

**THIRTY-EIGHTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Cameron, Louisiana**

**General Purpose Financial Statements
With Independent Auditors' Report
As of and for the Year Ended
December 31, 2003**

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

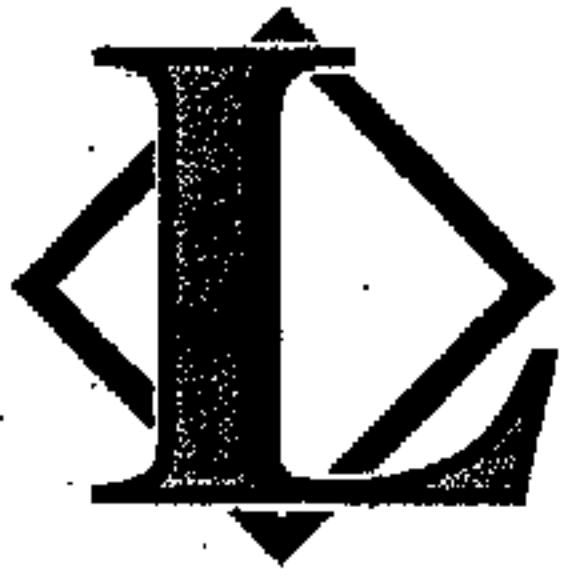
Release Date 8-4-04

THIRTY-EIGHTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Cameron, Louisiana

General Purpose Financial Statements
With Independent Auditors' Report
As of and for the Year Ended
December 31, 2003

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LITTLE & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

Wm. TODD LITTLE, CPA
CHARLES R. MARCHBANKS, JR., CPA

Independent Auditors' Report

THIRTY-EIGHTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Cameron, Louisiana

We have audited the general purpose financial statements of the Thirty-Eighth Judicial District Indigent Defender Board, a component unit of Cameron Parish Police Jury, as of December 31, 2003, and for the year then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of the management of the Thirty-Eighth Judicial District Indigent Defender Board. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with U. S. generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Thirty-Eighth Judicial District Indigent Defender Board, as of December 31, 2003, and the results of its operations for the year then ended in conformity with U. S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 6, 2004, on the Thirty-Eighth Judicial District Indigent Defender Board's compliance with laws, regulations and contracts and our consideration of the agency's internal control over financial reporting. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Little & Associates

Monroe, Louisiana
June 6, 2004

**GENERAL PURPOSE FINANCIAL STATEMENTS
(Overview)**

THIRTY-EIGHTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Cameron, Louisiana
GOVERNMENTAL FUND TYPE - GENERAL FUND

Balance Sheet
December 31, 2003

ASSETS

Cash and equivalents	\$198,501
Receivables - court costs	<u>4,264</u>
TOTAL ASSETS	<u><u>\$202,765</u></u>

LIABILITIES AND FUND EQUITY

Liabilities - accounts payable	\$1,110
Fund equity - fund balance - unreserved - undesignated	<u>201,655</u>
TOTAL LIABILITIES AND FUND EQUITY	<u><u>\$202,765</u></u>

The accompanying notes are an integral part of this statement.

THIRTY-EIGHTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Cameron, Louisiana
GOVERNMENTAL FUND TYPE - GENERAL FUND

Statement of Revenues, Expenditures, and
Changes in Fund Balance - Actual versus Budget
For the Year Ended December 31, 2003

	Actual	Budget	Variance - Favorable (Unfavorable)
REVENUES			
Court costs on fines and forfeitures	\$99,046	\$102,500	(\$3,454)
Use of money and property - interest earned	1,801	1,825	(24)
Total revenues	100,847	104,325	(3,478)
EXPENDITURES			
Current - general government - judicial:			
Personal services and related benefits	91,125	98,025	6,900
Operating services	5,647	5,353	(294)
Total expenditures	96,772	103,378	6,606
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	4,075	947	3,128
FUND BALANCE AT BEGINNING OF YEAR	197,580	159,230	38,350
FUND BALANCE AT END OF YEAR	\$201,655	\$160,177	\$41,478

The accompanying notes are an integral part of this statement.

THIRTY-EIGHTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Cameron, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2003

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Thirty-Eighth 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 Cameron, Louisiana. The indigent defender board is composed of three members who are appointed by the district court. The board members serve without compensation.

A. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Cameron Parish Police Jury is the financial reporting entity for Cameron 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 the 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 (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Cameron 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 benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would

THIRTY-EIGHTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Cameron, Louisiana
Notes to the Financial Statements (Continued)

be misleading if data of the organization is not included because of the nature or significance of the relationship.

Board members are appointed by the district judge. However, the police jury is ultimately responsible for the fiscal operations of the Thirty-Eighth Judicial District court system, which includes the Indigent Defender Board. Further, because of this relationship, the police jury's primary government financial statements would be misleading without inclusion of the board's financial statements. Therefore, the indigent defender board is considered a component unit of the parish reporting entity.

B. 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 related to certain governmental functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities (general fixed assets and general long-term obligations) that are not recorded in the "funds" because they do not directly affect net expendable available financial resources. They are concerned only with the measurement of financial position, not with the measurement of results of operations.

Funds are classified into three categories; governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing service to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The board's current operations require the use of only a governmental fund (General Fund). The General Fund is the general operating fund of the indigent defender board and accounts for all of its financial resources.

THIRTY-EIGHTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Cameron, Louisiana
Notes to the Financial Statements (Continued)

**C. GENERAL FIXED ASSETS AND
LONG-TERM OBLIGATIONS**

The indigent defender board has no fixed assets or long-term obligations at December 31, 2003.

D. BASIS OF ACCOUNTING

The 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 for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for reporting all governmental and fiduciary fund types. 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 board uses the following practices in recognizing and reporting revenues and expenditures:

Revenues

Court costs on fines and forfeitures imposed by the district are recorded in the year they are collected by the tax collector.

Interest income on interest bearing demand deposits is recorded at the end of the month when credited by the bank. Interest income on time deposits is recorded when the time deposits have matured and the interest is available.

Based on the above criteria, court costs on fines and forfeitures are treated as susceptible to accrual.

Expenditures

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

THIRTY-EIGHTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Cameron, Louisiana
Notes to the Financial Statements (Continued)

E. CASH AND CASH EQUIVALENTS

Under state law, the indigent defender board may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The board may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

At December 31, 2003, the board has cash and cash equivalents (book balances) totaling \$198,501 as follows:

Demand deposits	\$43,501
Time deposits	<u>155,000</u>
Total	<u>\$198,501</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank.

Cash and cash equivalents (bank balances) at December 31, 2003, are secured as follows:

Bank balances	<u>\$203,225</u>
Federal deposit insurance	\$100,000
Pledged securities (uncollateralized)	<u>109,064</u>
Total	<u>\$209,064</u>

Because the pledged securities are held by a custodial bank in the name of the fiscal agent bank rather than the name of the district, they are considered uncollateralized (Category 3) under the provisions of GASB Codification C20.106; however, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the board that the fiscal agent has failed to pay deposited funds upon demand.

F. ACCOUNTS RECEIVABLE

Accounts receivable represents the distribution due the indigent defender board for December 2003 collections by the Cameron Parish Sheriff's Department, who is the collector for court costs and fees for Cameron Parish.

THIRTY-EIGHTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Cameron, Louisiana
Notes to the Financial Statements (Continued)

G. BUDGET PRACTICE

A preliminary budget for the ensuing year is prepared by the board's contract accountant prior to December 31 of each year and is made available for public inspection at least fifteen days prior to the beginning of each fiscal year. The proposed budget is prepared on the modified accrual basis of accounting. The budget is established and controlled by the board of commissioners at the object level of expenditure. Encumbrance accounting is not used by the board. Appropriations lapse at year-end and must be reappropriated for the following year to be expended. All changes in the budget must be approved by the board of commissioners.

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments.

H. VACATION AND SICK LEAVE

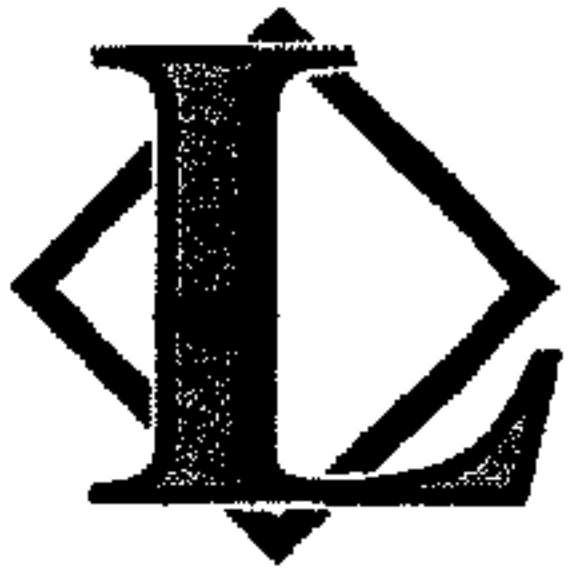
The indigent defender board has one employee. By contractual arrangement, the employee does not accrue any vacation or sick leave. Accordingly, no vacation and sick leave policy is required.

2. LITIGATION

At December 31, 2003, the indigent defender board is not involved in any litigation nor is it aware of any unasserted claims.

**Independent Auditors' Report Required
by *Government Auditing Standards***

The following independent auditors' report on compliance and internal control is presented in compliance with the requirements of *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.



LITTLE & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

Wm. TODD LITTLE, CPA
CHARLES R. MARCHBANKS, JR., CPA

**Independent Auditors' Report on Compliance
and Internal Control Over Financial Reporting
Based on an Audit Performed in Accordance
with *Government Auditing Standards***

THIRTY-EIGHTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Cameron, Louisiana

We have audited the general purpose financial statements of the Thirty-Eighth Judicial District Indigent Defender Board, a component unit of Cameron Parish Police Jury, as of December 31, 2003, and for the year then ended, and have issued our report thereon dated June 6, 2004. We conducted our audit in accordance with U. S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Thirty-Eighth Judicial District Indigent Defender Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations and contracts, noncompliance with which could have a direct and material effect on the determination of financial amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Thirty-Eighth Judicial District Indigent Defender Board's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our 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 components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

THIRTY-EIGHTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Cameron, Louisiana
Independent Auditors' Report on Compliance
And Internal Control Over Financial Reporting, etc.
December 31, 2003

This report is intended for the information of members of the Thirty-Eighth Judicial District Indigent Defender Board and the Louisiana 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.

Little & Associates

Monroe, Louisiana
June 6, 2004

THIRTY-EIGHTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Cameron, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2003

A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unqualified opinion on the general purpose financial statements of the Thirty-Eighth Judicial District Indigent Defender Board.
2. No instances of noncompliance material to the financial statements of the Thirty-Eighth Judicial District Indigent Defender Board were disclosed during the audit.
3. No reportable conditions relating to the audit of the financial statements are reported in the Independent Auditors' Report on Internal Control Over Financial Reporting Based on an Audit Performed in Accordance with *Government Auditing Standards*.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

**THIRTY-EIGHTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Cameron, Louisiana**

**Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2003**

There were no audit findings reported in the audit for the year ended December 31, 2002.