebonne Parish District Attorney are from the forfeiture of surety bonds in criminal proceedings.

Note 4 - DEFERRED REVENUES

Deferred revenues represent advances on a grant from the Louisiana State Supreme Court passed through the Louisiana Indigent Defender Board for the purpose of funding special investigator services during 1996.

Note 5 - CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance January <u>1, 1995</u>	<u>Additions</u>	Balance December <u>31, 1995</u>
Equipment	\$31,953	\$ 9,770	\$41,723
Furniture and fixtures	4,177	-	4,177
Law books	<u>4,000</u>	<u>-</u>	<u>4,000</u>
Totals	<u>\$40,130</u>	<u>\$9,770</u>	<u>\$49,900</u>

Note 6 - EXPENDITURES NOT INCLUDED IN FINANCIAL STATEMENTS

The accompanying general purpose financial statements do not include certain expenditures of the Board which are paid out of the funds of the Terrebonne Parish Consolidated Government. These expenditures include telephone, utilities and the use of office space.

SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS



Bourgeois Bennett

**INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL CONTROL
STRUCTURE BASED ON AN AUDIT OF THE GENERAL PURPOSE
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

To the Thirty-Second Judicial District
Indigent Defender Board,
Houma, Louisiana.

We have audited the general purpose financial statements of the Thirty-Second Judicial District Indigent Defender Board (the Board), a component unit of the Terrebonne Parish Consolidated Government, State of Louisiana, as of and for the year ended December 31, 1995, and have issued our report thereon dated May 31, 1996.

We conducted our audit in accordance with generally accepted auditing standards and 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 general purpose financial statements are free of material misstatement.

The management of the District is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal-control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in condition or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the general purpose financial statements of the Board for the year ended December 31, 1995, we obtained an understanding on the internal control structure. With respect to the internal control structure, we obtained an understanding of the design

of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities 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 structure and its operations that we consider to be material weaknesses.

This report is intended for the information of the Board of Commissioners, management, the State of Louisiana and the Legislative Auditor for the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

Houma, La.,
May 31, 1996.



Bourgeois Bennett

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE BASED
ON AN AUDIT OF THE GENERAL PURPOSE FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Thirty-Second Judicial District
Indigent Defender Board,
Houma, Louisiana.

We have audited the general purpose financial statements of the Thirty-Second Judicial District Indigent Defender Board (the Board), a component unit of the Terrebonne Parish Consolidated Government, State of Louisiana, as of and for the year ended December 31, 1995, and have issued our report thereon dated May 31, 1996.

We conducted our audit in accordance with generally accepted auditing standards and 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 general purpose financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the District is the responsibility of the District's management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported herein under Government Auditing Standards.

This report is intended for the information of the Board of Commissioners, management, the State of Louisiana and the Legislative Auditor for the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

Houma, La.,
May 31, 1996.

COMMUNICATIONS LETTER



Bourgeois Bennett

COMMUNICATIONS WITH THE BOARD

To the Thirty-Second Judicial District
Indigent Defender Board,
Houma, Louisiana.

In fulfilling our responsibility as the Thirty-Second Judicial District Indigent Defender Board auditors for the year ended December 31, 1995, we are required to communicate to the Board certain matters related to the conduct of our audit.

1) **AUDITOR'S RESPONSIBILITY UNDER GENERALLY ACCEPTED AUDITING STANDARDS AND GOVERNMENT AUDITING STANDARDS**

Our audit was conducted in accordance with generally accepted auditing standards and "Government Auditing Standards" issued by the Comptroller General of the United States which require that we plan and perform the audit to obtain reasonable assurance about whether the statements are free of material misstatements.

As required, separate letters have been issued on internal control and compliance with laws and regulations.

2) **SIGNIFICANT ACCOUNTING POLICIES**

Significant accounting policies are described in Note 1 to the general purpose financial statements. No new accounting policies were adopted nor required to be adopted for the year ended December 31, 1995.

3) **SIGNIFICANT AUDIT ADJUSTMENTS**

We did not initiate any significant audit adjustments during our recent audit. Year end adjustments and closing entries were prepared.

This information is intended solely for the use of the Board, management of the Thirty-Second Judicial District Indigent Defender Board and should not be used for any other purpose.

We would like to thank Ms. Diana Fanguy, the Board's bookkeeper, for the help extended to us during our audit. We shall be glad to answer any questions you may have concerning the audit and look forward to continuing to work with you in the future.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

Houma, La.,
May 31, 1996.