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**Juvenile Court for the
Parish of Jefferson
State of Louisiana**

**Financial Statements
With Independent Auditor's Report Thereon**

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. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 8/11/04

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INDEPENDENT AUDITOR'S REPORT

Judges of the Court
Juvenile Court for the Parish of Jefferson
Jefferson Parish, Louisiana

I have audited the accompanying general-purpose financial statements of Juvenile Court for the Parish of Jefferson, a component unit of Jefferson Parish, as of December 31, 2003, and for the year then ended. These general-purpose financial statements are the responsibility of the Juvenile Court for the Parish of Jefferson's management. My responsibility is to express an opinion on these general-purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted 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 I plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of Juvenile Court for the Parish of Jefferson as of December 31, 2003, and the results of its operations for the year then ended in conformity with generally accepted accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued my report dated June 21, 2004 on my consideration of the Court's internal control over financial reporting and my 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 my audit.

The management's discussion and analysis and budgetary comparison information on pages 3 through 7 and pages 28 through 30, 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. I have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the supplementary information. However, I did not audit the information and express no opinion on it.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Juvenile Court for the Parish of Jefferson general-purpose financial statements. The combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. The combining and individual non-major fund financial statements and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, are fairly stated in all material respects in relation to the general-purpose financial statements taken as a whole.

Brian E. Adorno, CPA
A Professional Corporation

New Orleans, Louisiana
June 21, 2004

**Juvenile Court for the Parish of Jefferson
Management Discussion and Analysis
For the Period Ending December 31, 2003**

As financial management of Juvenile Court for the Parish of Jefferson (The "Court"), we offer readers of these financial statements this narrative overview and analysis of the financial activities of the Court for the fiscal year ending December 31, 2003. This discussion and analysis is designed to assist the reader on focusing on the significant financial issues and activities and to identify any significant changes in financial position. We encourage readers to consider the information presented here in conjunction with the financial statements taken as a whole.

Financial Highlights

Operating income for the Court was \$89,003 for the fiscal year 2003, a 45% reduction of the prior year due to timing differences with our special revenue programs. Net income produced an increase in net assets of \$102,262. The term "net assets" refers to the difference between assets and liabilities. At the close of the fiscal year 2003, the Court had net assets of \$2,196,997.

Overview of the Financial Statements

The financial statements presented herein include all of the activities of the Court using the integrated approach as prescribed by GASB Statement No. 34.

The Government-Wide Financial Statements present the financial picture of the Court from the economic resources measurement focus using the accrual basis of accounting. They present governmental activities and business type activities separately. These statements include all assets of the Court as well as all liabilities. Additionally, certain eliminations have occurred as prescribed by the statement in regards to interfund activity, payables and receivables.

The Fund Financial Statements include statements for each of the three categories of activities—governmental, business-type and fiduciary. The governmental activities are prepared using the current financial resources measurement focus and modified accrual basis of accounting. The business-type activities are prepared using the economic resources measurement focus and the accrual basis of accounting. The Court has no business-type activities. The fiduciary activities are agency funds, which only report a balance sheet and do not have a measurement focus. Reconciliation of the Fund Financial Statements to the Government-Wide Financial Statements is provided to explain the differences created by the integrated approach.

**Juvenile Court for the Parish of Jefferson
Management Discussion and Analysis
For the Period Ending December 31, 2003**

Government-Wide Financial Statements

The Statement of Net Assets and the Statement of Activities and Changes in Net Assets

The Statement of Net Assets and the Statement of Activities and Changes in Net Assets report information about the Court as a whole and about its activities. These statements include all assets and liabilities of the Court 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 Court's net assets and changes in them. Net assets are the difference between assets and liabilities, which is one way to measure the Court's financial health, or financial position. Over time, increases or decreases in the Court's net assets are one indicator of whether its financial health is improving or deteriorating.

In the Statement of Net Assets and the Statement of Activities and Changes in Net Assets, we separate the Court activities as follows:

Governmental activities—Most of the Court's basic services are reported in this category, including the General Government, Judicial Expense, Drug Court, Truancy Assessment Center, FINS Assistance Program, and CASA Program. Parish appropriations, court costs, interest income, and state and federal grants finance these activities.

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds—not the Court as a whole. Some funds are required to be established by State law and by bond covenants. However, management establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using grants and other money.

Governmental Funds

The Court's basic services are reported in governmental funds, which focus on how money flows into and out of those 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 Court's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the Court's programs. The differences of results in the Governmental fund financial statements to

**Juvenile Court for the Parish of Jefferson
Management Discussion and Analysis
For the Period Ending December 31, 2003**

those in the Government-Wide financial statements are explained in a reconciliation schedule following each Governmental Fund financial statement.

Fiduciary Funds

The Court's fiduciary activities are reported in separate Statements of Fiduciary Net Assets. We exclude these activities from the Court's other financial statements because the Court cannot use these assets to finance its operations. The Court is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and Fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Court's budgetary comparison schedules for the general fund and each major special revenue fund.

Financial Analysis

Net assets may serve, over time, as a useful indicator of a government's financial position. In the case of the Court, assets exceed liabilities by \$2,196,997 at the close of the most recent fiscal year. The Court's total net assets changed from a year ago, increasing from \$2,094,735 to \$2,196,997. In comparison to last year's net assets, which increased by \$213,670. The reduction is due to timing differences with our special revenue programs.

The largest portion of the Court's net assets reflect its investment in the Louisiana Asset Management Pool (LAMP) of \$1,226,954 at the close of the most recent fiscal year an increase of \$88,259 or 7.75%. The increase in the LAMP account was due to an increase in our Support Enforcement Revenue from increased case payments. The second largest portion of the Court's net assets is reflected in its investment in capital assets of \$765,765, which is used in the daily operation of Court activity.

Our analysis below will focus on key elements of the total governmental funds for 2003 and 2002 years.

**Juvenile Court for the Parish of Jefferson
Management Discussion and Analysis
For the Period Ending December 31, 2003**

**Juvenile Court for the Parish of Jefferson
Net Assets**

	<u>2003</u>	<u>2002</u>
Current and Other Assets	\$1,555,891	\$1,492,983
Capital Assets	<u>\$ 765,765</u>	<u>\$ 793,886</u>
Total Assets	\$2,321,656	\$2,286,869
Current Liabilities	\$ 99,609	\$ 174,134
Bond Deposits	<u>\$ 25,050</u>	<u>\$ 18,000</u>
Total Liabilities	\$ 124,659	\$ 192,134
Net Assets:		
Investment in Capital Assets, net of related debt	\$ 765,765	\$ 793,886
Restricted	\$1,431,232	\$1,300,849
Unrestricted	<u>-0-</u>	<u>-0-</u>
Total Net Assets	<u>\$2,196,997</u>	<u>\$2,094,735</u>

The Total Net Assets of the funds maintained by the Court's governmental activities increased by \$102,262 or 4.88%. The Restricted Net Assets increased by \$130,383 from \$1,300,849 as of December 31, 2002 to \$1,431,232.

**Juvenile Court for the Parish of Jefferson
Change in Net Assets**

	<u>2003</u>	<u>2002</u>
Operating Revenues	\$4,441,132	\$4,007,354
Operating Expenses	<u>\$4,352,129</u>	<u>\$3,809,917</u>
Income from Operations	\$ 89,003	\$ 197,437
Non-operating Revenues	<u>\$ 13,259</u>	<u>\$ 16,233</u>
Change in Net Assets	\$ 102,262	\$ 213,670
Net assets, beginning of year	<u>\$2,094,735</u>	<u>\$1,881,065</u>
Net assets, end of year	<u>\$2,196,997</u>	<u>\$2,094,735</u>

For the funds maintained by the Court, total revenues increased by \$433,778 or 10.8% from total revenues in 2002 of \$4,007,354 to total revenues of \$4,441,132 in 2003.

**Juvenile Court for the Parish of Jefferson
Management Discussion and Analysis
For the Period Ending December 31, 2003**

Budgetary Highlights

The original budget adopted by the Judicial Expense Fund was amended several times during the fiscal year for changes in various operating and administrative expenditures necessary for the operation of the Court. The favorable variance in the Judicial Expense Fund was mainly attributable to accruals in court costs. The original budget adopted included a cooperative endeavor between the Court and the Parish of Jefferson of \$95,000, of which \$60,619 was subsequently returned to the Parish during 2004. The budget was not amended to reflect this change. Therefore, an unfavorable variance approximating this amount exists in the Truancy Assessment Services Center Fund.

Capital Assets

The Court's investment in capital assets amounts to \$765,765, net of accumulated depreciation, as of December 31, 2003. Capital assets include building improvements, equipment, and furniture. Major capital asset events during the current fiscal year included the remodeling of the courthouse, the purchase of new office furniture and computer upgrades. The Court is not responsible for any infrastructure.

Economic Factors and Next Year's Budgets

The Jefferson Parish Juvenile Court expects to have a reduction in the General Fund allocation from Jefferson Parish due to a reduction in sales tax collections. The Parish allocated funding pays for the majority of the Court's personnel costs. As a result, the Court may be required to cover more of the operating and personnel costs than ever before.

The State of Louisiana has spent all of the Temporary Assistance to Needy Families (TANF) Surplus Funding, which funds the Drug Court and Truancy Assessment Services Center (TASC) special revenue programs. This federal funding is expected to end during the 2004 and 2005 fiscal period. These programs will be receiving a reduced allocation through the State of Louisiana's General Fund to continue the program's operations at a reduced level.

Requests for Information

This financial report is designed to provide a general overview of the Court's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to Scott Griffith, Judicial Administrator, Juvenile Court for the Parish of Jefferson, Post Office Box 1900, Harvey, Louisiana 70059.

Juvenile Court of Jefferson Parish
 Gretna, Louisiana
 Statement of Net Assets

Statement A

December 31, 2003

	General Fund	Judicial Expense Fund	Drug Court Expense Fund	Truancy Assessment Center Fund	FINS Assistance Program Fund	CASA Program Fund	Total
ASSETS							
Cash and cash equivalents	\$ -	\$ 43,753	\$ -	\$ -	\$ -	\$ -	\$ 43,753
Investments	1,226,954	-	-	-	-	-	1,226,954
Receivables	-	91,766	35,277	109,143	-	31,009	267,195
Prepaid Expenses	-	17,989	-	-	-	-	17,989
Capital assets, net of accumulated depreciation	-	683,242	-	18,251	7,739	56,533	765,765
Total Assets	\$ 1,226,954	\$ 836,750	\$ 35,277	\$ 127,394	\$ 7,739	\$ 87,542	\$ 2,321,658
LIABILITIES							
Liabilities:							
Current Liabilities							
Accounts payable	\$ -	\$ 11,603	\$ 23,057	\$ 64,949	\$ -	\$ -	\$ 99,609
Bond Deposits	-	25,050	-	-	-	-	25,050
Total Current Liabilities	\$ -	\$ 36,653	\$ 23,057	\$ 64,949	\$ -	\$ -	\$ 124,659
Total Liabilities	\$ -	\$ 36,653	\$ 23,057	\$ 64,949	\$ -	\$ -	\$ 124,659
NET ASSETS							
Invested in Capital Assets, Net of Related Debt	\$ -	\$ 683,242	\$ -	\$ 18,251	\$ 7,739	\$ 56,533	\$ 765,765
Restricted	1,226,954	116,855	12,220	44,194	-	31,009	1,431,232
Unrestricted	-	-	-	-	-	-	-
Total Net Assets	\$ 1,226,954	\$ 800,097	\$ 12,220	\$ 62,445	\$ 7,739	\$ 87,542	\$ 2,196,997

Juvenile Court of Jefferson Parish
Gretna, Louisiana

Statement B

Statement of Activities
For the Year Ended December 31, 2003

Functions/Programs	Net (Expense) Revenue and Changes in Net Assets				
	Expenses	Indirect Expenses Allocation	Program Revenues	Governmental Activities	Total
Governmental activities:					
General	\$ 2,198,944	-	\$ 2,198,944	\$ -	\$ -
Judicial Expense	852,085	-	1,031,509	179,424	179,424
Drug Court Program	317,044	-	275,459	(41,585)	(41,585)
Truancy Assessment Center	356,931	-	361,867	4,936	4,936
CASA Program	533,882	-	502,863	(31,019)	(31,019)
FINS Assistance Program	93,243	-	70,490	(22,753)	(22,753)
Total Governmental activities	\$ 4,352,129	\$ -	\$ 4,441,132	\$ 89,003	\$ 89,003
General Revenues:					
Interest Income				13,259	13,259
Total General Revenues:				13,259	13,259
Change in Net Assets				102,262	102,262
Net assets - beginning				2,094,735	2,094,735
Net assets - ending				\$ 2,196,997	\$ 2,196,997

**Juvenile Court of Jefferson Parish
Gretna, Louisiana
Statement of Fiduciary Net Assets**

Statement C

For the Year Ended December 31, 2003

	Support Enforcement Fund	Fees and Assessments Fund	Total
ASSETS			
Cash and cash equivalents	\$ -	\$ -	\$ -
Escrowed Funds	52	-	52
Bond Deposits	6,622	-	6,622
 Total Assets	 \$ 6,674	 \$ -	 \$ 6,674
LIABILITIES			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
 Total Liabilities	 \$ -	 \$ -	 \$ -
NET ASSETS	\$ 6,674	\$ -	\$ 6,674

**Juvenile Court of Jefferson Parish
Gretna, Louisiana
Statement of Changes in Fiduciary Net Assets**

Statement D

For the Year Ended December 31, 2003

	Support Enforcement Fund	Fees and Assessments Fund	Total
ADDITIONS			
Deposits:			
Support payments	\$ 1,692,895	\$ -	\$ 1,692,895
Other	93,659	3,906	97,565
Fines collected	-	24,870	24,870
Fees collected	16,446	199,999	216,445
Other adjustments	-	-	-
Total Additions	\$ 1,803,000	\$ 228,775	\$ 2,031,775
DEDUCTIONS			
Deposits settled to:			
Litigants	\$ 1,688,000	\$ -	\$ 1,688,000
Juvenile Court Judicial Expense Fund	16,446	128,705	145,151
Other agencies	99,575	100,070	199,645
Other adjustments	500	-	500
Total Deductions	\$ 1,804,521	\$ 228,775	\$ 2,033,296
CHANGE IN NET ASSETS	\$ (1,521)	\$ -	\$ (1,521)
Net Assets - Beginning	\$ 8,195	-	\$ 8,195
Net Assets - Ending	<u>\$ 6,674</u>	<u>\$ -</u>	<u>\$ 6,674</u>

Juvenile Court of Jefferson Parish
Gretna, Louisiana

Balance Sheet
Governmental Funds

December 31, 2003

	General	Judicial Expense	Drug Court	Truancy Assessment Center	FINS Assistance Program	CASA Program	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ -	\$ 43,753	\$ -	\$ -	\$ -	\$ -	\$ 43,753
Investments	1,226,954	-	-	-	-	-	1,226,954
Accounts receivable	-	91,766	10	-	-	-	91,776
Grant receivable	-	-	35,267	109,143	-	31,009	175,419
Prepaid expenses	-	17,985	-	-	-	-	17,985
Due from other funds	-	980,643	-	-	-	-	980,643
Due from other governments	-	-	-	-	-	-	-
Total Assets	\$ 1,226,954	\$ 1,134,147	\$ 35,277	\$ 109,143	\$ -	\$ 31,009	\$ 2,536,530

LIABILITIES AND FUND BALANCES

<i>Liabilities</i>							
Accounts payable	\$ -	\$ 11,603	\$ 23,057	\$ 64,945	\$ -	\$ -	\$ 99,605
Due to other funds	547,620	-	226,969	61,867	24,240	119,947	980,643
Bond Deposits	-	25,050	-	-	-	-	25,050
Total Liabilities	547,620	36,653	250,026	126,812	24,240	119,947	\$ 1,105,298

Fund Balances

Fund balance reserved for program start up costs, Building expansion, TASC, Drug Court, FINS and CASA operations

Fund balance undesignated, unreserved	\$ -	345,596	(214,749)	(17,669)	(24,240)	(88,938)	-
Total Fund Balances	679,334	1,097,494	(214,749)	(17,669)	(24,240)	(88,938)	1,431,232
Total Liabilities and Fund Balances	\$ 1,226,954	\$ 1,134,147	\$ 35,277	\$ 109,143	\$ -	\$ 31,009	765,765

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 funds.

Net assets of governmental activities

\$ 2,196,997

The accompanying notes are an integral part of these financial statements.

Juvenile Court of Jefferson Parish
Gretna, Louisiana

Statement of Revenue, Expenditures, and Changes in Fund Balances
Governmental Funds

For the Year Ended December 31, 2003

	General	Judicial Expense	Drug Court	Tuency Assessment	FINS Assistance Program	CASA Program	Totals
REVENUES							
Costs, fees, and fines	\$ -	\$ 1,031,509	\$ 829	\$ -	\$ -	\$ -	\$ 1,032,338
Grant Revenue	-	-	274,630	361,867	70,490	410,983	1,117,970
Intergovernmental	2,198,944	-	-	-	-	-	2,198,944
Interest Income	13,259	-	-	-	-	-	13,259
Individual Donations	-	-	-	-	-	-	-
TOTAL REVENUES	2,212,203	1,031,509	275,459	361,867	70,490	410,983	4,362,511
EXPENDITURES							
Current							
Administrative	\$ 2,198,944	\$ 422,625	\$ 13,070	\$ 168,815	\$ 3,696	\$ 75,973	\$ 2,873,123
Program	-	221,127	303,974	190,502	87,034	355,070	1,157,707
Capital outlay	-	78,427	-	12,916	-	11,955	101,298
TOTAL EXPENDITURES	2,198,944	720,179	317,044	362,233	90,730	442,998	4,132,128
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	13,259	311,330	(41,585)	(366)	(20,240)	(32,015)	230,383
OTHER FINANCING SOURCES(USES)							
Operating Transfers In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Transfers Out	-	(100,000)	-	-	-	-	(100,000)
TOTAL OTHER FINANCING SOURCES (USES)	\$ -	\$ (100,000)	\$ -	\$ -	\$ -	\$ -	\$ (100,000)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ 13,259	\$ 211,330	\$ (41,585)	\$ (366)	\$ (20,240)	\$ (32,015)	\$ 130,383
FUND BALANCE - BEGINNING OF YEAR	688,075	886,164	(173,164)	(17,303)	(4,000)	(56,823)	1,300,849
FUND BALANCE - END OF YEAR	\$ 679,394	\$ 1,097,494	\$ (214,749)	\$ (17,669)	\$ (24,240)	\$ (88,938)	\$ 1,431,232

Net Change in fund balances-total governmental funds

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

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In addition, capital assets retired during the year are recorded as asset retirements in the statement of activities. In the current period, these amounts are:

Capital Outlay	101,298
Depreciation Expense	(122,608)
Excess capital outlay over depreciation expense	(21,310)
Asset retirements	(6,811)

Change in net assets of governmental activities

\$ 102,262

JUVENILE COURT FOR THE PARISH OF JEFFERSON
STATE OF LOUISIANA

NOTES TO FINANCIAL STATEMENTS
December 31, 2003

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies of Juvenile Court for the Parish of Jefferson are described below.

Reporting Entity

The Juvenile Court for the Parish of Jefferson (the Court) was established by Act 110 of the Extraordinary Session of the 1958 Legislature. There are presently three divisions in the Court (Divisions A, B, and C). The Court is of limited jurisdiction with exclusive original jurisdiction over certain proceedings involving children and adults as set forth in the Louisiana Children's Code. The Court's geographic jurisdiction consists of the Parish of Jefferson.

GASB Statement 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformity with GASB Statement 14, the financial statements of the Court include all funds and account groups that are within the oversight responsibility of the Court.

The three judges of the Court are independently elected officials and are legally independent of the government of Jefferson Parish. Under the provisions of GASB Statement 14, the Court reports as a component unit of Jefferson Parish, as the Court is fiscally dependent on the Parish for determination and approval of a substantial portion of the Court's budget and funding.

Government-wide Financial Statements

The government-wide financial statements include the statement of net assets and the statement of activities. These statements report financial information for the Court as a whole excluding fiduciary activities such as agency funds. Individual funds are not displayed, but the statements distinguish governmental activities, generally supported by the Parish of Jefferson's general revenues, from business-type activities, generally financed in whole, or in part with fees charged to external customers.

The statement of activities reports expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees, fines, and forfeitures, and other charges to the users of the Court's services; (2) operating grants and contributions which finance annual operating activities, including restricted investment income; and (3) capital grants and contributions which

JUVENILE COURT FOR THE PARISH OF JEFFERSON
STATE OF LOUISIANA

NOTES TO FINANCIAL STATEMENTS
December 31, 2003

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

fund the acquisition, construction, or rehabilitation of capital assets and include fees to developers. These revenues are subject to externally imposed restrictions to these program uses. Taxes and other revenue sources not properly included with program revenues are reported as general revenues.

Fund Accounting

Fund financial statements are provided for governmental and fiduciary funds.

The fund classifications and a description of each existing fund type follow:

Governmental Funds

Governmental funds account for most of the Court's general activities, including the collection or disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and, as applicable, the servicing of general long-term obligations. Governmental funds include:

- General fund – the general operating fund of an entity, which accounts for all financial resources, except those required to be accounted for in other funds. The Court's funding received from Jefferson Parish is accounted for in this fund.
- Special revenue funds – account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Court's Judicial Expense Fund, Drug Court Fund, Truancy Assessment Services Center (TASC) Fund, Court Appointed Special Advocate (CASA) Assistance Program Fund, and Families in Need of Services (FINS) Assistance Program Fund are special revenue funds.
- Debt service funds – account for transactions relating to resources retained and used for the payment of principal and interest on those long-term obligations recorded in the general long-term debt account group. The Court has no debt service funds.
- Capital projects funds – account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in other governmental funds. The Court has no capital projects funds.

JUVENILE COURT FOR THE PARISH OF JEFFERSON
STATE OF LOUISIANA

NOTES TO FINANCIAL STATEMENTS
December 31, 2003

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fiduciary Funds

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. Fiduciary funds include:

- Expendable trust funds – accounted for in essentially the same manner as government funds. The resources, including both principal and earnings, may be expended. The Court has no expendable trust funds.
- Non-expendable trust funds – accounted for in essentially the same manner as proprietary funds (not included in these statements). The principal may not be expended. The Court has no non-expendable trust funds.
- Agency funds – account for assets held by the Court on behalf of others as their agent. Agency funds are custodial in nature, and do not involve measurement of results of operations. The Court's Support Enforcement Fund and Fees and Assessments Fund are agency funds.

Basis of Accounting

The financial statements of the Court are prepared in accordance with generally accepted accounting principles (GAAP). The Court's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements and applicable Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued after November 30, 1989, unless they conflict with GASB pronouncements.

The government-wide financial statements report using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds).

Governmental fund financial statements use the current financial resources measurement focus and the modified accrual basis of accounting. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets.

JUVENILE COURT FOR THE PARISH OF JEFFERSON
STATE OF LOUISIANA

NOTES TO FINANCIAL STATEMENTS
December 31, 2003

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The modified accrual basis of accounting is used by all governmental fund types and agency funds. 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 be used to pay liabilities of the current period. The Court considers revenues to be available if they are collected within sixty days or the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

Other financing sources (uses) consist of transfers between funds that are not expected to be repaid. These other financing sources (uses) are recognized at the time the underlying events occur.

When both restricted and unrestricted resources are available for use, it is the Court's policy to use restricted resources first, and then unrestricted resources as needed.

The Court has only direct expenses relating to each program or activity and therefore no allocation of indirect expenses are deemed necessary.

Budgets and Budgetary Accounting

The Court adopts a formal budget for its Judicial Expense special revenue fund on a basis consistent with generally accepted accounting principles. Several amendments were made to the Judicial Expense Fund for the year due to significant changes to revenues received and expenditures incurred.

The General Fund accounts for expenditures made on the Court's behalf by the Jefferson Parish Council. These expenditures are budgeted by the Council and expenditures are made at their discretion. There were several amendments to the General Fund budget during the year due to the reclassification of monies to be expended. During 2003, the Parish of Jefferson paid \$2,198,944 for administrative expenses of the Court.

Unexpended appropriations lapse at year-end. The Court does not utilize encumbrance accounting.

JUVENILE COURT FOR THE PARISH OF JEFFERSON
STATE OF LOUISIANA

NOTES TO FINANCIAL STATEMENTS
December 31, 2003

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents and Investments

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. 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, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the Court may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost, which approximates fair value.

Fixed Assets and Depreciation

The Court's property, plant, and equipment with useful lives of more than one year are stated at historical cost and comprehensively reported in the governmental-wide financial statements.

Costs associated with normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When the capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations.

Estimated useful lives, in years, for depreciable assets are as follows:

Buildings	40
Building Improvements – A/C Units	20
Building Improvements – Electrical	30
Land Improvements – Parking Lots	20
Furniture and Office Equipment	5
Computer Equipment	5

Compensated Absences

Eligible employees of the Juvenile Court for the Parish of Jefferson accrue vacation leave at varying rates based on their years of continuous service. Employees hired before April 26, 1986, may carry forward a maximum of ninety unused vacation days from one year to the next. Employees hired after April 26, 1986, may carry forward a maximum of twenty days.

JUVENILE COURT FOR THE PARISH OF JEFFERSON
STATE OF LOUISIANA

NOTES TO FINANCIAL STATEMENTS
December 31, 2003

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Employees of the Court accrue sick leave at a rate of 13 days per year. There is no limitation on the amount of sick leave that may be carried forward from one year to the next. At the time of retirement, sick leave can be converted into cash and/or service credit.

All eligible employees' salaries are paid by the Jefferson Parish Council and accruals relating to vacation leave are included in the financial statements of the Council.

Fund Equity

The governmental fund financial statements report reserved fund balances for amounts not appropriable for expenditures or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

Interfund Transactions

Quasi-external transactions are accounted for as revenues or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions except quasi-external transactions and reimbursements are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, 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 those estimates.

NOTE B – CASH

At December 31, 2003, the carrying amount of the Court's deposits was \$43,753, and the bank balance was \$221,847. The bank balance is categorized as follows:

Amount insured by the FDIC, or collateralized
with securities held by the Court's agent in the

JUVENILE COURT FOR THE PARISH OF JEFFERSON
STATE OF LOUISIANA

NOTES TO FINANCIAL STATEMENTS
December 31, 2003

NOTE B – CASH (continued)

Court's name (Category 1)	\$100,000
Amount collateralized with securities held by the pledging financial institution's trust department or agent in the Court's name (Category 2)	\$ 121,847
Uncollateralized – includes balance that is collateralized with securities held by the pledging financial institution, but not in the Court's name (Category 3)	\$ <u> -0-</u>
Total bank balance	\$ 221,847

Under state law, these deposits must be insured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

NOTE C – INVESTMENTS

At December 31, 2003, the Court holds investments totaling \$1,226,954 as follows:

	<u>Carrying Amount</u>	<u>Market Value</u>
Louisiana Asset Management Pool (LAMP)	\$1,226,954	\$1,226,954
Total	\$1,226,954	\$1,226,954

In accordance with GASB Codification Section 150.126, the investment in LAMP at December 31, 2003, is not categorized in three risk categories provided by GASB Codification Section 150.125 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local governments having contracted to participate in LAMP may have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in

JUVENILE COURT FOR THE PARISH OF JEFFERSON
STATE OF LOUISIANA

NOTES TO FINANCIAL STATEMENTS
December 31, 2003

NOTE C – INVESTMENTS (continued)

short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA – R.S. 33:2955. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities.

Effective August 1, 2001, LAMP’s Investment Guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA-R.S. 33:2955(A)(1)(h) which allows municipalities, parishes, school boards, and any other political subdivisions of the State to invest in “Investment grade (A-1/P-1) commercial paper of domestic United States corporations.” Effective October 1, 2001, LAMP’s Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the State Treasurer and the Board of Directors. LAMP is not registered with the SEC as an investment company.

NOTE D – FIXED ASSETS

The following is a summary of changes in governmental activities during the year:

	Balance at January 1, <u>2003</u>	<u>Additions</u>	<u>Retirements</u>	Balance at December 31, <u>2003</u>
Office furniture and equipment	\$ 778,524	\$ 58,385	\$ 15,376	\$ 821,533
Building improvements	<u>547,650</u>	<u>42,913</u>	<u>-0-</u>	<u>590,563</u>

JUVENILE COURT FOR THE PARISH OF JEFFERSON
STATE OF LOUISIANA

NOTES TO FINANCIAL STATEMENTS
December 31, 2003

NOTE D – FIXED ASSETS (continued)

Total	\$1,326,174	\$101,298	\$ 15,376	\$1,412,096
Accumulated Depreciation	<u>\$ 532,288</u>	<u>\$122,608</u>	<u>\$ 8,565</u>	<u>\$ 646,331</u>
Fixed Assets, net	\$ 793,886	(\$21,310)	\$ 6,811	\$ 765,765

Depreciation expense for the twelve months ending December 31, 2003 totaled \$122,608.

Following is a schedule of depreciation amounts charged to each function in the statement of activities:

Judicial Expense	\$101,530
Truancy Assessment Center	\$ 7,606
CASA Program	\$ 10,959
FINS Assistance Program	<u>\$ 2,513</u>
	\$122,608

NOTE E – LEASE AGREEMENTS

In February 2002, the Court entered into a two-year operating lease agreement with Avaya Communications for an upgrade to its existing phone system, which provided for monthly lease payments of \$1,489. In October 2003, the terms of this lease were renegotiated due to the expansion of the Court building. The Court entered into a five-year operating lease agreement with monthly lease payments of \$1,911 starting in November 2003.

NOTE F – INTERFUND RECEIVABLES/PAYABLES

The Court has interfund receivables and payables at December 31, 2003.

	<u>Due from other funds</u>	<u>Due to other funds</u>
General fund	\$ -0-	\$ 547,620
Special Revenue – Judicial Expense Fund	980,643	-0-
Special Revenue – Drug Court	-0-	226,969

JUVENILE COURT FOR THE PARISH OF JEFFERSON
STATE OF LOUISIANA

NOTES TO FINANCIAL STATEMENTS
December 31, 2003

NOTE F- INTERFUND RECEIVABLES/PAYABLES (continued)

Special Revenue – TASC	-0-	61,867
Special Revenue – FINS	-0-	24,240
Special Revenue – CASA	<u>-0-</u>	<u>119,947</u>
 Total	 <u>\$ 980,643</u>	 <u>\$ 980,643</u>

NOTE G- PENSION PLANS

All eligible employees of the Court are members of the Parochial Employees' Retirement System of Louisiana, and the Employees' Retirement System of Jefferson Parish, Louisiana. All costs relating to pension contributions are paid by the Jefferson Parish Council; therefore, such costs are not included in the accompanying financial statements, but are included in the financial statements of the Council.

NOTE H- COMPENSATION OF JUDGES

The Judges of the Court receive compensation from the State of Louisiana Judicial Branch, at a rate determined by state statute. As these funds are paid directly to the members of the Court, the expenditure does not appear in these financial statements, but appears in the financial statements of the State of Louisiana.

NOTE I- CHILD SUPPORT COURT COSTS

The Court collects court costs under the provisions of the Louisiana Children's Code, specifically LSA-Ch. C. art. 405D. Under the provisions of this statute, effective July 31, 1995, the Court assesses and collects court costs equal to 5% of all periodic child support payments paid through the registry of the Court. These payments are made by the paying parents in addition to their normal child support payment. Effective April 1, 2000, this statute was amended and requires all child support payments to be sent to one central collection address in the State. Court costs are remitted to the Court from the State once a month for payments made on their behalf. For the year ending December 31, 2003, the Court collected \$16,547 directly from the court registry, and received \$884,669 from the State in Child Support court costs.

JUVENILE COURT FOR THE PARISH OF JEFFERSON
STATE OF LOUISIANA

NOTES TO FINANCIAL STATEMENTS
December 31, 2003

NOTE J – DONATED SERVICES

The CASA (Court Appointed Special Advocates) Program Fund of Juvenile Court is a specialized volunteer service. Advocates focus on the best interests of the abused and neglected children within the Juvenile Court System. The role of the volunteer advocate is to investigate the facts and circumstances of the case, report the facts in written form to the Court, monitor the child's situation and compliance with court orders and services, and advocate in the child's best interests. The value of these volunteer services is computed using the average pay for these services of \$10 per hour, as determined by the Program Director based on various grant applications through the national organization of CASA. In 2003, volunteer personnel worked 9,188 hours on cases. At the average hourly pay of \$10.00 per hour, this resulted in an estimated value of \$91,880 for volunteer services, which is reported as operational revenue and expense of the CASA fund.

NOTE K – FEDERAL AWARDS

The Court receives cost reimbursements for Juvenile Drug Court operations from the Louisiana Supreme Court, as administrator of funding from the Division of Administration of the Department of Social Services. During 2003, the Court received \$241,607 from the Supreme Court as reimbursement for program costs of this amount the Court received \$208,405 of Temporary Assistance of Needy Families (TANF) funding. At December 31, 2003, the Juvenile Drug Court had listed as a receivable \$24,212 for cost reimbursements for expenditures made during 2003 of this amount \$19,612 was for federal expenditures.

In 2002, the Court was approved for Temporary Assistance of Needy Families (TANF) funding for the support and expansion of the CASA Assistance Program. These funds are administered through the State of Louisiana Supreme Court. For the federal fiscal year (October 1, 2002 through August 31, 2003) the Court was awarded funding up to \$304,089. During 2002, the Court received \$18,682 and expended \$48,455 of these funds. During 2003, the Court received \$285,357 and expended \$255,634 of these funds. In 2003, the Court was approved for additional TANF funding through the State of Louisiana Supreme Court. For the grant period (September 15, 2003 through August 15, 2004) the Court was awarded funding up to \$325,588. During 2003, the Court received \$65,002 and expended \$90,255 of these funds.

The Court receives cost reimbursements for the Truancy Assessment Services Center (TASC) Program operations from the Louisiana Supreme Court, as administrator of funding from the

JUVENILE COURT FOR THE PARISH OF JEFFERSON
STATE OF LOUISIANA

NOTES TO FINANCIAL STATEMENTS
December 31, 2003

NOTE K – FEDERAL AWARDS (continued)

Division of Administration of the Department of Social Services. During 2003, the Court was the recipient of pass-through federal funds for the Temporary Assistance of Needy Families (TANF) Block Grant for the period of July 1, 2002 through June 30, 2003. Payments received under this grant during 2003 were \$194,647. The Court expended \$143,167 of these federal funds. Effective July 1, 2003, TANF Block grant funds were administered by the School of Social Work at Louisiana State University. The Court received cost reimbursements from Louisiana State University for the grant period July 1, 2003 through June 30, 2004 in the amount of \$75,176 and expended \$184,319.

During 2002, the Court was awarded a grant as a sub-grantee for the Victims of Families Act (VOCA) CFDA # 16.575 from the Louisiana Commission on Law Enforcement (LCLE) to provide for the support and expansion of the CASA Assistance Program in the amount of \$53,995. This agreement began November 1, 2002 and ends on October 31, 2003. The agreement calls for the Court to match grant funds by approximately 20%. Payments received under this grant during 2003 were \$53,745. During 2003, the Court was awarded another grant as sub-grantee for VOCA thru the LCLE for the additional support of the CASA Assistance program in the amount of \$46,292. No payments were received under this grant during 2003. The Court has listed as a receivable, at December 31, 2003, \$5,756 for cost reimbursements for expenditures made during 2003 under this agreement.

NOTE L - CONTRACTS/GRANTS/DONATIONS

During 2003, the Court has listed as a receivable funds from I CAN Help, Inc. in the amount of \$11,055. These funds were raised by the I CAN Help organization through fundraising events held during the year, such as the Drug Court Gala. Accordingly, the Court designated these funds for use by the Juvenile Drug Court.

During 2003, the Court was the recipient of a grant awarded by the Louisiana Supreme Court, as administrator, for the Families in Need of Services (FINS) Assistance Program. The grant periods overlap the Court's fiscal year. These grants run from July 1, 2002 through June 30, 2003 and July 1, 2003 through June 30, 2004. Based on budgeted information provided in the application for FINS funding, upon approval from the Louisiana Supreme Court, the Court is paid a monthly subsidy to provide for the administration and operation of the program. The Court received \$70,490 under these agreements during 2003.

JUVENILE COURT FOR THE PARISH OF JEFFERSON
STATE OF LOUISIANA

NOTES TO FINANCIAL STATEMENTS
December 31, 2003

NOTE M – COOPERATIVE ENDEAVOR AGREEMENTS

On October 12, 1999, the Court entered into an agreement with the Parish of Jefferson for the development, implementation, and utilization of an assessment instrument, a data collection process, and a Truancy and Assessment Services Center. Under the terms of the agreement, the Court is to provide all necessary personnel and supplies to ensure the implementation of the assessment instrument development and utilization, and to establish TASC and provide for its implementation. This agreement was amended several times and the current agreement permits the use of these funds for broader purposes. Upon approval from the Council, this agreement was renewed for one additional year. The Court received \$95,000 under this agreement during 2003. However, the Court has agreed to refund, in 2004, \$60,619 to the Parish of Jefferson for monies not expended during 2003, and this refund has been recorded as a liability to TASC as of the end of the year.

NOTE N – ECONOMIC DEPENDENCY

Juvenile Court for the Parish of Jefferson receives the majority of its revenues from funds provided through the Parish of Jefferson, and the State of Louisiana. If significant budget cuts are made at the State or local level, the amount of funds the Court receives could be reduced significantly, with resultant adverse impact on its operations.

As previously stated, the Court receives federal and state grants to conduct the TASC, CASA, Drug Court, and FINS programs. Should the amount of these grants be substantially reduced or discontinued, the operations of these programs will be correspondingly reduced or eliminated.

The State of Louisiana has spent all of the Temporary Assistance to Needy Families (TANF) Surplus funding, which funds the Drug Court, CASA, and TASC special revenue programs. This federal funding is expected to end during the 2004 and 2005 fiscal period. These programs will be receiving a reduced allocation through the State of Louisiana's General Fund to continue the program's operations at a reduced level.

The Court is aware of no plans on the part of any other funding sources to significantly reduce funding for the year ending December 31, 2004.

JUVENILE COURT FOR THE PARISH OF JEFFERSON
STATE OF LOUISIANA

NOTES TO FINANCIAL STATEMENTS
December 31, 2003

NOTE O – RESERVED AND DESIGNATED FUND BALANCES

Meeting en banc the Judges of the Court have reserved the entire fund balance of \$679,334 of the General Fund for the expansion of the Court building and program start up costs. The Judges meeting en banc have also designated \$751,898 of the Judicial Expense fund balance for the operations of the Truancy Assessment and Services Center, Drug Court, FINS Assistance Program, CASA Program and various computer upgrades and the expansion of the Court building.

NOTE P – FUND BALANCE DEFICIT

Special Revenue Funds

Juvenile Drug Treatment Court Fund – The Drug Court’s deficit in fund balance of \$214,749 is a result of inadequate revenue to cover expenditures made since its inception in 1999.

Truancy Assessment and Services Center - The TASC deficit in fund balance of \$17,669 is a result of inadequate revenue to cover expenditures made during the current fiscal year.

FINS Assistance Program – The deficit in fund balance of \$24,240 is a result of inadequate revenue to cover expenditures made during the current fiscal year.

CASA Program – The deficit in fund balance of \$88,938 is a result of inadequate revenue to cover expenditures made during the current fiscal year.

NOTE Q – COMMITMENTS

On February 18, 2003, the Court entered into a cooperative endeavor agreement with the Parish of Jefferson to assist in funding the purchase by the Parish of Jefferson of the vacant land adjacent to the Juvenile Justice Complex to enable future expansion of the Juvenile Court as well as for the purpose of planning, developing, expanding, constructing and improving present and future detention facilities and all other Juvenile Services Department facilities and services for Jefferson Parish. Under the terms of the agreement, the Court agreed to pay the Parish of Jefferson \$100,000 per year for five years beginning January 1, 2003. The Court paid the Parish of Jefferson \$100,000 under this agreement for the period ending December 31, 2003.

Juvenile Court of Jefferson Parish
 Gretna, Louisiana
 Statement of Revenue, Expenditures and
 Changes in Fund Balance - Budget and Actual
 For the Year Ended December 31, 2003

	General Fund			Judicial Expense Fund			Variance Favorable (Unfavorable)
	Actual	Original Budget	Amended Budget	Actual	Original Budget	Amended Budget	
REVENUES							
Costs, fees, and fines	\$ -	\$ -	\$ -	\$ 1,031,509	\$ 869,125	\$ 1,031,125	\$ 384
Grant revenue	-	-	-	-	-	-	-
Individual Donations	-	-	-	-	-	-	-
Intergovernmental	2,198,944	2,214,020	2,213,319	-	-	-	-
Interest Income	13,259	20,000	13,259	-	-	-	-
TOTAL REVENUES	2,212,203	2,234,020	2,226,578	1,031,509	869,125	1,031,125	384
EXPENDITURES							
Current							
Administrative	2,198,944	2,214,020	2,213,319	422,625	410,800	407,203	(15,422)
Program	-	-	-	221,127	191,600	252,758	31,631
Capital outlay	-	-	-	76,427	95,954	76,427	-
TOTAL EXPENDITURES	2,198,944	2,214,020	2,213,319	720,179	698,354	736,388	16,209
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	13,259	20,000	13,259	311,330	170,771	294,737	16,593
OTHER FINANCING SOURCES(USES)							
Operating Transfers In	-	-	-	-	-	-	-
Operating Transfers Out	-	-	-	(100,000)	(100,000)	(100,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	(100,000)	(100,000)	(100,000)	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	13,259	20,000	13,259	211,330	70,771	194,737	16,593
FUND BALANCE - BEGINNING OF YEAR	666,075	666,075	666,075	886,164	886,164	886,164	-
FUND BALANCE - END OF YEAR	\$ 679,334	\$ 686,075	\$ 679,334	\$ 1,097,494	\$ 956,935	\$ 1,080,901	\$ 16,593

Juvenile Court of Jefferson Parish
 Gretna, Louisiana
 Statement of Revenue, Expenditures and
 Changes in Fund Balance - Budget and Actual

For the Year Ended December 31, 2003

	Drug Court Expense Fund			Truancy Assessment Center Fund				
	Actual	Original Budget	Amended Budget	Variance Favorable (Unfavorable)	Actual	Original Budget	Amended Budget	Variance Favorable (Unfavorable)
REVENUES								
Costs, fees, and fines	\$ 829	\$ 1,000	\$ 1,029	\$ (200)	\$ -	\$ -	\$ -	\$ -
Grant revenue	274,630	165,157	291,720	(17,090)	361,867	200,327	383,360	(21,493)
Individual Donations	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-
TOTAL REVENUES	275,459	166,157	292,749	(17,290)	361,867	200,327	383,360	(21,493)
EXPENDITURES								
Current								
Administrative	13,070	-	44,315	31,245	158,815	95,000	95,000	(63,815)
Program	303,974	224,893	308,014	4,040	190,502	159,233	342,267	151,765
Capital outlay	-	-	-	-	12,916	-	-	(12,916)
TOTAL EXPENDITURES	317,044	224,893	352,329	35,285	362,233	254,233	437,267	75,034
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(41,585)	(58,736)	(59,580)	17,995	(366)	(53,906)	(53,907)	53,541
OTHER FINANCING SOURCES(USES)								
Operating Transfers In	-	-	-	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(41,585)	(58,736)	(59,580)	17,995	(366)	(53,906)	(53,907)	53,541
FUND BALANCE - BEGINNING OF YEAR	(173,164)	(173,164)	(173,164)	-	(17,303)	(17,303)	(17,303)	-
FUND BALANCE - END OF YEAR	\$ (214,749)	\$ (231,900)	\$ (232,744)	\$ 17,995	\$ (17,669)	\$ (71,209)	\$ (71,210)	\$ 53,541

Juvenile Court of Jefferson Parish
 Gretna, Louisiana
 Statement of Revenue, Expenditures and
 Changes in Fund Balance - Budget and Actual

For the Year Ended December 31, 2003

	FINS Assistance Program Fund			CASA Program Fund			Variance Favorable (Unfavorable)
	Actual	Original Budget	Amended Budget	Actual	Original Budget	Amended Budget	
REVENUES							
Costs, fees, and fines							
Grant revenue	\$ 70,490	\$ 70,490	\$ 70,490	\$ 410,983	\$ 296,266	\$ 443,801	\$ (32,818)
Individual Donations	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-
TOTAL REVENUES	70,490	70,490	70,490	410,983	296,266	443,801	(32,818)
EXPENDITURES							
Current							
Administrative	3,696	-	-	75,973	-	-	(75,973)
Program	87,034	70,490	80,866	355,070	302,237	457,587	102,517
Capital outlay	-	-	-	11,955	-	-	(11,955)
TOTAL EXPENDITURES	90,730	70,490	80,866	442,998	302,237	457,587	14,589
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(20,240)	-	(10,376)	(32,015)	(5,971)	(13,786)	(18,229)
OTHER FINANCING SOURCES(USES)							
Operating Transfers In	-	-	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(20,240)	-	(10,376)	(32,015)	(5,971)	(13,786)	(18,229)
FUND BALANCE - BEGINNING OF YEAR	(4,000)	(4,000)	(4,000)	(56,923)	(56,923)	(56,923)	-
FUND BALANCE - END OF YEAR	\$ (24,240)	\$ (4,000)	\$ (14,376)	\$ (88,938)	\$ (62,894)	\$ (70,709)	\$ (18,229)

**JUVENILE COURT FOR THE PARISH OF JEFFERSON
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2003**

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	Federal CFDA Number	Federal Expenditures	Matching Funds
US Department of Health and Human Services:			
Pass-through from State Department of Social Services-- Temporary Assistance for Needy Families (TANF) Block Grant	93.558	901,392	195,359
Total US Department of Health and Human Services		\$ 901,392	195,359
US Department of Justice:			
Pass-through from Louisiana Commission on Law Enforcement and Administration of Criminal Justice	16.575	51,787	10,357
Total US Department of Justice		\$ 51,787	10,357

Note A:

This schedule includes federal grant activity for the Juvenile Court of Jefferson Parish and is presented on an 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.

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

Business



Taxes



Finance



Estates

Judges of the Court
Juvenile Court for the Parish of Jefferson
Jefferson Parish, Louisiana

I have audited the general-purpose financial statements and combining, individual fund and account group financial statements of Juvenile Court for the Parish of Jefferson, a component unit of Jefferson Parish, as of and for the year ended December 31, 2003, and have issued my report thereon dated June 21, 2004. I conducted my 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 Juvenile Court for the Parish of Jefferson's general-purpose financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material affect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my 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 my audit, I considered Juvenile Court for the Parish of Jefferson's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control

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components does not reduce to a relatively low level the risk that material misstatements in amounts that would be material in relation to the general-purpose financial statements being audited may occur and not be detected within a timely period by an employee in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operations that I consider to be material weaknesses. However, I noted other matters involving the internal control over financial reporting that I have reported to the Members of the Court in a separate letter dated June 21, 2004.

This report is intended for the information of the Judges of the Court, management, federal awarding agencies, and the Legislative Auditor. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Brian E. Adorno, CPA
A Professional Corporation

New Orleans, Louisiana
June 21, 2004

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

Judges of the Court
Juvenile Court for the Parish of Jefferson
Jefferson Parish, Louisiana

Compliance

I have audited the compliance of Juvenile Court for the Parish of Jefferson 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 each of its major federal programs for the year ending December 31, 2003. Juvenile Court's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Juvenile Court's management. My responsibility is to express an opinion on Juvenile Court's compliance based on my audit.

I conducted my audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government 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 I 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 Juvenile Court's compliance with those requirements and performing such other procedures as I consider necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on Juvenile Court's compliance with those requirements.

In my opinion, Juvenile Court for the Parish of Jefferson complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2003.

Business



Taxes



Finance



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Internal Control Over Compliance

The management of Juvenile Court 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 my audit, I considered Juvenile Court's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

My 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 requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in a normal course of performing their assigned functions. I noted no matters involving internal control over compliance and its operation that I consider to be material weaknesses.

This report is intended for the information of the Judges of the Court, management, federal awarding agencies, and the Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Brian E. Adorno, CPA
A Professional Corporation

New Orleans, Louisiana
June 21, 2004

**JUVENILE COURT FOR THE PARISH OF JEFFERSON
SUMMARY OF PRIOR YEAR FINDINGS
For the Year Ended December 31, 2003**

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

No findings had been reported.

Section II - Internal Control and Compliance Material to Federal Awards

No findings had been reported.

Section III – Schedule of Findings and Questioned Costs

2002-1 TANF Block Grant – CFDA #93.558, CASA Assistance Program

Condition: Payroll and related employee benefits of the CASA program were estimated for the fiscal year and paid thru the Parish of Jefferson, of which Juvenile Court is a component unit. These estimates were used to prepare cost reimbursement reports submitted to Louisiana CASA, a pass-through administrator of TANF Block Grant funding. Actual expenditures differed from those estimates resulting in an over-reimbursement of federal funding.

Recommendation: The Court should not use estimating when submitting costs for reimbursement.

Current Status: Resolved. The Parish of Jefferson invoices the Court monthly for all payroll and related benefits to be reimbursed by the Court. The Court pays these invoices and then they are submitted in the cost reports sent to Louisiana CASA for reimbursement.

Section IV - Management Letter

2002-1 Accounting System Reporting for Program Activities

Condition: The Court expanded its involvement in various grant-funded programs for which a separate accounting of receipts and expenditures is necessary to meet various agency-reporting requirements. The Court's current accounting system was not capable of generating specific reports relating to these grants or its related program in prior years. The Court upgraded its automated accounting system to allow specific reporting by program and/or grant funding to assist Court management in analyzing specific program related activity. However, the Court had not utilized these capabilities.

Recommendation: The Court should use the reporting capabilities of its accounting system to assist management in analyzing specific program related activity.

**JUVENILE COURT FOR THE PARISH OF JEFFERSON
SUMMARY OF PRIOR YEAR FINDINGS
For the Year Ended December 31, 2003**

Current Status: Resolved. The Court has upgraded its accounting software to allow for specific reporting by program and/or grant funding and management is utilizing these reports in analyzing specific program related activity.

2002-2 Organizational Structure and Segregation of Duties

Condition: The size of the Court's administrative staff preclude certain internal controls that would be preferred if the office were large enough to provide optimum segregation of duties. The Assistant Judicial Administrator was responsible for handling much of the Court's accounting functions.

Recommendation: This situation dictates that the Judge's of the Court remain closely involved in the financial affairs of the Court to provide oversight and independent review functions. For optimal segregation of duties, and due to the increase in the receipt of federal funding and the expansion of various grant-funded programs, check signing should rest solely with the Judicial Administrator, Deputy Judicial Administrator or the Judges.

Current Status: Partially Resolved. The Court has increased its administrative staff to help provide optimum segregation of duties. However, the size of the Court's administrative staff still preclude certain internal controls that would be preferred if the office were large enough to provide optimum segregation of duties. This situation dictates that the Judge's of the Court remain closely involved in the financial affairs of the Court to provide oversight and independent review functions. The Court has hired an account officer who is now responsible for the accounting functions of the Court. The Assistant Judicial Administrator is now responsible for all of the Court's cash management functions.

2002-3 Invoice Approval

Condition: Several invoices lacked approval for payment on the face of the invoice even though it was likely they were properly approved.

Recommendation: The Judicial Administrator should indicate his approval of all invoices on the face thereof before payment is made.

Current Status: Resolved. All invoices are being approved on the face by the Judicial Administrator or Deputy Judicial Administrator.

**JUVENILE COURT FOR THE PARISH OF JEFFERSON
SCHEDULE OF FINDINGS AND QUESTIONED COST
For the Year Ended December 31, 2003**

Summary of Audit Results

1. The auditor's report expresses an unqualified opinion on the general-purpose financial statements of Juvenile Court for the Parish of Jefferson.
2. No instances of noncompliance material to the general-purpose financial statements of Juvenile Court for the Parish of Jefferson were disclosed during the audit.
3. The auditor's report on compliance for the major federal award programs for Juvenile Court for the Parish of Jefferson expresses an unqualified opinion on all major federal programs.
4. There are no audit findings required to be reported in accordance with Section 510(a) of OMB Circular A-133.
5. The programs tested as major programs included:
 - a. US Department of Health and Human Services: CFDA #
Pass-through from Louisiana Department of Social
Services—TANF Block Grant 93.558
6. The threshold for distinguishing Type A and B programs was \$300,000.
7. The Court is not considered a "low-risk" auditee as defined by OMB Circular A-133.

Findings – Financial Statements Audit

Reportable Conditions – None noted.

Findings and Questioned Costs – Major Federal Award Programs Audit

None noted.

CPA



Certified Public
Accountant, A.P.C.

BRIAN E. ADORNO

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New Orleans, Louisiana 70114

Phone: (504) 227-2280

Fax: (504) 227-2290

June 21, 2004

Judges of the Court
Juvenile Court for the Parish of Jefferson
Gretna, Louisiana

Business



Taxes



Finance



Estates

In planning and performing my audit of the general-purpose financial statements of Juvenile Court for the Parish of Jefferson, a component unit of Jefferson Parish, for the year ended December 31, 2003, I considered the Court's internal control structure to plan my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on internal control structure.

However, during my audit, I became aware of several matters that are opportunities for strengthening internal controls and operational efficiency. (I previously reported on the Court's internal control structure in my report dated June 21, 2004.) This letter does not affect my report dated June 21, 2004 on the general-purpose financial statements of Juvenile Court for the Parish of Jefferson.

I will review the status of these comments during my next audit engagement. I have already discussed many of these comments and suggestions with the appropriate members of management. I will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations. My comments are summarized as follows:

2003-1 Organizational Structure and Segregation of Duties

In prior years, I have commented on the size of the Court's administrative staff precluding certain internal controls that would be preferred if the office were large enough to provide optimum segregation of duties. This situation dictates that the Judges of the Court remain closely involved in the financial affairs of the Court to provide oversight and independent review functions. With the addition of a full time account officer in 2004, a greater segregation of duties is now expected, in particular with regards to cash management.

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Judges of the Court
Juvenile Court for the Parish of Jefferson
Page 2 of 2

2003-2 Use of Signature and Approval Stamps

It was noted during my test of transactions that invoices are being approved using stamps with management's initials. In addition, check signature stamps are also being utilized to increase the operating efficiency of invoice approval and check disbursements. It is incumbent upon management to ensure the security of these stamps given their significance to the cash management functions of the Court. Each member of management should maintain his or her respective stamps in a locked drawer or cabinet that is only accessible by that individual.

I wish to thank Ms. Louise Kelley, Ms. Dawn Palermo, and Mr. Scott Griffith for their support and assistance during my audit.

This report is intended solely for the information and use of the Judges of the Court, management, and others within the Court.

Brian E. Adorno, CPA
A Professional Corporation

JUVENILE COURT

PARISH OF JEFFERSON

1546 Gretna Boulevard
P.O. Box 1900
Harvey, Louisiana 70059
(504) 367-3500
FAX (504) 361-8033

Judges
Ann Murry Keller, Section A
Andrea Price Janzen, Section B
Nancy Amato Konrad, Section C

Judicial Administrator
Scott C. Griffith

Assistant Judicial Administrator
Margaret L. Kelley

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LEGISLATIVE AUDITOR

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MANAGEMENT'S CORRECTIVE ACTION PLAN For the Year Ended December 31, 2003

Section I – Internal Controls Compliance Material to the Financial Statement
No suggestions made.

Section II – Internal Controls and Compliance Material to Federal Awards
Not applicable. No suggestions made.

Section III – Management Letter

2003-1 Organizational Structure and Segregation of Duties

Suggestion: In prior years, I have commented on the size of the Court's administrative staff precluding certain internal controls that would be preferred if the office were large enough to provide optimum segregation of duties. This situation dictates that the judges of the Court remain closely involved in the financial affairs of the Court to provide oversight and independent review functions. With the addition of a full time account officer in 2004, a greater segregation of duties is now expected, in particular with regards to cash management.

Action: Jefferson Parish Juvenile Court judges will continue to remain closely involved in the Court's financial affairs. The Judicial Administrator provides judges with summary financial reports at Judges' Meetings, which are held approximately ten times annually. These meetings are the most appropriate forum in which to address fiscal matters affecting the Court. If conditions arise, special meetings between the Court's administrative staff and the judges may be called to address issues regarding the Court's finances.

Jefferson Parish Juvenile Court hired an Account Officer in February 2004. This hiring has allowed for the necessary segregation of duties to be achieved. The Judicial Administrator, Assistant Judicial Administrator, Deputy Judicial Administrator and Account Officer meet bi-weekly to review, analyze and discuss fiscal and related operational issues. Judges are briefed on issues discussed in these meetings as necessary.

Jefferson Parish Juvenile Court
Management's Corrective Action Plan

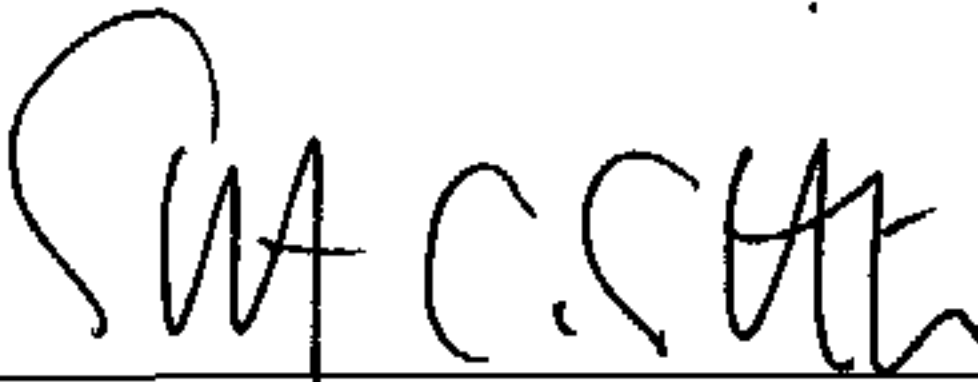
Page 2

2003-2 Use of Signature and Approval Stamps

Suggestion: It was noted during my test of transactions that invoices are being approved using stamps with management's initials. In addition, check signature stamps are also being utilized to increase the operating efficiency of invoice approval and check disbursements. It is incumbent upon management to ensure the security of these stamps given their significance to the cash management functions of the Court. Each member of management should maintain his or her respective stamps in a locked drawer or cabinet that is only accessible by that individual.

Action: Management has secured these approval and signature stamps. As of July 8 2004, invoice approval will be done by hand rather than by stamp. As of this date, approval stamps have been destroyed and signature stamps have been collected. Signature stamps will be distributed to the individuals named on each stamp by July 12, 2004.

Submitted by: _____


Scott Griffith
Judicial Administrator

Date: _____

7-8-04

Copy: Chief Judge Ann Murry Keller, Section A
Judge Andrea Price Janzen, Section B
Judge Nancy Amato Konrad, Section C
Louise Kelley, Assistant Administrator
Dawn Palermo, Deputy Judicial Administrator
Jeff Wiczorek, Account Officer