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14TH JUDICIAL DISTRICT COURT CHILD SUPPORT
ENFORCEMENT FUND
COMPONENT UNIT FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2003

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. This report is available for public inspection at the Report Release Office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7-28-04



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INDEPENDENT AUDITORS' REPORT

Honorable Judge Lilym Ocker
14th Judicial District Court Child Support Enforcement Fund
Lake Charles, Louisiana

We have audited the accompanying component unit financial statements of the 14th Judicial District Court Child Support Enforcement Fund, a component unit of the Calcasieu Parish Police Jury, as of and for the year ended December 31, 2003, as listed in the table of contents. These financial statements are the responsibility of the District's Board. Our responsibility is to express an opinion on these financial statements based on our audit.

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 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.

In our opinion, the component unit financial statements referred to above present fairly, in all material respects, the financial position of the 14th Judicial District Court Child Support Enforcement Fund as of December 31, 2003, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles in the United States of America.

As noted in Note 1, the Fund has implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, as of December 31, 2003.

The management's discussion and analysis and budgetary comparison information on pages 3 through 6 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However we did not audit the information and express an opinion on it.

Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 14, 2004 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Sam Schuman & Co, Ltd

June 14, 2004



14th JUDICIAL DISTRICT COURT CHILD SUPPORT ENFORCEMENT FUND

MANAGEMENT'S DISCUSSION AND ANALYSIS

The purpose of this section is to offer management's discussion and analysis of the 14th Judicial District - Child Support Fund (hereinafter referred to as the "14th JDC-CR Fund") financial performance and activities during the year ending December 31, 2003. Please consider this in conjunction with the financial report attached.

Overview of the Fund

This financial report consists of four parts: management's discussion and analysis (this section), the basic financial statements, the notes to the financial statements, and supplementary information.

The financial statements provide both long-term and short-term information about the 14th JDC-CR Fund's overall financial status. The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of other supplementary information that further explains and supports the information in the financial statements.

The 14th JDC-CR Fund's financial statements are prepared on an accrual basis in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. Under this basis of accounting, revenues are recognized in the period in which they are earned, expenses are recognized in the period in which they are incurred, and depreciation of assets is recognized in the Statements of Revenues, Expenses, and Changes in Net Assets. All assets and liabilities associated with the operations of the CR FUND are included in the Statements of Net Assets.

Statements of Net Assets reports the CR fund's net assets. Net assets, the difference between the Fund's assets and liabilities, are one way to measure the Fund's financial health or position.

Financial Highlights

For the year ended December 31, 2003, net assets changed as follows:

Beginning net assets	\$ 841,731
Increase in net assets	28,478
Ending net assets	\$ 870,209

This reflects an 0% increase in net assets for the year. With total net assets at December 31, 2003 comprised of the following:

- (1) Invested in capital assets of \$ 1,470 that included property and equipment, net of accumulated depreciation and debt.
- (2) Unrestricted net assets of \$ 944,748 that represents the portion available to maintain continuing obligations to creditors.

Since this is the first year to report all activities on the annual basis of accounting, a more detailed comparison to the prior year on the same basis is not possible. However, in future years, this section will explain the differences between the current and prior year assets, liabilities, and changes in net assets.

The 12th JDC-CR Fund was created in 1971 pursuant to LSA R.S. 48:124-5 which implements an expedited process for the establishment, modification and enforcement of support obligations by allowing the Courts to employ "Hearing Officers" and other personnel to implement this procedure. In all non-Title IV-D (Social Security Act) cases where support obligations were made mandatory after July 1, 1971, and in all Title IV-D (Social Security Act) cases of ongoing support as well as existing arrangements and future arrangements, the Court may assess a fee of up to \$4 to fund this expedited process. Since 1971, this \$4 fee has been the main source of income for the 12th JDC-CR Fund and has completely financed efforts of the Hearing Officers and support personnel, equipment, office expenses, etc. of the expedited program.

Since 1978, the Fund has seen a steady increase in revenue from year to year as well as an increase in cases being handled through this expedited system. However, Federal legislation in the past several years has resulted in the Support Enforcement Services in Louisiana receiving a "Payor Designation Form" in all cases, to allow the "State" to post and collect this fee on behalf of the Judicial Districts with the "Hearing Officer Programs" in place so that this source of revenue for the courts may continue. This resulted in the difficult task of the courts locating all prior payors in order to have them voluntarily execute the required Form. Almost all courts involved in this effort have suffered an approximate 10% decrease in revenue since May 1978 which was the date the State Support Enforcement Services discontinued forwarding the Courts an administrative fee when the required and filed "Payor Designation Form".

Additional revenues of the Fund associated with various programs are presented below.

Crime Victims Assistance Grant

In September of 1980, the Family & Juvenile Court applied for and was approved for a grant from the La. Commission on Law Enforcement. This grant provided for the hiring of a "Domestic Abuse Specialist" to assist victims of domestic abuse in obtaining restraining orders and/or protective orders and other relief allowed by Louisiana law. The grant provided for funds of \$24,141 with a match from the court of 11% amounting to \$2,653, for a total of \$26,794 over the fiscal year. These funds provide almost exclusively for the cost of

salary and benefits of the Domestic Abuse specialist, with a very small allotment for office supplies. The specialist was not hired until February 2003 and therefore the grant amount was adjusted. In 2003, the court received \$18,131 for the first 3 quarters' billings. Payments of \$4,038 and \$1,898 for the grant's November and December 2003 and January 2004 billings, respectively, were received in 2004. This completed the grant fiscal year ending January 31, 2004.

The Court applied for a continuation of the ICLEA grant for 2004 and this was also granted. The Federal funds available to the La. Commission on Law Enforcement for this and other grants was reduced for the 2004 fiscal year, so the Court expects a small decrease in grant funds from the Commission (\$19,488) and a greater amount in the match by the Court to sustain the grant (\$6,844) from the 2003 to 2004 grant year.

Teen Court Grant

The Court began a "Teen Court" in 2001, which is a diversion program for three time offenders. The program trains teens to participate as defendants, prosecutors, jurors and defense counsel in cases involving misdemeanor crimes. The Teen Court is funded in part by the Family & Juvenile Court, Office of Juvenile Justice Services through the Calcasieu Parish Police Jury, and in part from grant funds received from the Louisiana Bar Association through ICLTA (interest on Lawyer's Trust Account).

In 2003, the Court received from Office of Juvenile Justice Services (hereinafter referred to as "OJJWS") and the Calcasieu Parish Police Jury (hereinafter referred to as "CPPJ") the amount of \$18,400 for payment towards the salary of the Teen Court Coordinator and expenses for supplies, postage, training, etc. The Court further received the amount of \$1,500 from the ICLTA fund which was applied directly to the salary and benefits of the Teen Court coordinator. The Family & Juvenile Court paid all other amounts for the salary and benefits of the Teen Court coordinator totaling \$18,100.

It is expected that the monies received from OJJWS/CPPJ and from ICLTA will not fluctuate for the fiscal year 2004, although the salary and/or benefits of the Teen Court coordinator may be adjusted and those expenses will be paid by the Family & Juvenile Court.

Home & Visitation Service

In 2003 the Court instituted a program in partnership with the State of Louisiana, Department of Social Services (hereinafter referred to as "DSS"), Office of Family Support, to assist non-custodial parents with gaining access and visitation with their minor children. The court applied for and was approved for funding of the program in the form of a grant in the amount of \$88,178 for the effective date of 10/1/03 with a termination date of 9/30/04. Of this amount, salary and benefits for the Case Manager will be paid at a rate of \$14,419. The remaining grant funds will be allocated to pay for various services such as mediation, supervised visitation, legal fees and other expenses in connection with these services pursuant to the grant contract.

CHILDREN'S MISADVENTURES

Although the effective date of the grant was October 1, 1991, a Case Manager was not hired until November 1991, so no expenses under the grant were incurred in October 1991. The program actually began operation in November 1991 and the expenses incurred by the program and submitted to "CDB" for the months of November and December 1991 were actually reimbursed and received by the Court in the amount of \$9,038 in January 1992.

The grant operates on a reimbursement basis wherein the Court pays the expenses incurred by the program on a monthly basis, and is reimbursed by the State after submission of monthly reimbursement requests.

Children's Miracle Network Grants

In 1991 the Family & Juvenile Court applied to the Children's Miracle Network, Christus St. Elizabeth Hospital, to provide for equipment and furniture for a "safe play" area for children appearing in or visiting the Family & Juvenile Court. Although approval for the grant proceeds was established in 1990, the funds were not received and deposited by the Court until 1991.

The amount received by the Children's Miracle Network was \$1,894. All of those funds were expended in the purchase of equipment, shipping costs and supplies for the "safe play" area.

Because this was a non-recurring expense, the Court does not expect to receive nor apply for other funds from the Children's Miracle Network.

Budgetary Highlights

The final budget reflected a reduction in revenue of \$18,120 or 29% and expenditures of \$88,180 or 17% of the original budget. Such changes were related to the reduction in collections discussed previously and management's corresponding efforts to minimize expenditures in areas of revenues.

The actual revenues exceeded the final budget by \$18,864 or 34% and the actual expenditures exceeded the final budget by \$40 or less than 1%. The variances were caused by the timing of collections receipts and the unbudgeted grant revenues.

CONTACTING the Fund's Financial Management

This financial report is designed to provide citizens and taxpayers with a general overview of the 14th Judicial District Child Support Fund finances, revenues and expenditures. If you have any further questions about the report, or need additional information, contact the Family & Juvenile Court, 14th Judicial District at Post Office Box 1180, Lake Charles, Louisiana 70601. (337) 437-3381.


RICHARD A. CURTIS, District Clerk
Family & Juvenile Court


DENISE SCHELL, Office Administrator
Family & Juvenile Court



FOURTEENTH JUDICIAL DISTRICT COURT
CHILD SUPPORT ENFORCEMENT FUND
LAKE CHARLES, LOUISIANA
STATEMENT OF NET ASSETS
December 31, 2003

	Governmental Activities
ASSETS	
Current Assets	
Cash & Cash Equivalents	\$ 714,431
Interest Receivable	3,227
Due from Governmental Units	<u>58,928</u>
Total Current Assets	786,586
Noncurrent Assets:	
Investments	148,188
Capital assets, net	3,808
Total Noncurrent Assets	<u>152,000</u>
Total Assets	<u>\$ 938,586</u>
LIABILITIES	
Current Liabilities:	
Accounts Payable	8,030
Capital Lease Payable	<u>1,928</u>
Total Liabilities	<u>\$ 9,958</u>
NET ASSETS	
Invested in capital assets, net of related debt	1,670
Unrestricted	<u>936,916</u>
Total Net Assets	<u>\$ 938,586</u>

"The Accompanying Notes are an Integral Part of this Statement."

FOURTEENTH JUDICIAL DISTRICT COURT
 CHILD SUPPORT ENFORCEMENT FUND
 LAFAYETTE, LOUISIANA
 STATEMENT OF ACTIVITIES
 for the year ended December 31, 2003



Functional/Programs Governmental activities:	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net Revenues (Expenses)
Contributions	\$ 286,117	\$ 368,146	\$	\$	\$ 654,263
Teen Court Program 2003	(41,824)		21,792		(20,032)
Teen Court Program 2002			16,808		16,808
Children's Miracle Theater	3,828			1,808	\$
Domestic Violence Program	27,854		23,147		(4,707)
Access and Visitation Program	9,638		5,638		\$
Total governmental activities	\$ 290,503	\$ 368,146	\$ 53,377	\$ 1,808	\$ 67,277
General revenues: Interest					6,452
Total general revenues					6,452
Changes in net assets					68,676
Net assets - beginning of year					843,171
Net assets - end of year					\$ 911,847

The Accompanying Notes are an Integral Part of this Statement.



FOURTEENTH JUDICIAL DISTRICT COURT
CHILD SUPPORT ENFORCEMENT FUND
LAKE CHARLES, LOUISIANA
BALANCE SHEET - GENERAL FUND
As of December 31, 2023

ASSETS

Cash & Cash Equivalents	\$	714,421
Investments		145,158
Interest Receivable		3,237
Due from Governmental Units		<u>80,828</u>
Total Assets	\$	<u>943,644</u>

LIABILITIES

Accounts Payable	\$	<u>8,000</u>
Total Liabilities		<u>8,000</u>

FUND BALANCES

Unreserved Fund Balance		<u>908,743</u>
Total Fund Balances		<u>908,743</u>
Total Liabilities and Fund Balances	\$	<u>916,743</u>

"The Accompanying Notes are an Integral Part of this Statement."



FOURTEENTH JUDICIAL DISTRICT COURT
CHILD SUPPORT ENFORCEMENT FUND
LAKE CHARLES, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - GENERAL FUND
As of December 31, 2003

REVENUES

Collection Fees	\$ 365,144
Grant Revenues	66,880
Interest Income	<u>5,432</u>
Total Revenues	<u>437,456</u>

EXPENDITURES

Current Operations	
Collections	282,887
Teen Court Program 2003	44,024
Children's Miracle Network	2,808
Domestic Violence Program	27,084
Access and Visitation Program	8,038
Capital Outlay	0
Debt Service	<u>8,247</u>
Total Expenditures	<u>372,896</u>

OTHER FINANCING SOURCES (USES)

Operating transfers in	-
Operating transfers out	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>

Excess (Deficiency) of Revenue Over Expenditures	64,560
Fund Balance - January 1	<u>842,788</u>
Fund Balance - December 31	\$ <u>907,348</u>

"The Accompanying Notes are an Integral Part of this Statement."



FOURTEENTH JUDICIAL DISTRICT COURT
CHILD SUPPORT ENFORCEMENT FUND
LAKE CHARLES, LOUISIANA
RECONCILIATION OF GOVERNMENTAL FUND BALANCE SHEET
TO STATEMENT OF NET ASSETS
December 31, 2022

Total governmental fund balances	\$ 985,740
Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund.	3,685
Long-term debt on capital leases	<u>(7,850)</u>
Net assets of governmental activities	\$ <u>981,575</u>

"The Accompanying Notes are an Integral Part of this Statement."



FOURTEENTH JUDICIAL DISTRICT COURT
CHILD SUPPORT ENFORCEMENT FUND
LAKE CHARLES, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
December 31, 2020

Net change in fund balances - total governmental funds 5 66,552

Amounts reported for governmental activities in the
statement of activities are different because:

Repayment of long-term debt principal is an expenditure in the
governmental funds, but the repayment reduces long-term
liabilities in the statement of net assets. 4,801

Governmental funds report capital outlays as expenditures. However,
in the statement of activities, the cost of those assets is allocated over
their estimated useful lives as depreciation expense. This is the amount
by which depreciation exceeded capital outlays in the current period. (2,790)

Change in net assets of governmental activities 5 68,878

"The Accompanying Notes are an Integral Part of this Statement."



14TH JUDICIAL DISTRICT COURT CHILD SUPPORT ENFORCEMENT FUND
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). In June 1989 the GASB issued Statement No. 34 Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments. This statement establishes new financial reporting requirements for state and local governments throughout the United States. It requires new information and restructures much of the information that governments have presented in the past. Comparability with reports issued in prior years is affected.

As a component unit of the Calcasieu Parish Police Jury, the 14th Judicial District Court Child Support Enforcement Fund is required to implement the new GASB 34 reporting model for the year ended December 31, 2021.

Other GASB Statements are required to be implemented in conjunction with GASB Statement No. 34. Therefore, the Fund has also implemented Statement No. 37 - Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments: Definition, and Statement No. 38 - Certain Financial Statement Note Disclosures.

The accompanying financial statements present the financial position and results of operations of the Fund.

A. REPORTING ENTITY

The 14th Judicial District Court Child Support Enforcement Fund was created by Louisiana Revised Statute 48:214.5. This fund was established as an expedited process for the establishment or enforcement of child support obligations. According to the authorizing statute, any court with jurisdiction to establish paternity or to establish or enforce support obligations may implement the above expedited process. This fund was established in 1991.

This fund is a function of the Calcasieu Parish District Court system, which is a component unit of the Calcasieu Parish Police Jury, and as such, this fund is also a component unit of the Calcasieu Parish Police Jury. This report includes all of the funds relating to the Child Support Enforcement Fund itself as of December 31, 2021 but not the District Court or the Calcasieu Parish Police Jury.

B. BASIS OF PRESENTATION

Certain of the significant changes to the presentation of GAO's funds financial information include, for the first time a Management Discussion and Analysis (MD & A) section providing an analysis of the Child Support Enforcement Fund's overall financial position and results of operations and financial statements prepared using full accrual accounting for all the Fund's activities. These and other changes are reflected in the accompanying financial statements including the notes to the financial statements. The Fund has elected to implement the general provisions of the Statement in the current year and plans to retroactively report capital assets acquired prior to January 1, 1991. The financial report consists of Management Discussion and Analysis (MD&A), basic financial statements, notes to the basic financial statements and required supplemental information other than the FMSA. The FMSA provides an analytical overview of the financial activities of the State. The basic financial statements include the government-wide financial statements and the fund financial statements.

Government-wide financial statements - The statement of net assets and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity.

Fund financial statements - The financial transactions of the Fund are reported as individual funds in the fund financial statements. Each fund is accounted for by a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures.

C. FUND ACCOUNTING

Funds are used to report the financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain governmental functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. The Fund of the 18th Judicial District Court Child Support Enforcement Fund is classified as a governmental fund type (general fund).

The governmental fund (general fund) is the primary operating fund. It accounts for the collection of authorized child support payments. The child support payments are collected by the state and then distributed to the 18th Judicial District Court Child Support Fund. As disclosed in page 8, the Fund also receives a percentage of the collections from Beauregard Parish.



MONIES RECEIVED by the Fund are characterized by administrative and/or direct financial involvement. As such, they are accounted for in the general fund.

D. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement focus - The government-wide financial statements are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets, and financial position. All assets and liabilities (whether current or non-current) associated with their activities are reported. All governmental funds utilize a current financial resources measurement focus in the fund financial statements. Only current financial assets and liabilities are generally included on the balance sheet. Operating statements present sources and uses of available spendable financial resources during a given period. The fund balance is the measure of available spendable financial resources at the end of the period.

Basis of accounting - The government-wide financial statements are presented using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred or economic assets are used. Revenues, expenses, gains, losses, assets, and liabilities resulting from the exchange and exchange-like transactions are recognized when the exchange takes place. In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Revenues are recognized when "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 be used to pay liabilities of the current period. Expenditures (including capital outlay) are recorded when the related fund liability is incurred.

E. ASSETS, LIABILITIES AND NET ASSETS, EQUITY OR NET FUND BALANCES

Cash, Cash Equivalents, and Investments - "Cash and Cash Equivalents" includes all demand deposits, savings accounts and certificates of deposit maturing within one year. "Investments" includes certificates of deposit maturing in more than one year.

Receivables - In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Receivables are included in the fund financial statements if they are both measurable and available.

Capital assets - In the government-wide financial statements, capital assets purchased or acquired with an original cost of \$1,000 or more are reported at historical cost. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following useful lives:

computer equipment, including software	5 - 10 years
Furniture, office equipment	5 - 10 years

In the fund financial statements, fixed assets are accounted for as capital outlay expenditures of the fund upon acquisition. Capital assets reported herein include only those assets purchased by the Child Support Enforcement Fund and do not reflect assets of the credit obtained from other sources. The Fund has no infrastructure assets.

Fund Balances and Net Assets - In the fund financial statements, governmental funds report reservations of fund balances for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balances represent tentative management plans that are subject to change. Net assets are segregated into three categories on the government-wide statement of net assets: 1) investment in capital assets, net of related debt; 2) restricted; and 3) unrestricted. Net assets are restricted when constraints placed on them are either externally imposed or are imposed by constitutional provisions or enabling legislation. Internally imposed designations of resources are not presented as restricted net assets. The Fund first uses restricted assets for expenses incurred for which both restricted and unrestricted assets are available. It may defer the use of restricted assets based on a review of the specific transaction.

Program Expenses - Program expenses include amounts for administering expedited support payments as well as the various operational and capital costs. Management's policy is to allocate indirect expenses to the programs in the statement of activities based on the relative amount of time spent administering each program. Indirect expenses associated with administration of the grant program in 2001 were considered negligible and not allocated for 2001.



- F. Budgets and Budgetary Accounting - Annually, the Fund adopts a revenue and expenditure budget for the general fund. A forecast of revenues and expenditures is made based upon the prior year's expenditures, taking into consideration additional expenditures which may be predetermined and established. Amendments to the budget is required when actual receipts for the year failed to meet budgeted revenues by five percent or more, or when actual expenditures for the year exceeded budgeted expenditures by five percent or more.

The budget is adopted on the cash basis method of accounting. Budgetary comparisons presented in this report are on this non-GRAP budgetary basis. Budget amounts are as originally adopted, adjusted for subsequent amendments.

Encumbrance accounting is not used.

- G. Retirement/ Vacation Benefits - The various court employees' salaries are paid by the Calaveras Parish Police Jury and their retirement and vacation benefits are established and provided by the Police Jury since these individuals are employees of the Police Jury. The Child Support Fund does reimburse the Police Jury for the salaries and benefits of individuals specifically working with this fund's activities. The Fund does not provide any direct benefits in the form of retirement or vacation.
- H. Deferred Expenditures / Reserved fund balance - The Fund reimburses the Calaveras Parish Police Jury for the salary and related benefits of individuals who specifically work on the activities associated with the expedited child support enforcement. In late December, the Fund sometimes pays salary and related benefits for portions of the following year. Typically, a deferred expenditure is recorded as well as a reservation of fund balance. However, as of December 31, 2001, the Fund had not paid for the 2002 salaries; thus, no deferred expenditure or reserved fund balance was needed.
- I. Accounting Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make certain estimates and assumptions. Those estimates 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 expenditures during the reporting period. Actual results could differ from these estimates.



NOTE 2: CASH AND EQUIVALENTS

"Cash & Cash Equivalents" includes all demand deposits, savings deposits, and certificates of deposit maturing within one year. The Fund's Cash & Cash Equivalents balance at December 31, 2000 consists of cash in the amount of \$ 276,122 and a certificate of deposit maturing June 1, 2004 in the amount of \$ 118,081.

Governmental Accounting Standards Board Statement 3 (GASB-3) concludes that deposits with financial institutions should be evaluated for risk and classified in one of the three following categories:

Category 1 - Secured or collateralized with securities held by the governmental entity or by its agent in the name of the entity.

Category 2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the governmental entity's name.

Category 3 - Uncollateralized (which would include any deposits collateralized with securities held by the pledging financial institutions, or by its trust department or agent but not in the governmental entity's name).

The deposit information for the 1st Judicial District - Child Support Enforcement Fund at December 31, 2000 is as follows:

	Cash Balance	Carrying Amount
Cash & Cash Equivalents:		
Category 1	\$ 276,122	\$ 276,122
Category 2	118,081	118,081
Total	<u>\$ 394,203</u>	<u>\$ 394,203</u>
	Carrying	Face
	Amount	Value
INVESTMENTS:		
Category 1	\$ 120,000	\$ 120,000
Category 2	88,186	88,186
Total	<u>\$ 208,186</u>	<u>\$ 208,186</u>

NOTE 3: CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2003 was as follows:

	Balance December 31, 2002	INCREASES	DECREASES	Balance December 31, 2003
Depreciable Partners & Equipment	\$ 46,814			\$ 46,814
Accumulated Depreciation	(68,422)	12,184		(56,238)
Capital Assets, net	\$ 1,392	\$ 12,184	\$-	\$ 1,392

Capital assets in the amount of 29,749, 23,312 net, are included in the above totals and are subject to capital leases as disclosed in Note 4.

NOTE 4: GENERAL LONG-TERM DEBT

Long-term debt activity during 2003 involved three capital leases:

- (1) During 2000, the Fund leased equipment subject to 36 payments of \$211.71 at a rate of 8.61%. This lease expired in September, 2003.
- (2) On August 4, 2002 the Fund received a lease on equipment subject to 36 payments at \$208.09 monthly, with an interest rate of 11.89%.

Interest expense for capital leases during 2003 was \$46.40.

The annual requirements to amortize all debt as of December 31, 2003 are as follows:

Year	Principal	Interest	Total
2004	1,810	110	1,920
2005	-0-	-0-	-0-
	<u>\$ 1,810</u>	<u>\$ 110</u>	<u>\$ 1,920</u>

Changes in Long-Term Debt. A summary of changes in long-term obligations is as follows:

	Balance at December 31, 2002	Current Additions	Current Retirements	Balance at December 31, 2003
Capital Leases	\$ 1,392	\$ -0-	\$ -0-	\$ 1,392

NOTE 5: COMMITMENTS AND CONTINGENCIES

Reimbursement payments may be subject to review and audit by the grantor agencies. 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.

Management has represented that there is no litigation pending against the child support enforcement fund as December 31, 2003.

NOTE 6: JOINT SERVICE AGREEMENT

The Child Support Enforcement Fund entered into a contract with the Beauregard District Court system to establish and administer an expedited child support enforcement activity for that area. The Fund receives payment from Beauregard Parish for the child support payments made in that area. The State collects all child support payments and then sends the payments to the appropriate districts. The contract also states that the hearing officer will attend court several times a month in Beauregard in exchange for additional salary compensation. The total income for the joint service agreement for 2003 was \$27,206. This amount is included in collection revenue with 12,392 reflected as a receivable in fee from Governmental Units.

NOTE 7: RECEIVABLES

The Fund participates in several federal, state, and local programs from which it receives grants in partially or fully funded certain activities. Amounts due from federal and state governments for collections activities as well as grants are reflected as amounts due from governmental units on the financial statements. Receivables as of year end consist of amounts due from governmental units, reimbursements receivable and interest receivable as follows:

Federal grants receivable:	
Domestic Violence Grant - CDAS 14-575	\$ 4,426
Access and Visitation Grant - CDAS 93-182	2,650
Collections receivable	<u>12,322</u>
Due from governmental units	
Miscellaneous receivable	\$ 2,381
Interest receivable	\$ 2,327
Total receivable	

Management does not believe there is a credit risk exposure on any of these receivables.



14TH JUDICIAL DISTRICT COURT CHILD SUPPORT ENFORCEMENT FUND

REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2003

Required supplementary information includes financial information and disclosures that are required by GASB 483 and are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedule - Budgetary (2003-GAAP) Basis
- Notes to Required Supplementary Information - Budgetary Reporting



**(FIELD SUPPORT ENFORCEMENT FUND)
LAW CHARLES LEONARD
BUDGETARY COMPARISON SCHEDULE
BUDGETARY (MFM-S&W) BASIS**

for the year ended December 31, 2020

	<u>ORIGINAL BUDGET</u>	<u>FY04 BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES				
Collection Fees	\$ 402,750	\$ 326,400	\$ 376,458	\$ 50,058
Grant Revenues	0	0	8,878	8,878
Interest Income	12,000	12,000	14,327	2,327
Total Revenues	414,750	338,400	409,663	71,263
EXPENDITURES				
Payroll	\$ 11,518	\$ 11,518	101,138	8,361
Office Equipment (Purchases)	10,000	10,000	0	10,000
Dues and Subscriptions	2,000	2,000	1,228	772
Equipment Rental (Leases)	3,000	4,000	4,228	(1,228)
Miscellaneous	2,000	2,000	20,848	(18,848)
Office Supplies	10,000	10,000	9,918	82
Printing and Mailing	2,000	2,000	1,027	(1,027)
Printing and Distribution	4,000	2,000	2,178	227
Accounting and Audit Fees	5,000	5,000	1,228	3,772
Computer & Equipment Repair	5,000	4,720	4,287	713
Telephones	15,000	1,000	2,111	3,288
Travel and Registration	8,000	8,000	8,287	1,000
Computer Programming	25,000	1,000	1,545	54
Printing Fees	3,000	3,000	3,171	171
Contract Labor	12,000	0	0	0
Inventory Shrinkage Expense	2,000	0	0	0
Office Furniture/Fixtures	15,000	0	0	0
Total Expenditures	124,518	71,218	175,750	100
Balance (Deficiency) of revenues over expenditures	290,232	267,182	233,913	100,063
Fund Balance -- January 1	1,100,000	1,100,000	1,100,000	1,100,000
Fund Balance -- December 31	1,140,232	1,067,182	1,100,047	1,200,063



14TH JUDICIAL DISTRICT COURT CHILD SUPPORT ENFORCEMENT FUND

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION -
SECRETARY REPORTING

The accompanying budgetary comparison schedule presents comparisons of the adopted budget with actual data on a budgetary basis. Because accounting principles applied for purposes of developing data on a budgetary basis differ from those used to present financial statements in conformity with GAAP, a reconciliation of variances based, timing, perspective, and entity differences in the access (deficiency) of revenues and other sources of financial resources over expenditures and other uses of financial resources for the year ended December 31, 1999 is presented below:

Excess of revenues and other financial resources over expenditures and other uses of financial resources (budgetary basis)	1 01,918
Adjustments:	
To adjust revenues for collection fees and interest revenue accruals	1,901
To adjust expenditures for expense accruals	1,204
Excess of revenues and other financial resources over expenditures and other uses of financial resources (GAAP basis)	1 02,615

SUPPLEMENTAL
INFORMATION

CHILD SUPPORT ENFORCEMENT FUND
 LEAD COUNTY, OREGON
 SCHEDULE OF BUDGET BY FUND/PROGRAM
 (Amounts in thousands)

For the year ended December 31, 2003

Account	Budgetary Base	Collection Fee	Year-Cost 2003	Year-Cost 2002	CMR	Economic Value	Address & Utilities	Interest	Mail Service
Collection Fee	274,426	274,426							
Grant Revenue	21,250		21,792	20,660	1,800	18,111	0	18,307	0
Interest Income	18,307								
Total Income	493,983	274,426	27,792	20,999	2,800	18,111	0	18,307	0
Travel	5,228	5,228	5,228						
CMR Support	11,462	5,732	5,228						
Office Expense	12,229	12,229			1,800	203	1,284		
Equip. Maint.	544	544							
Auto. Fee	5,256	5,256							
Professional Fee	325	325							
Materials - OTHJ Sub.	955,435	248,700	28,624			23,436			
Printed Materials	0	0							
Telephone	2,212	2,212							
Registration Fee	1,882	1,882							
Dues & Sub.	2,346	2,346							
Spec. Fee Charge	40	40							
Contributions	245	245							
Advertising	152	700							
Printing Costs	2,172	2,172							
Supplies	6,282	6,281							
Accounting	6,002	2,102	1,289						
Postage/Utility	2,175	576	1,480				0,208		
Fuel	1,000	1,000							
Asset Expense	1,245	1,245							
Computer Prog.	545	545							
Interest Expense	5,347	471							5,142
Debt Service									
Other	412	471							
Total Expenses	273,778	253,671	44,024	0	5,088	27,886	2,894	0	3,142
Excess (Deficiency) - Budgetary Base	16,205	21,055	13,768	20,999	0	(11,475)	(2,894)	18,307	(3,142)
Budget - CMR Reimbursement									
Adjust for revenue accounts	1,882	15,273				4,028	1,078	13,079	
Adjust for expense accounts	1,464	6,116					18,573		
Total Excess (Deficiency) - CMR Funds	18,181	21,389	13,768	20,999	0	(7,447)	0	3,109	(3,142)



GUS SCHRAM & CO., Ltd.

A PROFESSIONAL CORPORATION

CERTIFIED PUBLIC ACCOUNTANTS

Business Incorporation

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON
INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON
AN AUDIT OF FINANCIAL STATEMENTS CONDUCTED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Commissioners
14th Judicial District Court Child
Support Enforcement Fund
Lake Charles, Louisiana

We have audited the component unit financial statements of the 14th Judicial District Court Child Support Enforcement Fund as of and for the year ended December 31, 2003, and have issued our report thereon dated June 14, 2004. 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 Child Support Enforcement Fund's component unit 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 those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under Government Auditing Standards which is described below as Item 2003-02.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Fund's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the component unit financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters 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, would adversely affect the Fund's ability to record, process, summarize and report financial data consistent with the assertions of management in the component unit financial statements. The reportable conditions are described below as Items 2003-01 and 2003-02.

1991-91: Lack of Segregation of Duties

Condition: There is a lack of segregation of duties over financial activity.

Criteria: An effective internal control is dependent to a great extent on segregation of responsibilities for initiating, evaluating, and approving transactions from those for detail accounting and other related functions.

Effect: When internal control is limited by a lack of segregation of duties there is always a possibility that transactions could be processed that would negatively affect the entity.

Cause: Because of the entity's size, it is not feasible to segregate duties to achieve effective internal accounting control.

Recommendation: We do recommend that, whenever possible, management take an active interest in reviewing the monthly financial information.

Management's Response: Management concurs with the above recommendation.

1992-92: Collateralization of Deposits

Finding: During our testing of the collateralization of the Fund's deposits, we found instances wherein the fiscal bank had not pledged adequate securities to collateralize deposit balances in excess of the FDIC insurance coverage amounts.

Criteria: State law requires that public funds either be covered by FDIC insurance coverage or have securities pledged to or on behalf of the governmental entity by the entity's fiscal bank.

Cause: The Fund's fiscal bank failed to properly code a portion of the Fund's deposits as public funds.

Effect: Deposits were not adequately collateralized for the months of April, May, and June, 1992.

Recommendation: We recommend that the Fund continue to work with its fiscal bank to assure that the Fund's deposits are fully secured.

Management's Response: The Fund implemented a monthly collateral review process in June, 1992 as a result of 1991 audit findings. The fiscal bank's error was detected during that same time frame and was corrected as of July 18, 1992. The Fund's deposits have been in compliance with collateral requirements since this matter was brought to our attention. Management concurs with the above recommendation and we will continue to work with our fiscal bank to assure that the Fund's deposits are fully secured.

A material weakness is a reportable 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 component unit 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. We believe that the reportable conditions described above are material weaknesses.

This report is intended for the information of the management of the Judicial District Court Child Support Enforcement Fund and the Louisiana Legislative Budget. However, this report is a matter of public record and its distribution is not limited.

Joe Schram & Co. LLP

June 14, 2004



14TH JUDICIAL DISTRICT COURT OF CO
REPORT BYRONWOOD FIRM
SCHEDULE OF CURRENT YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2003

SECTION I - SUMMARY OF AUDITOR'S REPORTS/RESULTS

- A. The type of report issued on the financial statements was an unqualified opinion.
- B. Report on Internal Control and Compliance Material to the Financial Statements
- | | | | |
|---|-----------|-----|-----------|
| Internal Control Material Weaknesses | <u>X</u> | Yes | <u>NO</u> |
| Internal Control Reportable Conditions | <u>X</u> | Yes | <u>NO</u> |
| Compliance Material to Financial Statements | <u>NO</u> | Yes | <u>X</u> |
- C. Federal Awards
- Not Applicable

SECTION II - FINANCIAL STATEMENT FINDINGS

- A. Internal Control (2003-01 & 2003-02) - See page 13 - Reportable conditions and material weaknesses for Lack of Segregation of Duties and Inadequate Deposit Collateralization reported directly on Report on Compliance and Internal Control over Financial Reporting.
- B. Collateralization of Deposits (2003-03) - See page 13 - Reportable condition and a compliance finding with respect to the financial statement audit performed in accordance with Government Auditing Standards.



LATE JUDICIAL DISTRICT COURT CHIEF
SUPPORT ENFORCEMENT FUND
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
DECEMBER 31, 2003

- Findings:** The 2002 budget was not adopted on a timely basis by the Fund.
- Status:** The issue was resolved for the 2003 budget.
- Findings:** Lack of Segregation of Duties
- Status:** Due to the entity's size, there is an ongoing lack of segregation of duties.
- Findings:** Deposits in excess of amounts covered by FDIC insurance were not adequately collateralized.
- Status:** The issue was resolved in 2003 during the audit of 2002.



STATE JUDICIAL DISTRICT COURT CLERK
SUPPORT IMPROVEMENT FUND
MANAGEMENT'S CORRECTIVE ACTION PLAN
FOR CURRENT YEAR AUDIT FINDINGS (UNAUDITED)
DECEMBER 31, 1991

SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

2002-01: Lack of Segregation of Duties.

Due to limited personnel and the small size of the entity, it is not feasible to segregate these duties. Management does perform a monthly overview of the accountability of the fund and will continue to do so.

2002-02: Inadequate Deposit Collateralization

Management will continue to monitor amounts pledged to verify adequate coverage for deposits.

SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL GRANTS

This section is not applicable to the Fund.