

**District Attorney of the Thirty-Second
Judicial District
Terrebonne Parish, Louisiana**

**Annual Financial Report
As of and for the
Year Ended December 31, 2005**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other responsible 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.

Released Date: 7-26-07

Under the provisions of state law, this report is a public document. A copy of this report has been submitted to the Governor, to the Attorney General, and to other public officials as required by state law. A copy of this report has been made available for public inspection at the Baton Rouge office of the Legislative Auditor and at the office of the parish clerk of court.

**District Attorney of the Thirty-Second
Judicial District
Annual Financial Report
For the Year Ended December 31, 2003**

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Joseph L. Waltz, Jr.
District Attorney of the Thirty-Second Judicial District
Terrebonne Parish, Louisiana

We have audited the accompanying basic financial statements of the District Attorney of the Thirty-Second Judicial District, (District Attorney), a component unit of the Terrebonne Parish Consolidated Government, as of and for the year ended December 31, 2003, as listed in the table of contents. These basic financial statements are the responsibility of the District Attorney's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the District Attorney of the Thirty-Second Judicial District as of December 31, 2003, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated June 16, 2004, 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. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

To the Honorable Joseph L. Waltz, Jr.
District Attorney of the Thirty-Second Judicial District
Houma, Louisiana

The Management's Discussion and Analysis on pages 3 through 7 and the budgetary comparison information on pages 25 and 26 are not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.



June 10, 2004

MANAGEMENT'S DISCUSSION AND ANALYSIS

**District Attorney of the Thirty-Second Judicial District
Tangipahoa Parish, Louisiana
Management's Discussion and Analysis
For the Year Ended December 31, 2003**

This discussion and analysis of the District Attorney of the Thirty-Second Judicial District's financial performance provides an overview of the financial activities as of and for the fiscal year ended December 31, 2003. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The Government-Wide Financial Statements (Statement of Net Assets and the Statement of Activities) provide information about the governmental activities as a whole and present a longer-term view of the finances. The Fund Financial Statements (Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds) tell how services were financed in the short term as well as what remains for future spending. Fund financial statements also report the operations in more detail than the Government-Wide statements by providing information about the most significant funds.

Our auditor has provided assurance in his independent auditor's report that the basic financial statements are fairly stated. A user of this report should read the Independent Auditor's Report carefully to ascertain the level of assurance being provided for each of the parts in the Annual Financial Report.

Government-Wide Financial Statements

One of the most important questions asked about finances is, "Is the District Attorney of the Thirty-Second Judicial District as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information as a whole and about activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the net assets and changes in them. You can think of net assets—the difference between assets and liabilities—as one way to measure the financial health, or financial position. Over time, increases or decreases in net assets are one indicator of whether its financial health is improving or deteriorating.

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds—not as a whole. Some funds are required to be established by State laws.

**District Attorney of the Thirty-Second Judicial District
Terrebonne Parish, Louisiana
Management Discussion and Analysis
For the Year Ended December 31, 2000**

Fund Financial Statements (Cont.)

The District Attorney of the Thirty-Second Judicial District utilizes mainly the governmental type of fund with the following accounting approach. Most of the basic services are reported in governmental funds, which focus on how money flows into and out of these funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in the reconciliation on page 12.

The District Attorney of the Thirty-Second Judicial District is the trustee, or fiduciary, for funds confiscated for asset forfeitures under state law. These fiduciary activities are reported in a separate Statement of Fiduciary Net Assets. We exclude these activities from the other financial statements because these funds cannot be used to finance operations. The District Attorney is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

FINANCIAL HIGHLIGHTS

Our financial statements provide these insights into the results of this year's operations:

- Net assets of our governmental activities increased by \$63,210 or approximately 2.5 percent, totaling \$2,484,739 at year-end.
- Total net assets are comprised of the following:
 - 1) Investment in capital assets of \$627,219, including the cost of buildings, office equipment and furniture, net of accumulated depreciation and related debt.
 - 2) Unrestricted net assets of \$1,857,517 representing the portion available to maintain the continuing obligations to citizens and creditors.
- During the year, the District Attorney had expenses of \$4,506,100 that were \$6,480 more than the \$4,586,710 generated in fees and other revenues for governmental programs.
- The governmental funds reported total ending fund balance of \$1,857,517, which was classified as unreserved. This compares to the prior year ending fund balance of \$1,726,402 resulting in an increase of \$141,115 or approximately 8 percent during the current year.

The Statement of Net Assets and the Statement of Activities reports only one type of activity - governmental activities. All of the basic governmental services are reported as this type. Fees and fees charged to the public finance most of these activities.

**District Attorney of the Thirty-second Judicial District
Terrebonne Parish, Louisiana
Management's Discussion and Analysis
For the Year Ended December 31, 2003**

FINANCIAL ANALYSIS AS A WHOLE (OVER)

The District Attorney's net assets increased by \$63,216 as a result of this year's operations. The overall financial position improved slightly during the year. The decrease in current assets was mainly in cash used for expenditures for governmental activities. The decrease in current liabilities was due to the pay off of a large amount due to Terrebonne Parish Consolidated Government. The amount invested in capital assets decreased mainly due to depreciation of assets. Unrestricted net assets—the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements—remained relatively stable this year. The balance in net assets represents the accumulated results of all past years' operations.

The District Attorney's total revenues for the year in governmental activities were \$4,750,405 (\$4,688,710 in program revenues and \$72,696 in general revenues). The total cost of all programs and services was \$4,686,190 with no new programs added this year.

FINANCIAL ANALYSIS OF INDIVIDUAL FUNDS (FFIS)

The District Attorney of the Thirty-second Judicial District uses funds to help it control and manage money for particular purposes. Looking at individual funds helps you consider whether the District Attorney is being accountable for the resources provided to it but may also give you more insight into the overall financial health.

The governmental funds reported a combined fund balance of \$1,867,517. This reflects an increase of \$141,115 from last year. This increase is primarily the result of the events and programs described within the analysis of the governmental activities.

CAPITAL ASSETS

Capital assets included office equipment, weapons, computer equipment, vehicles and buildings recorded at historical cost of \$1,242,894. Accumulated depreciation as of December 31, 2003 of \$647,673 recorded from the cost of assets resulted in an ending book balance of assets of \$594,921.

This year there was \$81,590 of additions and \$12,038 of deletions recorded to capital assets. Depreciation expense of \$138,123 was recorded for the year. More detailed information about the capital assets is presented in the notes to the financial statements.

CAPITAL LEASES AND NOTES PAYABLE FOR AUTOMOBILES

Leases were incurred during the year for automobile purchases that qualified as capital leases. Prior year lease payables of \$40,990 should have been recorded for the year ended December 31, 2003. See Note 11 of the financial statements regarding a prior period adjustment. The total capital lease proceeds recorded during the year was \$40,038. The total amount paid on these leases was \$28,214 resulting in an ending balance of \$67,102.

**District Attorney of the Thirty-Second Judicial District
Terrebonne Parish, Louisiana
Management's Discussion and Analysis
For the Year Ended December 31, 2003**

CAPITAL LEASES AND NOTES PAYABLE FOR AUTOMOBILES (Cont.)

Interest paid in the governmental funds was \$14,255. More detailed information about the capital lease obligations is presented in the notes to the financial statements.

GENERAL FUND BUDGETARY HIGHLIGHTS

The original budget for the General Fund was revised during the year. Authorized budget amendments were approved as follows:

Original Budgeted Revenues	\$ 1,084,000
Amendments were made for:	
Decreased fines and fees	(244,000)
Increased intergovernmental revenue	60,000
Increased miscellaneous income	60,000
Total revenue amendments	<u>(124,000)</u>
Amended Budgeted Revenues	<u>\$ 960,000</u>
Original Budgeted Expenditures	\$ 763,000
Amendments were made for:	
Increased personnel services and benefits	538,000
Increased general operating expenditures	415,000
Decreased capital outlay	(8,000)
Total expenditure amendments	<u>845,000</u>
Amended Budgeted Expenditures	<u>\$ 1,408,000</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Many factors were considered when budgeting for the next fiscal year. Possible new laws and regulations, increased rates and fees that would be charged, and possible new grant funding sources were all considered.

Historically, the office staff and costs remain stable and should continue to do so. The Terrebonne Parish Council in their current operating budget absorbs some capital asset purchases and other operating expenses. If these estimates remain consistent, the District Attorney of the Thirty-Second Judicial District's General Fund balance is expected to decrease accordingly by the close of 2004.

**District Attorney of the Thirty-Second Judicial District
Terrebonne Parish, Louisiana
Management's Discussion and Analysis
For the Year Ended December 31, 2003**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES (Cont.)

Highlights of next year's General and Special Revenue Funds budget include:

Estimated revenue	<u>\$ 1,066,000</u>
Personal services and benefits	600,000
General operating	726,000
Capital outlay	<u>75,000</u>
Total estimated expenditures	<u>1,396,000</u>
Estimated excess of expenditures over revenue	(218,000)
Estimated beginning fund balance	<u>1,726,000</u>
Estimated ending fund balance	<u>\$ 1,478,000</u>

CONTACTING FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the District Attorney of the Thirty-Second Judicial District's finances and to show accountability for the money it received. If you have questions about this report or need additional financial information, contact:

Mr. Kevin Guidry, Office Manager
Terrebonne Parish District Attorney
7856 Main Street, Suite 220
Houma, LA 70360
Phone number (885) 673-6600

FINANCIAL STATEMENTS SECTION

District Attorney of the Thirty-Second Judicial District
Terrebonne Parish, Louisiana
Statement of Net Assets
December 31, 2003

Assets	
Cash	\$ 1,282,805
Investments	400,000
Fees receivable	13,715
Due from other governments	<u>237,831</u>
Total Current Assets	1,914,351
Capital assets, net of depreciation	<u>694,021</u>
Total Assets	<u>\$ 2,608,372</u>
Liabilities	
Accounts payable	\$ 17,448
Retention and merchants payable	29,388
Current portion of leases and notes payable	<u>35,665</u>
Total Current Liabilities	77,501
Long-term leases and notes payable	<u>37,069</u>
Total Liabilities	<u>\$ 114,570</u>
Net Assets	
Invested in capital assets	\$ 637,219
Unrestricted	<u>1,887,517</u>
Total Net Assets	<u>\$ 2,494,738</u>

See notes to the financial statements.

District Attorney of the Thirty-Second Judicial District
Terrebonne Parish, Louisiana
Statement of Activities
For the Year Ended December 31, 2003

FUNCTIONS/PROGRAMS	Expenses	Program Revenue		Net (Expense) Revenue
		Charges for Services	Operating Grants	
Judicial activities:	<u>\$4,698,166</u>	<u>\$ 1,285,231</u>	<u>\$ 3,281,478</u>	<u>\$ (841)</u>
Total governmental activities	<u>4,698,166</u>	<u>1,285,231</u>	<u>3,281,478</u>	<u>(841)</u>
GENERAL REVENUES				
Interest earned				8,848
Transferred in from agency fund				8,593
Miscellaneous				<u>57,257</u>
TOTAL GENERAL REVENUES				<u>74,698</u>
CHANGE IN NET ASSETS				63,216
NET ASSETS:				
Beginning of year, restated (Note 11)				<u>2,421,500</u>
End of year				<u>\$ 2,484,716</u>

See notes to the financial statements.

DePaul Attorney at the Thirty-Ninth Judicial District
 Terrebonne Parish, Louisiana
 Billie Jo Shaw
 Government Fund Type - General Fund
 December 31, 2003

	General Fund	91-0 Program Fund	Widowless Check Collection Fund	Drug Program Fund	Total
Assets					
Cash	\$ 863,308	\$ 96,997	\$ 83,817	\$ 181,885	\$ 1,226,007
Investments	400,000	-	-	-	400,000
Due from other governmental units	82,381	119,342	-	47,996	249,719
Prepaid subscriptions	14,876	-	-	1,259	16,135
Total Assets	\$ 1,458,165	\$ 207,339	\$ 83,817	\$ 331,940	\$ 1,883,261
Liabilities and Equity					
Liabilities:					
Accounts payable and accrued liabilities	\$ 15,148	-	\$ 2,238	-	\$ 17,386
Retainage and encumbrance payable	2,171	-	26,817	-	29,988
Total Liabilities	\$ 17,319	-	\$ 29,055	-	\$ 46,374
Equity:					
Fund balance - unreserved	1,440,792	207,339	54,762	331,940	1,984,833
Total Liabilities and Equity	\$ 1,458,165	\$ 207,339	\$ 83,817	\$ 331,940	\$ 1,883,261

See notes to the financial statements.

**District Attorney of the Thirty-Second Judicial District
Terrebonne Parish, Louisiana
Statement of Revenues, Expenditures,
and Changes in Fund Balances—
Governmental Fund Type—
General Fund
For the Year Ended December 31, 2003**

	General Fund	F-0/Program Fund	Warrant Check Collection Fund	Drug Court Program Fund	Totals
REVENUES					
Fees, fees & forfeitures	\$ 1,100,110	\$ 1,771	\$ 187,808	\$ 28,021	\$ 1,317,710
Intergovernmental	154,147	(99,408)	-	302,701	457,440
Reimbursed attorney fees & salaries	90,477	10,000	-	-	100,477
Project Lead donation	50,000	-	-	-	50,000
Interest	4,000	279	824	-	5,103
Payments received in behalf	1,398,000	-	-	-	1,398,000
Miscellaneous	57,257	-	-	-	57,257
Total Revenues	1,852,091	401,743	188,632	332,721	2,775,187
EXPENDITURES					
General government - judicial - current					
Personnel services	711,610	176,001	182,418	58,271	1,128,300
Salary and benefit payments on behalf	1,690,583	-	-	-	1,690,583
Reimbursements to TPOG	163,884	-	82,188	-	246,072
Office operations	118,483	13,238	7,008	14,288	148,017
Tolls, training and seminars	78,987	10,140	8,528	36,891	134,546
Automobile expenditures	48,686	4,417	-	7,788	60,891
Professional fees and services	88,827	10,380	10,688	3,188	113,083
Repairs and maintenance	73,788	7,318	-	82,788	83,894
Telephone and utilities	81,321	3,843	-	83,360	89,024
Insurance	48,148	7,700	5,494	6,152	67,504
Drug court program	-	-	-	86,668	86,668
Project Lead	63,208	-	-	-	63,208
Other	28,486	4,881	12,887	260	46,514
Total current expenditures	3,887,118	244,870	258,773	244,905	4,635,666
Capital outlay	67,887	18,887	-	4,588	91,362
Total Expenditures	3,955,005	263,757	258,773	249,493	4,727,028
Excess (Deficiency) of Revenues Over Expenditures	(102,914)	137,986	(70,141)	83,228	(51,841)
OTHER FINANCING SOURCES (USES)					
Operating transfers in/out	100,884	(78,789)	(8,782)	(1,472)	9,841
Capital lease proceeds	24,887	14,780	-	-	39,667
Total other financing sources (uses)	125,771	(64,009)	(8,782)	(1,472)	51,500
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES					
	22,857	73,977	(78,923)	81,756	19,667
FUND BALANCES					
Beginning of year	1,380,887	188,484	158,080	47,180	1,774,631
End of year	1,403,744	262,461	79,157	128,936	1,874,308

See notes to the financial statements.

**District Attorney of the Thirty-Second Judicial District
Terrebonne Parish, Louisiana**
**Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Assets**
For the Year Ended December 31, 2003

Fund balance - governmental fund	\$	1,887,517
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets of \$1,342,894, net of accumulated depreciation of \$647,873, are not financial resources and, therefore, are not reported in the governmental funds.		694,921
Current portions of \$30,663 and long-term portions of \$37,099 of capital leases and notes payable on automobiles are not financial resources and are therefore not reported in the funds.		<u>(67,702)</u>
Net assets of governmental activities	<u>\$</u>	<u>2,454,736</u>

**Reconciliation of the Statement of Governmental Fund Revenues,
Expenditures and Changes in Fund Balance to the
Statement of Activities**
For the Year Ended December 31, 2003

Change in fund balance - governmental fund	\$	141,115
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures, whereas in the statement of activities, these costs are depreciated over their estimated useful lives.		
Depreciation expense	(138,129)	
Capital outlays	<u>61,230</u>	<u>(77,099)</u>
Change in net assets of governmental activities	<u>\$</u>	<u>53,216</u>

See notes to the financial statements.

District Attorney of the Thirty-Second Judicial District
Terrebonne Parish, Louisiana
Statement of Fiduciary Net Assets
Asset Forfeiture Fund
December 31, 2022

Assets	
Cash and cash equivalents	<u>\$ 64,769</u>
Total Assets	<u>\$ 64,769</u>
Liabilities	
Due to others	<u>\$ 64,769</u>
Total Liabilities	<u>\$ 64,769</u>

See notes to the financial statements.

District Attorney of the Thirty-Second Judicial District
Terrebonne Parish, Louisiana
Schedule of Changes in Fiduciary Net Assets
For the Year Ended December 31, 2003

Beginning Balance as of December 31, 2002	<u>\$71,110</u>
Additions	
Assets forfeited	42,048
Interest earned	<u>148</u>
Total Additions	<u>42,196</u>
Disbursements	
Terrebonne Parish Sheriff	11,208
Terrebonne Parish District Attorney General Fund	8,582
Terrebonne Parish Criminal Court Fund	8,584
Others	1,955
Refunded Bonds	<u>1,258</u>
Total Disbursements	<u>29,513</u>
Ending Balance	<u>\$84,793</u>

See notes to the financial statements.

**District Attorney of the Thirty-Second Judicial District
Terrebonne Parish, Louisiana
Notes to Financial Statements
As of and for the Year Ended December 31, 2023**

Introduction

As provided by Article V, Section 26 of the Louisiana Constitution of 1974, 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 qualified electors of the judicial district elect the District Attorney for a term of six years. The Thirty-Second Judicial District encompasses Terrebonne Parish, Louisiana.

Note 1 – Summary of Significant Accounting Policies

A. Basis of Presentation

The financial statements of the District Attorney of the Thirty-Second Judicial District (District Attorney), Terrebonne Parish, Louisiana have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, issued in June 1999.

B. Reporting Entity

The District Attorney of the Thirty-Second Judicial District is an independently elected official. However, the District Attorney of the Thirty-Second Judicial District is fiscally dependent on the Terrebonne Parish Consolidated Government for office space, courtrooms, and related utility costs, as well as partial funding of salary costs.

The accompanying financial statements present information only on the funds maintained by the District Attorney of the Thirty-Second Judicial District and do not present information on the Terrebonne Parish Consolidated Government, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

The accompanying financial statements present the District Attorney's office and component units over which the District Attorney's office exercises significant influence. Significant influence or accountability is based primarily on operational or financial relationships with the District Attorney's office (as distinct from legal relationships).

The Thirty-Second Judicial Enforcement District is included in these financial statements as a component unit and is bonded with the primary government. The Thirty-Second Judicial Enforcement District owns a building which is utilized by the District Attorney's office as office space for certain sections of its operations. The building is reported in the capital assets of the District Attorney's financial statements.

District Attorney of the Thirty-Second Judicial District
Tamoussou Parish, Louisiana
Notes to Financial Statements
As of and for the Year Ended December 31, 2000

Note 1 – Summary of Significant Accounting Policies (Cont.)

C. Fund Accounting

The accounting system is organized and operated on a fund basis whereby a separate self-balancing set of accounts is maintained for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The various funds in the financial statements in this report are grouped into two broad categories as follows:

Governmental Fund Types

Governmental funds account for all or most of the general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources that may be used to finance future period programs or operations.

Fiduciary Fund Type

The District Attorney utilized an agency fund fiduciary fund type. Agency funds generally are used to account for assets that the government holds on behalf of others as their agent.

D. Measurement Focus / Basis of Accounting

Fund Financial Statements (FFS)

The amounts reflected in fund financial statements, 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. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of operations.

The amounts reflected in the fund financial statements use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District Attorney considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when

**District Attorney of the Thirty-Second Judicial District
Terrebonne Parish, Louisiana
Notes to Financial Statements
As of and for the Year Ended December 31, 2003**

Note 1 – Summary of Significant Accounting Policies (Cont.)

the obligations are expected to be liquidated with expendable available financial resources.

Those revenues susceptible to accrual include fees and assessments that are collected by another governmental body on the District Attorney's behalf and intergovernmental revenues. Interest earned is recorded when credited to the District Attorney's account.

Government-Wide Financial Statements (GWFS)

The government-wide financial statements display information as a whole. These statements include all the financial activities. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed).

Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program Revenues – Program revenues included in the column labeled Statement of Activities are derived directly from users as a fee for services; program revenues reduce the cost of the function to be financed from the general revenues.

E. Budgets

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the general fund and special revenue funds. All annual appropriations lapse at fiscal year end. Formal budgetary integration is employed as part of the accounting system, and the budget is amended by supplemental appropriations as needed to comply with state law.

The on-behalf payments received and paid by the State of Louisiana and Terrebonne Parish Consolidated Government are not budgeted or reflected in the Budget and Actual Statement for the General Fund in this report. The net effect of reflecting the receipt and payment of salaries and benefits on-behalf is zero. A reconciliation of total revenues and expenditures for the General Fund follows:

	<u>Total Revenue</u>	<u>Total Expenditures</u>
Actual (Page 11)	\$ 3,852,870	\$ 3,945,116
On-Behalf Payments	<u>(2,388,322)</u>	<u>(2,388,322)</u>
Budget (Page 26)	<u>\$ 1,464,548</u>	<u>\$ 1,326,794</u>

District Attorney of the Thirty-Second Judicial District
Terrebonne Parish, Louisiana
Notes to Financial Statements
As of and for the Year Ended December 31, 2003

Note 1 – Summary of Significant Accounting Policies (Cont.)

The proposed budget for the year ending December 31, 2003 was published in the official journal (The Houma Courier) on November 26, 2002. A public hearing was called on December 13, 2002 at the office of the District Attorney. There being no objections from the general public, the budget was adopted on that date.

F. Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the court may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

G. Investments

Investments are limited by Louisiana Revised Statute (R.S.) 33:2905. All investments included in these financial statements are certificates of deposits that pay interest monthly.

H. Capital Assets

Capital assets are recorded at historical cost or estimated if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. Capital assets are recorded in the GNYFS. All capital assets, other than land, are depreciated using the straight-line method over the following estimated useful lives:

<u>Category</u>	<u>Life</u>
Buildings	40 years
Office Equipment	5 years
Weapons	5 years
Computers	5 years
Vehicles	5 years

I. Compensated Absences

All individuals who work at the District Attorney's Office are primarily employees of the Terrebonne Parish Consolidated Government; therefore, no liability for compensated absences is recorded in the District Attorney's financial statements. Vacation and sick leave do not accumulate.

**District Attorney of the Thirty-Second Judicial District
Terrebonne Parish, Louisiana
Notes to Financial Statements
As of and for the Year Ended December 31, 2003**

Note 1 – Summary of Significant Accounting Policies (Cont.)

J. Restricted Net Assets

For government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are either:

1. externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; and
2. imposed by law through constitutional provisions or enabling legislation.

K. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Any designations of fund balance represent tentative management plans that are subject to change.

L. Interfund Transactions

Quasi-external transactions are accounted for as revenues or expenditures. Interfund transactions on the other hand are reported as transfers. Recurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

M. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require 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, expenditures, and expense during the reporting period. Actual results could differ from those estimates.

Note 2 – Deposits

At year-end deposits (book balances) considered cash and cash equivalents, all in interest and non-interest bearing checking accounts, totaled \$1,347,594 - \$1,242,805 in governmental funds and \$84,789 in agency funds. The District Attorney also had \$400,000 in certificates of deposits with maturities over 90 days listed as investments.

State law requires that deposits be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be

District Attorney of the Thirty-Second Judicial District
Terrebonne Parish, Louisiana
Notes to Financial Statements
As of and for the Year Ended December 31, 2003

Note 2 – Deposits (Cont.)

held by the District Attorney or with an unaffiliated bank or trust company for the account of the District Attorney of the Thirty-Second Judicial District. Under the provision of GASB, pledged securities, which are not in the name of the governmental unit, are considered uncollateralized.

Cash and deposits are categorized into three categories of credit risk.

- Category 1 includes deposits covered by federal depository insurance or by collateral held by the District Attorney or its agent, in the District Attorney's name.
- Category 2 includes deposits covered by collateral held by the pledging financial institution's trust department, or its agent in the District Attorney's name.
- Category 3 includes deposits covered by collateral held by the pledging financial institution, or its trust department or agent but not in the District Attorney's name.

A summary of cash and cash equivalents and the security pledged to them are listed as follows:

Cash - reported amount	\$ 1,347,994
Cash - bank balances	\$ 1,307,151
Certificates of deposit - bank balances	<u>400,000</u>
Total deposits - bank balances	<u>\$ 1,707,151</u>
Portion Insured by FDIC - Category 1	\$ 400,000
Pledged securities - Category 1	<u>1,049,253</u>
Total FDIC and Securities Pledged	<u>\$ 2,049,253</u>

Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, Louisiana Revised Statute 30:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 90 days of being notified by the district that the fiscal agent has failed to pay deposited funds upon demand.

District Attorney of the Thirty-Second Judicial District
Terrebonne Parish, Louisiana
Notes to Financial Statements
As of and for the Year Ended December 31, 2003

Note 3 – Due from Other Governments

The due from other governments balance consists of the following:

Due From	General Fund	I-I-D Program	Drug Court	Total
State of LA	\$ 34,234	\$ 110,352	\$ 47,188	\$ 191,684
TPCO	37,228	-	-	37,228
TPCO	8,208	-	-	8,208
Houma City Court	410	-	-	410
	<u>\$ 80,280</u>	<u>\$ 110,352</u>	<u>\$ 47,188</u>	<u>\$ 237,821</u>

Note 4 – Capital Assets

A summary of changes in fixed assets follows:

	January 1, 2003	Additions	Deletions	December 31, 2003
Equipment and furniture	\$ 218,798	\$ 8,000	\$ -	\$ 226,798
Weapons	1,820	-	-	1,820
Computer equipment	266,372	15,410	-	281,782
Vehicles (related in 2003)	103,308	58,538	(12,838)	149,008
Buildings & improvements	682,388	-	-	682,388
Total capital assets	<u>1,272,686</u>	<u>81,948</u>	<u>(12,838)</u>	<u>1,341,804</u>
Less accumulated depreciation for:				
Equipment and furniture	(168,268)	(21,872)	-	(190,140)
Weapons	(624)	(180)	-	(804)
Computer equipment	(158,268)	(48,084)	-	(206,352)
Vehicles	(15,858)	(41,820)	8,740	(48,938)
Buildings & improvements	(148,148)	(17,080)	-	(165,228)
Total accumulated depreciation	<u>(517,565)</u>	<u>(129,136)</u>	<u>8,740</u>	<u>(647,961)</u>
Total capital assets, net	<u>\$ 755,121</u>	<u>\$ (47,188)</u>	<u>\$ (8,100)</u>	<u>\$ 699,821</u>

Note 5 – Leases and Notes Payable

Outstanding lease and note agreements include the acquisition of automobiles at a cost of \$158,008. These leases qualify as capital leases. The debt service for these capital leases and notes payable are as follows:

**District Attorney of the Thirty-Second Judicial District
Terrebonne Parish, Louisiana
Notes to Financial Statements
As of and for the Year Ended December 31, 2003**

Note 3 – Leases and Notes Payable (Cont.)

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2004	\$ 30,693	\$ 3,916	\$ 34,609
2005	16,601	2,166	18,767
2006	14,350	871	15,221
2007	3,276	51	3,327
Total	\$ 64,920	\$ 7,004	\$ 71,924

For capital leases, totals of principal and interest components equal required minimum payments for periods shown and total principal equals the net present value of these leases.

The following is a summary of changes in long-term debt obligations for capital leases and notes payable for the year:

<u>Balance Beginning of Year</u>	<u>Issued</u>	<u>Paid</u>
\$ 48,060	\$ 49,036	\$ 30,914

Operating Leases

The District Attorney of the Thirty-Second Judicial District has entered into a number of operating leases that contain cancellation provisions and are subject to annual appropriations. Annual rentals approximated \$10,017 - \$5,358 for automobiles and \$4,658 for copiers.

Note 6 – Risk and Insurance

The District Attorney's Office is exposed to various risks of loss related to tort; theft of, damage to, or destruction of assets; errors and omissions; and injuries to the public; and natural disasters. To protect against these risks, the District has purchased commercial or other insurance for the losses to which it is exposed.

Note 7 – Pension Plans

All individuals who work at the District Attorney's offices are paid by the Terrebonne Parish Consolidated Government and are consequently members of the Parochial Employees Retirement System of Louisiana, a multiple-employer, public employee retirement system (PERS), which is controlled and administered by a separate board of trustees. The District Attorney and assistant District Attorneys are members of the Louisiana District Attorneys Retirement System, a multi-employer cost-defined sharing, benefit pension plan. GASB

**District Attorney of the Thirty-Second Judicial District
Terrebonne Parish, Louisiana
Notes to Financial Statements
As of and for the Year Ended December 31, 2000**

Note 7 – Pension Plans (Cont.)

requires certain disclosures for employers who maintain retirement plans for their employees. Both retirement systems mentioned above present the required retirement plan information in separately issued financial statements. Both retirement plans mentioned above are administered and controlled by separate boards of trustees.

The District Attorneys Retirement System's annual financial report includes financial statements and required supplementary information for the System. That report may be obtained by writing the Louisiana District Attorneys Retirement System, 2159 Decatur Street, New Orleans, Louisiana 70116-2061, or by calling (504) 547-5251.

Note 8 – On Behalf Payments and Expenditures of the District Attorney Not Included in the Financial Statements

The accompanying financial statements are not required to be and do not include certain expenditures of the District Attorney paid out of the funds of the Terrebonne Parish Consolidated Government for such costs as insurance, utilities, legal fees, et cetera.

The District Attorney, Assistant District Attorneys, and office staff employees receive on-behalf payments for salaries and benefits from the Terrebonne Parish Consolidated Government that are required to be reported in the financial statements of the Terrebonne Parish District Attorney. As reported on page 11 of these financial statements \$2,588,122 was received and paid by Terrebonne Parish Consolidated Government for salaries and benefits. Revenue and expenditures have been recognized in general fund for these on-behalf payments.

Note 9 – Terrebonne Parish Drug Court Program

The Thirty-Second Judicial District Court and District Attorney's offices applied for and received an Adult Drug Court Implementation Grant for the purpose of starting the Terrebonne Parish Drug Court Program. The 3-year grant period is from September 1, 2001 to August 31, 2004. The grant application requested and received was for \$468,000 in federal funding combined with non-federal local contributing funds of \$382,500 to insure a successful start up and implementation of the adult drug court program. The local match portion is to be provided by several sources including the Louisiana Department of Health and Hospitals, Office for Addictive Disorders, local parish government, the District Attorney of the Thirty-Second Judicial District and the Terrebonne Parish Criminal Court Fund. The District Attorney of the Thirty-Second Judicial District administers the financial records for the program and all grant receipts and disbursements are accounted for in the annual report of that office.

District Attorney of the Thirty-Second Judicial District
Terrebonne Parish, Louisiana
Notes to Financial Statements
As of and for the Year Ended December 31, 2000

Note 10 - Interfund Transfers

Operating transfers for the year were as follows:

<u>Transfers from:</u>	<u>Transfer to:</u>	<u>Amount</u>
IV-D Fund	General Fund - Special	\$ 111,028
General Fund - PTI Account	General Fund - Special	47,600
General Fund - PTI Account	General Fund - O&M	10,773
TRC Account	General Fund - O&M	10,773
General Fund - Special	General Fund - O&M	4,773
General Fund - 1618	General Fund - O&M	4,773
IV-D Fund	General Fund - O&M	4,773
Drug Court	General Fund - O&M	4,773
Agency Fund	TRC Account	4,819
Agency Fund	Drug Court Fund	3,309
Agency Fund	General Fund - Special	1,183
Agency Fund	General Fund - O&M	50
		<u>\$ 213,000</u>

Note 11 - Prior Period Adjustments

The beginning balances of certain accounts have been restated to correct an error. The error occurred when capital leases were treated as operating leases in prior years, resulting in an understatement of leases payable. Also, these capital assets, which were being leased, were not included as capital outlays, resulting in an understatement of fixed assets. The effect of these error corrections increases the beginning balance of net assets by \$21,340.

REQUIRED SUPPLEMENTARY INFORMATION

**District Attorney of the Thirty-Second Judicial District
Terrebonne Parish, Louisiana
Budgetary Comparison Schedule – General Fund
Year Ended December 31, 2003**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Fines, fees, and forfeitures	\$ 1,094,000	\$ 880,000	\$ 1,100,115	\$ 220,115
Intergovernmental	-	50,000	184,147	134,147
Subsidy reimbursements	-	-	86,477	86,477
Project Loan donation	-	-	50,500	50,500
Interest	-	-	5,852	5,852
Miscellaneous	48,000	100,000	57,857	(42,143)
Total Revenues	<u>1,094,000</u>	<u>980,000</u>	<u>1,686,956</u>	<u>706,956</u>
EXPENDITURES				
General government – (judicial) – current:				
Personnel services and benefits	375,000	618,000	731,819	(113,819)
General operating	557,000	177,000	788,878	3,878
Total current expenditures	<u>932,000</u>	<u>795,000</u>	<u>1,520,697</u>	<u>(117,291)</u>
Capital outlay	30,000	22,000	57,857	(35,857)
Total Expenditures	<u>962,000</u>	<u>817,000</u>	<u>1,578,554</u>	<u>(141,798)</u>
Excess (deficiency) of revenues over expenditures	<u>132,000</u>	<u>163,000</u>	<u>108,352</u>	<u>265,758</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers in (out)	-	-	132,854	132,854
Capital lease proceeds	-	-	54,857	54,857
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>187,711</u>	<u>187,711</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	<u>132,000</u>	<u>163,000</u>	<u>296,063</u>	<u>453,469</u>
FUND BALANCES				
Beginning of year	653,467	1,381,384	1,381,384	(727)
End of year	<u>785,467</u>	<u>1,544,384</u>	<u>1,677,447</u>	<u>133,063</u>

**District Attorney of the Thirty-Second Judicial District
Terrebonne Parish, Louisiana
Budgetary Comparison Schedule - Special Revenue Funds
Year Ended December 31, 2003**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Fines, fees, and forfeitures	\$ -	\$ 200,000	\$ 188,000	\$ (11,997)
Intergovernmental revenue	250,000	800,000	688,810	111,190
Miscellaneous - interest	-	1,000	10,784	9,784
Total Revenue	<u>250,000</u>	<u>1,001,000</u>	<u>887,594</u>	<u>185,381</u>
EXPENDITURES				
General government - judicial - current:				
Personal services	244,000	285,000	291,094	(20,000)
General operating	200,000	240,000	207,190	32,810
Total current expenditures	<u>444,000</u>	<u>525,000</u>	<u>498,284</u>	<u>126,716</u>
Capital outlay	30,000	40,000	23,000	17,000
Total expenditures	<u>474,000</u>	<u>565,000</u>	<u>521,284</u>	<u>143,716</u>
Excess (Deficiency) of Revenue Over Expenditures	<u>(224,000)</u>	<u>(44,000)</u>	<u>176,310</u>	<u>226,716</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers in (out)	-	-	(123,903)	(123,903)
Capital lease proceeds	-	-	14,180	14,180
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(109,723)</u>	<u>(109,723)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	<u>(224,000)</u>	<u>(44,000)</u>	<u>66,587</u>	<u>117,000</u>
FUND BALANCES				
Beginning of year	582,403	204,315	204,315	-
End of year	<u>\$ 358,403</u>	<u>\$ 160,315</u>	<u>\$ 270,902</u>	<u>\$ 112,292</u>

REPORTS REQUIRED BY GAO & OIG

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

To the Honorable Joseph L. Waltz, Jr.
District Attorney of the Thirty-Second Judicial District
Terrebonne Parish, Louisiana

We have audited the basic financial statements of the District Attorney of the Thirty-Second Judicial District (the District Attorney), as of and for the year ended December 31, 2003, and have issued our report thereon dated June 18, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 basic financial statements are free of material misstatement, 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 these 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 Organization's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the 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 judgment, could adversely affect the Organization's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. A reportable condition is described in the accompanying schedule of findings and questioned costs as item 03-01.

To the Honorable Joseph L. Waltz, Jr.
District Attorney of the Thirty-Second Judicial District
Page 2

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 to be material weaknesses. However, we believe that the reportable condition described above is not a material weakness.

This report is intended solely for the information and use of the Board of Commissioners, management, the reporting entity, and the Louisiana Legislative Auditor, and is not intended to be and should not be used by anyone other than those specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



June 18, 2004

**District Attorney of the Thirty-Second Judicial District
Terrebonne Parish, Louisiana
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2003**

Section I – Summary of Auditor’s Results

1. The auditor’s report expresses an unqualified opinion on the basic financial statements of the District Attorney of the Thirty-Second Judicial District.
2. One reportable condition (finding 03-01) was noted during the audit of the financial statements. This reportable condition was not considered a material weakness.
3. No instances of noncompliance material to the basic financial statements of the District Attorney of the Thirty-Second Judicial District, which would be required to be reported in accordance with Government Auditing Standards, were disclosed during the audit.
4. No reportable conditions were noted during the audit of internal control over major federal award programs.
5. The auditor’s report on compliance for the major federal award program for the District Attorney of the Thirty-Second Judicial District expresses an unqualified opinion on the major federal program.
6. No audit findings relative to the major federal award programs were noted.
7. The program tested as a major program was the U.S. Department of Social Services Child Support Enforcement Grant, OFCA #23.953.
8. The threshold used for distinguishing between Type A and B programs was \$200,000.
9. The District Attorney of the Thirty-Second Judicial District did not qualify as a low-risk auditee.
10. A management letter was issued.

Section II – Financial Statement Findings

No findings material to the basic financial statements of the District Attorney of the Thirty-Second Judicial District were disclosed during the audit.

Section III – Internal Control Findings

03-01

Statement of Conditions: A reportable condition in the District’s internal control.

Criteria: In our consideration of internal control, we noted that the size of the District Attorney of the Thirty-Second Judicial District’s operations and its limited

**District Attorney of the Thirty-Second Judicial District
Terrebonne Parish, Louisiana
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2003**

Section III – Internal Control Findings (Cont.)

accounting staff preclude an adequate segregation of duties and other features of an adequate system of internal control.

Effects of Condition: The internal control, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

Cause of Conditions: The size of the District Attorney of the Thirty-Second Judicial District and its limited accounting staff preclude an adequate segregation of duties and other features of an adequate system of internal control.

Recommendation: Management of the District Attorney of the Thirty-Second Judicial District should closely monitor the day-to-day activities of the District.

Response: The management of the District Attorney of the Thirty-Second Judicial District agrees with this finding.

Questioned Costs: \$ 0

Section IV – Findings and Questioned Costs – Major Federal Award Program Audit

No reportable conditions were noted during the audit of internal control over major federal award programs.

**District Attorney of the Thirty-Second Judicial District
Terrebonne Parish, Louisiana
Management's Corrective Action Plan for Current Year Findings
For the Year Ended December 31, 2003**

Section I – Internal Control and Compliance Material to the Financial Statements

Inadequate Internal Control

Condition: A reportable condition in the internal control related to lack of segregation of duties.

Recommendation: Management of the District Attorney's office should closely monitor the day-to-day activities of the office.

Planned Action: Management will closely monitor the day-to-day activities of the office until it is financially feasible to employ additional staff.

Section II – Internal Control and Compliance Material to Federal Awards

This section is not applicable.

Section III – Management Letter

Need for Subsidiary Ledgers for Payable Accounts

Condition: There are no subsidiary ledgers for the institutions payable and merchant lots accounts payable in the Worthless Checks Collection Fund.

Recommendation: Contact computer consultant to determine if subsidiary ledgers for these payable accounts can be produced.

Planned Action: Management will contact a computer consultant to determine if such ledgers can be produced.

Supporting Documentation for Expenses

Condition: No supporting documentation could be located for several transactions.

Recommendation: All cash disbursements should have supporting documentation attached and should be properly filed.

Planned Action: All cash disbursement items will not be processed for payment until adequate supporting documentation has been received, reviewed for accuracy, and maintained in the entity's files.

**District Attorney of the Thirty-Second Judicial District
Terrebonne Parish, Louisiana
Schedule of Prior Findings and Resolution Matters
For the Year Ended December 31, 2003**

Note: The prior findings all relate to the December 31, 2002 audit engagement.

Section I – Internal Control and Compliance Material to the Financial Statements

This section is not applicable.

Section II – Internal Control and Compliance Material to Federal Awards

This section is not applicable.

Section III – Management Letter

Exception 2002-1

Condition: There was no budget message accompanying the proposed budget.

Recommendation: Management should prepare a budget message to accompany the proposed budget.

Status: Resolved.

Exception 2002-2

Condition: The restrictions payable and the merchant fees payable accounts in the Worthless Check Collection Fund do not have subsidiary ledgers to reconcile the balances to.

Recommendation: Management should contact and work with the computer consultant to be able to produce subsidiary ledgers to be able to reconcile these accounts on a monthly basis.

Status: Not resolved.

**Martin
and
Pellegrin**

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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Honorable Joseph L. Waltz, Jr.
District Attorney of the Thirty-Second Judicial District
Terrebonne Parish, Louisiana

Compliance

We have audited the compliance of the District Attorney of the Thirty-Second Judicial District, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to its major federal program for the year ended December 31, 2008. The District Attorney of the Thirty-Second Judicial District's major federal award program is identified in the Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the District Attorney of the Thirty-Second Judicial District's management. Our responsibility is to express an opinion on the District Attorney of the Thirty-Second Judicial District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Governmental Auditing Standards, issued by the Comptroller General of the United States, and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District Attorney of the Thirty-Second Judicial District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District Attorney of the Thirty-Second Judicial District's compliance with those requirements.

In our opinion, the District Attorney of the Thirty-Second Judicial District complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2008.

To the Honorable Joseph L. Wertz, Jr.
District Attorney of the Thirty-Second Judicial District
Page 2

Internal Control Over Compliance

The management of the District Attorney of the Thirty-Second Judicial District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the District Attorney of the Thirty-Second Judicial District's internal control over compliance with requirements that could have a direct and material effect on its major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control 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 noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to the major federal program 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 compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Board of Directors, management, federal awarding agencies, pass-through entities, and other grantor organizations, and is not intended to be and should not be used by anyone other than these specified parties.



June 16, 2004

**District Attorney of the Thirty-Second Judicial District
Tangipahoa Parish, Louisiana
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2003**

Federal Grant/ Pass Through Grant/ Program Title	Federal CFDA Number	Costed Number	Federal Expenditures
DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Cost Through awards from the Louisiana Department of Social Services/Office of Family Support			
Child Support Enforcement	88-560	880788	\$ 217,028
Child Support Enforcement	88-560	880888	176,583
			<u>393,611</u>
Cost Through awards from the Administration for Children and Families			
Temporary Assistance for Needy Families	88-568		158,841
DEPARTMENT OF JUSTICE			
Cost Through awards from the Louisiana Office of Children of Color			
Crime Victim Assistance	18-878	088-8-8-10	58,000
Crime Victim Assistance	18-878	088-8-8-10	28,742
Crime Victim Assistance	18-878	081-7-8-13	8,806
Crime Victim Assistance	18-878	081-7-8-14	4,847
Crime Victim Assistance	18-878	083-7-8-12	18,375
Crime Victim Assistance	18-878	083-7-8-14	18,250
			<u>132,960</u>
DEPARTMENT OF JUSTICE			
Cost Through awards from the Louisiana Bureau of Justice Assistance			
Spouse Formula Grant Program	15-876	001-3-001	7,251
Spouse Formula Grant Program	15-876	002-3-018	51,711
Spouse Formula Grant Program	15-876	003-3-003	8,862
			<u>67,824</u>
			<u>\$ 615,202</u>

* Denotes a major program

**District Attorney of the Thirty-Second Judicial District
Terrebonne Parish, Louisiana**
**Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2003**

NOTE A—BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the District Attorney of the Thirty-Second Judicial District and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE B—DEFINITION OF A MAJOR PROGRAM

The Single Audit Act defines a major program based on the total federal awards expended during the year.

NOTE C—CFDA NUMBERS

The CFDA numbers included in this report were determined based on the program name, review of grant contract information, and the OMB's Catalogue of Federal Domestic Assistance.

**District Attorney of the Thirty-Second
Judicial District
Terrebonne Parish, Louisiana**

**Management Letter
December 31, 2000**

**Martin
&
Pellegri**

100 Kenny Road
Bossier, Louisiana 70001

Single Audit Services
to Government Organizations

Ph: (985) 831-6588
Fax: (985) 831-6591

June 18, 2004

To the Honorable Joseph L. Walts, Jr.
District Attorney of the Thirty-Second Judicial District
Terrebonne Parish, Louisiana

We have audited the financial statements of the District Attorney of the Thirty-Second Judicial District as of and for the year ended December 31, 2003 and have issued our report thereon dated June 18, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

During the course of our examination, we became aware of the following matters which represent a suggestion for improved internal controls:

Lack of Supporting Documentation

During the examination, it was noted that supporting documentation was missing for several expenses. We recommend that all disbursements have some form of supporting documentation attached to the check stub and are properly filed.

Need for Subsidiary Ledgers for Payable Accounts

During the examination, it was also noted that there were no subsidiary ledgers for the restorations payable and merchant fees payable accounts. We recommend that management contact a computer consultant to determine if subsidiary ledgers can be produced for these payable accounts.

We will review the status of these comments during our next audit engagement. We will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

Sincerely,

Martin & Pellegri, CPAs (PC)