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**TWELFTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD****COMPONENT UNIT FINANCIAL STATEMENTS****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 8-4-04

DUCOTE & COMPANY
Certified Public Accountants
219 North Washington Street
P. O. Box 309
Marksville, LA 71351

**TWELFTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Marksville, Louisiana**

**Component Unit Financial Statements
As of and for the Year Ended December 31, 2003**

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Avoyelles Indigent Defender Office

Twelfth Judicial District

State of Louisiana

P. O. Box 111

Marksville, Louisiana 71351

LOUISIANA ATTESTATION QUESTIONNAIRE

June 25, 2004

Ducote & Company
Certified Public Accountants
P. O. Box 309
Marksville, Louisiana 71351

In connection with your compilation of our financial statements as of December 31, 2003 and for the period then ended, and as required by Louisiana Revised Statute 24:513 and the Louisiana Government Audit Guide, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of June 25, 2004.

PUBLIC BID LAW

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office.

Yes No

CODE OF ETHICS FOR PUBLIC OFFICIALS AND PUBLIC EMPLOYEES

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes No

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes No

Ducote & Company

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June 25, 2004

BUDGETING

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:43.

Yes No

ACCOUNTING AND REPORTING

All non-exempt government records are available as a public record and have been retained for at least three years, as requires by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes No

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92 as applicable.

Yes No

We have had our financial statements audited or compiled in accordance with LSA- RS 24:513.

Yes No

MEETINGS

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes No

DEBT

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 47:1410.60.

Yes No

Ducote & Company

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June 25, 2004

ADVANCES AND BONUSES

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes No

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

 Chairman June 25, 2004 Date

**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

Mr. Charles Jones, Chairman
Chairman
Twelfth Judicial District Indigent Defender Board
Marksville, Louisiana 71351

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of The Twelfth Judicial District Indigent Defender Board and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions and the Twelfth Judicial District Indigent Defender Board's compliance with certain laws and regulations during the year ended December 31, 2003 included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures describe below either for the purpose for which this report has been requested or for any other purpose.

PUBLIC BID LAW

1. Select all expenditures made during the year for material and supplies exceeding \$15,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

No expenditures were made during the year for materials and supplies exceeding \$15,000 and no expenditures were made for public works exceeding \$100,000.

CODE OF ETHICS FOR PUBLIC OFFICIALS AND PUBLIC EMPLOYEES

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees included on the list of employees provided by management [agreed-upon procedures (3)] appeared on the list provided by management in agreed upon procedure (2).

ACCOUNTING AND REPORTING

5. Randomly select 6 disbursements made during the period under examination and:

(a) trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the selected disbursements. No exceptions were noted.

(b) determine if payments were properly coded to the correct fund and general ledger account; and

All six of the payments were properly coded to the correct fund and general ledger account.

(c) determine whether payments received approval from proper authorities.

All six of the payments were properly approved and signed.

MEETINGS

6. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

The Indigent Defender Board posted notices at the Avoyelles Parish Court House stating the date, time, and place of the meeting.

DEBT

7. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We inspected copies of all bank deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

ADVANCES AND BONUSES

8. Examine payroll records for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

An inspection of the payroll records for the year noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

Our prior year report, dated June 12, 2003, included comments regarding violations of payroll policy and one comment regarding two unauthorized purchases for personal use by an employee. Management responded by reviewing policies, receiving repayment for unauthorized purchases and accepting the resignation of the employee, without prejudice. There are no comments or findings for the year ended June 30, 2003.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Twelfth Judicial Indigent Defender Board and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor of the State of Louisiana as a public document.


DUCOTE & COMPANY
Certified Public Accountants
Marksville, Louisiana
June 25, 2004

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

Mr. Charles Jones, Chairman
Twelfth Judicial District Indigent Defender Board
Marksville, Louisiana

We have compiled the accompanying balance sheet of the Twelfth Judicial District Indigent Defender Board as of December 31, 2003 and the related statement of revenues, expenditures, and changes in fund balance, for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.



DUCOTE & COMPANY
Certified Public Accountants
Marksville, Louisiana
June 25, 2004

**TWELFTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Marksville, Louisiana**

**ALL FUND TYPES AND ACCOUNT GROUPS
BALANCE SHEET
December 31, 2003**

	<u>Governmental Fund Type General Fund</u>	<u>Account Group General Fixed Assets</u>	<u>Total Memorandum Only</u>
ASSETS			
Cash	\$ 57,610	\$ -	\$ 57,610
Accounts receivable	6,529	-	6,529
Deposits	525	-	525
Equipment	<u>-</u>	<u>9,741</u>	<u>9,741</u>
Total Assets	<u>\$ 64,664</u>	<u>\$ 9,741</u>	<u>\$ 74,405</u>
LIABILITIES EQUITY AND OTHER CREDITS			
Liabilities:			
Accounts payable	\$ 1,175	\$ -	\$ 1,175
Equity and other credits:			
Investment in general fixed assets	-	9,741	9,741
Fund balance, unreserved	<u>63,489</u>	<u>-</u>	<u>63,489</u>
Total Liabilities and Fund Balance	<u>\$ 64,664</u>	<u>\$ 9,741</u>	<u>\$ 74,405</u>

See accountants' compilation report and the accompanying notes.

**TWELFTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Marksville, Louisiana**

**GOVERNMENTAL FUND-GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
Year Ended December 31, 2003**

	<u>Actual</u>
REVENUES	
Court costs on fines & forfeitures	\$ 111,698
Intergovernmental Revenues:	
State Grant	25,856
Miscellaneous revenues	<u>3,973</u>
Total Revenues	<u>141,527</u>
EXPENDITURES	
Salaries & related benefits	129,171
Legal and accounting	6,372
Insurance	4,562
Capital outlay	323
Other	<u>14,031</u>
Total Expenditures	<u>154,459</u>
Excess (Deficiency) of Revenues Over Expenditures	(12,932)
Fund Balance, beginning of year	<u>76,421</u>
Fund balance, end of year	<u>\$ 63,489</u>

See accountants' compilation report and the accompanying notes.

**TWELFTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Marksville, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS
December 31, 2003**

INTRODUCTION

The Twelfth Judicial District Indigent Defender Board is established in compliance with Louisiana Revised Statutes 15:144-149, to provide and compensate counsel appointed to represent indigents in criminal and quasi-criminal cases on the district court level. The judicial district encompasses the parish of Avoyelles, Louisiana.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying component unit financial statements of the Twelfth Judicial District Indigent Defender Board have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Avoyelles Parish Police Jury is the financial reporting entity for Avoyelles Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Avoyelles Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This Criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the police jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial burdens on the police jury.

**TWELFTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Marksville, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS (continued)
December 31, 2003**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2. Organizations for which the police jury does not appoint a voting majority but is fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

The Indigent Defender Board is a part of the operations of the district court system. The district court system is fiscally dependent on the police jury for office space and courtrooms. The substance of the relationship between the district court system and the police jury is that the police jury has approval authority over its capital budget. Therefore, the indigent defender board was determined to be a component unit of the Avoyelles Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the indigent defender board and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. FUND ACCOUNTING

The board uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

**TWELFTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Marksville, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS (continued)
December 31, 2003**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The General Fund is accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The operating statement presents increases and decreases in net current assets. The General Fund uses the modified accrual basis of accounting. The General Fund uses the following practices in recording revenues and expenditures.

REVENUES

Revenues are recognized when they become measurable and available as net current assets.

EXPENDITURES

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

E. BUDGETS

In accordance with Louisiana R. S. 39:1302, local indigent defender boards are not political subdivisions within the meaning of the Louisiana Government Budget Act. Therefore, the Board is not required to formally adopt a budget.

F. COMPENSATED ABSENCES

The indigent defender board does not have a formal policy for vacation and sick leave.

**TWELFTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Marksville, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS (continued)
December 31, 2003**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. TOTAL COLUMNS ON STATEMENTS

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

NOTE 2 - CASH

At year end, December 31, 2003, the cash consisted of deposits with banks, with a book value of \$57,610.

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balance) must be secured 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 parities. At December 31, 2003, the district had \$68,642 respectively, in deposits (collected bank balances). Of the total bank balance, \$68,642 was covered by Federal Depository Insurance. At December 31, 2003, an additional \$100,000 was held by the custodial bank in pledged securities in the name of the Indigent Defender Board (GASB Category 3). The funds remain pledged throughout the fiscal year in the event the uninsured balances of the Indigent Defender Board exceed \$100,000 at any point in time.

Even though the pledged securities are considered uncollateralized (category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Indigent Defender Board that the depository bank has failed to pay deposited funds upon demand.

**TWELFTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Marksville, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS (continued)
December 31, 2003**

NOTE 3 - RECEIVABLES

The following is a summary of receivables at December 31, 2003:

<u>Class of Receivable</u>	<u>12/31/03</u>
Court Costs	<u>6,529</u>
Total	<u>\$ 6,529</u>

NOTE 4 - PENSION PLAN

Plan Description. The Twelfth Judicial District Indigent Defender Board contributes to the Parochial Employees' Retirement System of Louisiana, a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. Employees of the board are members of Plan A.

All permanent employees working at least twenty-eight hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only before January 1, 1980, the benefit is equal to one percent of final-average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1980. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

**TWELFTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Marksville, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS (continued)
December 31, 2003**

NOTE 4 - PENSION PLAN, (continued)

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (225)928-1361.

Funding Policy. Under Plan A, members are required by state statute to contribute 9.50% of their annual covered salary and the board is required to contribute at an actuarially determined rate. The current rate is 7.75% of annual covered payroll. Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the board are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The board's contributions to the System under Plan A for the year ending December 31, 2003, 2001, and 2000 were \$1,881, \$8,789, and \$8,560, respectively, equal to the required contributions for the year.

NOTE 5 - GENERAL FIXED ASSETS

The changes in general fixed assets for the year ended December 31, 2003 are as follows:

	Balance 12/31/02	Additions	Deletions	Balance 12/31/03
Machinery & equipment	<u>\$ 9,418</u>	<u>\$ 323</u>	<u>\$ -</u>	<u>\$ 9,741</u>
Total General Fixed Assets	<u>\$ 9,418</u>	<u>\$ 323</u>	<u>\$ -</u>	<u>\$ 9,741</u>