

LEGISLATIVE AUDITOR
STATE OF LOUISIANA



———— SUPREME COURT OF LOUISIANA ————
STATE OF LOUISIANA

FINANCIAL STATEMENT AUDIT
ISSUED JANUARY 5, 2005

**LEGISLATIVE AUDITOR
1600 NORTH THIRD STREET
POST OFFICE BOX 94397
BATON ROUGE, LOUISIANA 70804-9397**

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November 29, 2004

Independent Auditor's Report
on the Financial Statements

SUPREME COURT OF LOUISIANA
STATE OF LOUISIANA
New Orleans, Louisiana

We have audited the accompanying special purpose (legal basis) financial statements of the Supreme Court of Louisiana, a court within Louisiana state government, as of and for the year ended June 30, 2004, as listed in the foregoing table of contents. These financial statements are the responsibility of management of the Supreme Court of Louisiana. Our responsibility is to express an opinion on these special purpose financial statements based on our audit.

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

As described in note 1-B to the financial statements, Act 54 of the 2003 Regular Session of the Louisiana Legislature provided various state appropriations to units of the judicial branch of government. The accompanying special purpose financial statements include these state appropriations, except for those appropriations that are not under the control of the Supreme Court of Louisiana as provided in note 1, which are subject to separate audits. As such, they present the appropriated and non-appropriated activity of the court that are part of the accounts and fund structure of the State of Louisiana. The appropriated funds reflect appropriated activity of the court that are part of the General Fund and special revenue funds of the State of Louisiana. The non-appropriated funds are individual funds of the State of Louisiana not subject to budgetary control. Furthermore, the special purpose financial statements have been prepared on a legal basis of accounting, the purpose of which is to reflect compliance with the annual appropriation act for the appropriated funds and the financial position of the non-appropriated funds. These procedures differ from accounting principles generally accepted in the United States of America as described in the notes to the financial statements. Accordingly, the

accompanying special purpose financial statements are not intended to and do not present fairly the financial position and results of operations in conformity with accounting principles generally accepted in the United States of America.

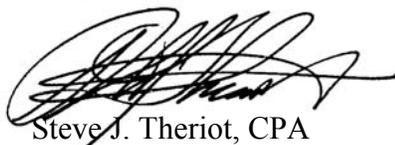
In our opinion, the accompanying special purpose financial statements present fairly, in all material respects, the balances within the appropriated and non-appropriated funds of the Supreme Court of Louisiana at June 30, 2004, and the transactions of such funds for the year then ended, on the basis of accounting described in note 1-D.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 29, 2004, on our consideration of the Supreme Court's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the accompanying special purpose financial statements of the Supreme Court of Louisiana taken as a whole. The accompanying supplemental information schedules are presented for the purpose of additional analysis and have been subjected to the auditing procedures applied in the audit of the special purpose financial statements and, in our opinion, are stated fairly in all material respects in relation to the special purpose financial statements taken as a whole.

This report is intended solely for the information and use of the Supreme Court and its management 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.

Respectfully submitted,



Steve J. Theriot, CPA
Legislative Auditor

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**SUPREME COURT OF LOUISIANA
STATE OF LOUISIANA
ALL APPROPRIATED AND NON-APPROPRIATED FUNDS**

Combined Balance Sheet (Legal Basis), June 30, 2004

	APPROPRIATED FUNDS	NON- APPROPRIATED FUNDS	TOTAL (MEMORANDUM ONLY)
ASSETS			
Cash and cash equivalents (note 2)	\$9,681,856	\$1,306,569	\$10,988,425
Receivables	10,134	139,151	149,285
Due from other state agencies (note 3)	2,315,927		2,315,927
Due from other funds (note 5)		127,885	127,885
Prepayments	51,477		51,477
	<u>51,477</u>	<u>127,885</u>	<u>179,362</u>
TOTAL ASSETS	<u>\$12,059,394</u>	<u>\$1,573,605</u>	<u>\$13,632,999</u>
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts payable	\$613,982	\$71,501	\$685,483
Payroll deductions payable	111,437		111,437
Due to other funds (note 5)		127,885	127,885
Total Liabilities	<u>725,419</u>	<u>199,386</u>	<u>924,805</u>
Fund Equity - fund balances - reserved (note 11)	<u>11,333,975</u>	<u>1,374,219</u>	<u>12,708,194</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$12,059,394</u>	<u>\$1,573,605</u>	<u>\$13,632,999</u>

The accompanying notes are an integral part of this statement.

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**SUPREME COURT OF LOUISIANA
STATE OF LOUISIANA
ALL APPROPRIATED AND NON-APPROPRIATED FUNDS**

**Combined Statement of Revenues, Expenditures,
and Changes in Fund Balances (Legal Basis)
For the Year Ended June 30, 2004**

	APPROPRIATED FUNDS	NON - APPROPRIATED FUNDS	TOTAL (MEMORANDUM ONLY)
REVENUES			
Appropriated by legislature:			
State General Fund	\$95,119,393		\$95,119,393
State General Fund by interagency transfers	11,390,929		11,390,929
State General Fund by statutory dedications	5,600,000		5,600,000
Interest	82,145		82,145
Non-appropriated revenues		\$1,254,698	1,254,698
Total revenues	<u>112,192,467</u>	<u>1,254,698</u>	<u>113,447,165</u>
EXPENDITURES			
Personal services	59,249,865		59,249,865
Travel	1,861,222		1,861,222
Operating supplies and services	3,827,742		3,827,742
Professional services	2,122,010		2,122,010
Other charges	1,711,336		1,711,336
Non-appropriated expenditures		1,176,696	1,176,696
Total expenditures	<u>68,772,175</u>	<u>1,176,696</u>	<u>69,948,871</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>43,420,292</u>	<u>78,002</u>	<u>43,498,294</u>
OTHER FINANCING SOURCES (Uses)			
Operating transfers in (note 4)	438,750	10,000	448,750
Operating transfers out (note 4)	(448,750)		(448,750)
Transfers from other entities	72,540		72,540
Transfers to other entities (note 6)	(45,273,364)		(45,273,364)
Total other financing sources (uses)	<u>(45,210,824)</u>	<u>10,000</u>	<u>(45,200,824)</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>(1,790,532)</u>	<u>88,002</u>	<u>(1,702,530)</u>
FUND BALANCES AT BEGINNING OF YEAR	<u>13,124,507</u>	<u>1,286,217</u>	<u>14,410,724</u>
FUND BALANCES AT END OF YEAR	<u>\$11,333,975</u>	<u>\$1,374,219</u>	<u>\$12,708,194</u>

The accompanying notes are an integral part of this statement.

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**SUPREME COURT OF LOUISIANA
STATE OF LOUISIANA
ALL APPROPRIATED FUNDS**

**Statement of Revenues, Expenditures,
and Unexpended Appropriation -
Budget Comparison of Current-Year
Appropriation - Budget (Legal Basis)
For the Year Ended June 30, 2004**

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Appropriated by legislature:			
State General Fund:			
Supreme Court	\$24,021,522	\$24,021,522	
Courts of Appeal	31,017,006	31,017,006	
District courts	25,315,783	25,315,783	
Orleans Parish Criminal Court	4,153,815	4,153,815	
Other courts	10,611,267	10,611,267	
Total state General Fund	<u>95,119,393</u>	<u>95,119,393</u>	NONE
Statutory dedications:			
Patients' Compensation Fund	10,000	10,000	
Judges' Supplemental Compensation Fund	4,000,000	4,000,000	
Trial Court Case Management Fund	1,731,949	1,590,000	(\$141,949)
Total statutory dedications	<u>5,741,949</u>	<u>5,600,000</u>	(141,949)
Other - interest earnings	82,145	82,145	NONE
Interagency receipts:			
TANF drug court	5,000,000	6,099,368	1,099,368
TANF court appointed special advocates	4,830,000	5,291,561	461,561
Total interagency receipts	<u>9,830,000</u>	<u>11,390,929</u>	1,560,929
Total appropriated revenues	<u>110,773,487</u>	<u>112,192,467</u>	1,418,980
EXPENDITURES			
Supreme Court:			
Salaries - Chief Justice and associate justices	762,624	762,624	
Supreme Court Proper - staff and other expenses and salary of court crier	6,451,379	5,735,067	716,312
Judicial Council	2,534,609	2,622,405	(87,796)
Judiciary Commission	746,049	728,457	17,592
Court reporters	252,034	175,981	76,053
Dues to the National Center for State Courts	132,548	123,207	9,341
Committee on Professional Ethics	3,000	3,000	
Retired judges - salaries and expenditures	622,389	1,272,189	(649,800)
Law Library of Louisiana	1,400,751	1,396,705	4,046

(Continued)

The accompanying notes are an integral part of this statement.

**SUPREME COURT OF LOUISIANA
STATE OF LOUISIANA
ALL APPROPRIATED FUNDS
Statement of Revenues, Expenditures,
and Unexpended Appropriation -
Budget Comparison of Current-Year
Appropriation - Budget (Legal Basis), 2004**

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
EXPENDITURES (CONT.)			
Supreme Court: (Cont.)			
Transferred judges - salaries and expenditures	\$120,000	\$316,699	(\$196,699)
Retirement benefits to justices and judges - all courts	2,050,952	1,926,993	123,959
Retirement benefits to widows of justices and judges - all courts	1,446,583	1,353,700	92,883
Judicial College	139,795	134,653	5,142
Employer contribution to retirement system	4,798,422	4,435,174	363,248
Civil commitment matters	143,424	108,625	34,799
Louisiana Protective Order Registry	612,174	786,251	(174,077)
Families in Need of Services	1,744,788	1,521,717	223,071
Administrative expenses of the Medical Review Panel	10,000	10,000	
Truancy Assessment Centers		91,713	(91,713)
Paul Hebert Law Center, payable from General Fund Direct	60,000	60,000	
Courts of Appeal:			
Salaries of judges	5,425,583	5,298,959	126,624
First Circuit operation and maintenance	6,979,900	6,979,900	
Second Circuit operation and maintenance	3,743,972	3,743,972	
Third Circuit operation and maintenance	5,507,310	5,507,310	
Fourth Circuit operation and maintenance	5,514,302	5,513,302	1,000
Fifth Circuit operation and maintenance	3,845,939	3,845,939	
District Courts:			
Salaries of judges	17,730,177	17,514,608	215,569
District judges - office and travel expenses	1,252,400	1,165,175	87,225
Orleans Parish Civil District Courts - salaries of judges	1,338,127	1,251,573	86,554
Stenographers' and clerks' and other judges' expenses	70,000	81,018	(11,018)
Twentieth Judicial District court reporters - salary and retirement contribution	88,286	91,833	(3,547)
Clerk of Orleans Parish Civil District Court	10,000	10,000	
Employer contribution to group, worker's compensation, general liability, and property insurance	3,972,549	3,252,541	720,008
Commissioners of Fifteenth and Nineteenth Judicial Districts - salaries	319,639	315,722	3,917
Office expenses - Nineteenth Judicial District	304,549	304,549	
Office expenses - Fifteenth Judicial District	204,256	183,746	20,510
Law clerk of the Twentieth Judicial District	25,800	28,420	(2,620)

(Continued)

The accompanying notes are an integral part of this statement.

**SUPREME COURT OF LOUISIANA
STATE OF LOUISIANA
ALL APPROPRIATED FUNDS
Statement of Revenues, Expenditures,
and Unexpended Appropriation -
Budget Comparison of Current-Year
Appropriation - Budget (Legal Basis), 2004**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES (CONT.)			
Orleans Parish Criminal Court:			
Salaries of district judges	\$1,242,546	\$1,200,923	\$41,623
Office expenses and employer contribution to group insurance	307,553	280,764	26,789
Salaries of minute clerks	240,695	238,201	2,494
Salaries of court reporters	380,391	370,366	10,025
Salaries and related benefits of commissioners	261,341	250,583	10,758
Office expenses of commissioners	10,000	10,240	(240)
Salaries of commissioners' minute clerks	61,735	61,463	272
Salaries of commissioners' court reporters	46,540	44,610	1,930
Judicial Administrator and assistants - salaries and related benefits	542,599	538,966	3,633
Salaries of law clerks	434,895	431,232	3,663
Salaries of secretaries	125,985	125,635	350
Sanity Commissions	162,172	162,172	
Board of Jury Commissioners	264,563	264,563	
Office expenses of Criminal Court Judges Orleans	72,800	72,168	632
Other courts - salaries and related benefits:			
Salaries of city court judges	1,851,599	1,846,795	4,804
Juvenile Court - salaries of judges	1,338,127	1,336,799	1,328
Salaries of family court judges	382,322	382,322	
Salaries of municipal judges, traffic court judges, and parish court judge	298,653	298,653	
Juvenile and family courts - office expenses	100,800	101,394	(594)
Orleans Parish Juvenile Protective Care Monitoring Program	369,670	348,096	21,574
State Direct Drug Court Support	6,181,800	6,714,428	(532,628)
Orleans Parish Juvenile Court - court reporters	58,296	44,169	14,127
Expenses of Judges Assistance Program	30,000	30,000	
Appropriated by legislature - statutory dedicated funds:			
Judges' Supplemental Compensation Fund	4,000,000	3,722,245	277,755
Trial Court Case Management Fund	1,731,949	1,520,414	211,535
Appropriated by legislature - by interagency receipt:			
TANF Drug Court	5,000,000	5,998,086	(998,086)
TANF Court Appointed Special Advocates	4,830,000	5,291,561	(461,561)
Total appropriated expenditures	<u>110,691,341</u>	<u>110,340,575</u>	<u>350,766</u>
UNEXPENDED APPROPRIATION - CURRENT YEAR	<u>\$82,146</u>	<u>\$1,851,892</u>	<u>\$1,769,746</u>

(Concluded)

The accompanying notes are an integral part of this statement.

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INTRODUCTION

The Supreme Court of Louisiana is a part of the State of Louisiana reporting entity within the judicial branch of government. As provided by Article V of the Louisiana Constitution of 1974, the judicial power of government of the state is vested in a supreme court, courts of appeal, district courts, and other courts. The Supreme Court of Louisiana exercises an appellate function as the highest court in the state, has general supervisory jurisdiction over all other courts, and in certain instances, is the court of original jurisdiction. All judges of the various courts are elected to serve terms ranging from six to ten years, depending upon their court of jurisdiction. The Supreme Court of Louisiana, comprised of the Chief Justice and seven Associate Justices, is empowered by Louisiana Revised Statutes (R.S.) 13:10, 13:121, and 25:91-95 to appoint a judicial administrator, its clerk, and other personnel, and to control the Law Library of Louisiana.

The court's operations are funded through annual appropriations made by the Louisiana Legislature from the state's General Fund and from the state's Patients' Compensation Fund, Judges' Supplemental Compensation Fund, and Trial Court Case Management Information Special Revenue Funds. The court's operations are further funded through self-generated revenues authorized by R.S. 13:126, which include fees for appeals, applications for writs, motions filed on unlogged appeals, answers to appeals, and through fees for copies, seminars, and other services. The state's Judges' Supplemental Compensation Special Revenue Fund is funded by an additional fee of \$18 charged by the various courts in the state in compliance with Act 63 of the 1985 Session of the Louisiana Legislature. The state's Trial Court Case Management Information Special Revenue Fund is funded by a special court cost from \$1 to \$2 on all traffic and criminal convictions in the state as mandated by Act 152 of the 1993 Session of the Louisiana Legislature. The amounts collected in connection with these two funds are collected by the Clerk of the Supreme Court and various lower courts and remitted to the state treasurer through the Judicial Administrator's Office of the Supreme Court of Louisiana.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The Governmental Accounting Standards Board (GASB) promulgates accounting principles generally accepted in the United States of America and reporting standards for state and local governments. These principles are found in the Codification of Governmental Accounting and Financial Reporting Standards published by the GASB. However, the accompanying financial statements have been prepared on a legal basis, which differs from accounting principles generally accepted in the United States of America as explained in the following notes.

B. REPORTING ENTITY

GASB Codification Section 2100 has defined the governmental reporting entity to be the State of Louisiana. The court is included within the State of Louisiana reporting entity because the state exercises oversight responsibility and has accountability for fiscal matters as follows: (1) the state has control and exercises authority over budget matters; (2) state appropriations provide the largest percentage of total revenues; and (3) the court

primarily serves state residents. The accompanying financial statements present information only as to the transactions of the court.

The accompanying financial statements represent activity of the court within the judicial branch of state government and, therefore, are a part of the fund structure of the State of Louisiana and its basic financial statements. Annually, the State of Louisiana issues basic financial statements. The basic financial statements are audited by the Louisiana Legislative Auditor.

The operations of the Supreme Court of Louisiana are separated into four major offices as follows:

- The Judicial Administrator's Office is responsible for all appropriated and non-appropriated funds of the court, except those self-generated fees collected and accounted for by the Clerk of the Supreme Court, the Louisiana Law Library, and the Judicial College. Furthermore, the Judicial Administrator's Office provides a central payroll system for the payment of salaries to all state, district, and certain city court judges, as well as minute clerks, court reporters, et cetera. This office also pays certain expenses of the various courts throughout the state.
- The Office of the Clerk of the Supreme Court is responsible for collecting and accounting for the receipt and expenditure of filing fees and other self-generated revenues as provided by R.S. 13:124. These funds are not appropriated or accounted for by the Judicial Administrator.
- The Louisiana Law Library is responsible for collecting and accounting for proceeds from the sale of acts of the Louisiana Legislature and receipts from the copying of legal documents and the use of Westlaw and LEXIS computer terminals. These revenues are used to purchase books and cover costs relating to copy and computer equipment located in the library. These funds are not appropriated or accounted for by the Judicial Administrator.
- The Louisiana Judicial College is responsible for collecting and accounting for seminar registration fees. These fees are used to conduct seminars for the education of Louisiana judges.

Certain appropriations made to units of the judicial branch under Act 54 of the Regular Session of 2003 of the Legislative - Special Acts Judiciary are not administered by the Supreme Court of Louisiana. Disbursements of annual appropriations to these units are accounted for as transfers (other financing uses) and are subject to separate audits. These units are listed as follows:

<u>Schedule Number</u>	<u>Appropriation</u>
03-8170-04	Committee on Professional Ethics and Grievances
03-8171-02	First Circuit Court of Appeal
03-8171-03	Second Circuit Court of Appeal
03-8171-04	Third Circuit Court of Appeal
03-8171-05	Fourth Circuit Court of Appeal
03-8171-06	Fifth Circuit Court of Appeal
03-8172-09	Judicial Expense Fund of the Nineteenth Judicial District Court - office expenses
03-8172-12L	Sanity Commissions
03-8172-12M	Board of Jury Commissioners
03-8174-03	Judges' Assistance Program

C. FUND ACCOUNTING

The court uses fund accounting, along appropriation lines, to reflect its compliance with provisions of the annual appropriation act and to reflect the financial position and results of operations of its non-appropriated funds. This differs from the fund accounting of accounting principles generally accepted in the United States of America where the intent is to measure the financial position and results of the governmental reporting entity as a whole. Therefore, the funds within the accompanying financial statements have been divided between appropriated and non-appropriated funds and not by conventional fund types of accounting principles generally accepted in the United States of America.

The funds do not include any noncurrent assets or liabilities. Noncurrent assets, capital assets, and long-term liabilities are reflected in the State of Louisiana's basic financial statements.

The funds presented in the special purpose financial statements are described as follows:

APPROPRIATED FUNDS

General Appropriation Fund

The General Appropriation Fund provides for the salaries, related benefits, and general administrative expenditures of the Supreme Court of Louisiana and courts of appeal. In addition, the General Appropriation Fund provides for certain salaries, related benefits, and general administrative expenditures of the district, criminal, and city courts.

Included in the General Appropriation Fund are amounts appropriated through state General Fund interagency transfers for the Drug Court and for various programs funded by the Temporary Assistance to Needy Families (CFDA 93.558, TANF) program comprised of federal funds from the U.S. Department of Health and Human Services passed through the Louisiana Department of Social Services.

The Drug Court is funded out of the state General Fund by interagency transfers to the Supreme Court from the Department of Health and Hospitals, Office of Addictive Disorders for the maintenance and enhancement of drug courts.

The TANF Drug Court Grant provides support for the improvement and enhancement of drug courts. The TANF Truancy Assessment Centers are designed to integrate community services for children at risk. Truancy intervention funds are designed to fill a gap in services to increase school attendance. The TANF Court Appointed Special Advocates (CASA) work for timely placement of children in permanent, safe, and stable homes. CASAs are appointed by the courts to represent abused and neglected children in the court system. The TANF funds are available through September 30, 2004.

Patients' Compensation Fund

The Patients' Compensation Fund, as provided in R.S. 40:1299.47, is used to pay the administrative expenses of the Office of the Clerk of the Louisiana Supreme Court attributable to the selection process of the attorney chairman of the Medical Review Panel. The fund is financed by a yearly appropriation of the state legislature from the state's Patients' Compensation Special Revenue Fund.

Judges' Supplemental Compensation Fund

The Judges' Supplemental Compensation Fund was created under Act 63 of the 1985 Regular Session of the Louisiana Legislature to account for appropriations for salary supplements to judges and commissioners. The fund is financed by a yearly appropriation of the state legislature from statutory dedication funds transferred from the state's Judges' Supplemental Compensation Special Revenue Fund.

Trial Court Case Management Information System Fund

The Trial Court Case Management Information System Fund was originated by Act 152 of the 1993 Regular Session of the Louisiana Legislature and accounts for appropriations used to prepare a master plan for the development of a statewide automated trial-court case management information system and to provide for the fast-track prototype development of the criminal disposition component of the overall information system. The fund is financed by a yearly appropriation of the state legislature from statutory dedication funds transferred from the state's Trial Court Case Management Information System Special Revenue Fund.

NON-APPROPRIATED FUNDS

Judicial College - Seminar Fund

The Judicial College - Seminar Fund was established to account for transactions related to conducting seminars for the education of Louisiana judges. Funding is received from collected registration fees. The balance remaining in the program at June 30, 2004, will be used to sponsor seminars and special projects relative to judicial education for Louisiana judges during the fiscal year ending June 30, 2005.

**Clerk of the Supreme Court
Fee Account Fund**

The Clerk of the Supreme Court Fee Account Fund is used to account for filing fees, copies of court records, and other revenues received by the court, as provided by R.S. 13:126, and interest earned on time deposits. The fund is used to pay expenditures approved by the Supreme Court of Louisiana that are not paid by funds appropriated to the Clerk of the Supreme Court.

Law Library Self-Generated Fees Fund

The Law Library Self-Generated Fees Fund accounts for the purchase of law books from proceeds from the sale of acts of the Louisiana Legislature as provided by R.S. 43:22. The Law Library provides copy machines and a facsimile machine within the library for use by its patrons and Westlaw and LEXIS computer terminals to assist patrons in their legal research. The fees generated from these services are used to cover the cost of the copy machines, facsimile machine, computer maintenance, and other operating expenses.

**Louisiana Supreme Court Justices:
Sourcebook of Biographical Information Fund**

Funds were made available from the Louisiana Bar Foundation to pay expenses related to the publication of *Supreme Court Justices: Sourcebook of Biographical Information*, a biography of Supreme Court Justices.

**Integrated Juvenile Justice Information
System Project Fund**

Funding is provided by the Supreme Court for the creation and implementation of a computer software program designed to integrate the functions of the juvenile court system. This would include the integration of the court administration, case types, and coordination and exchange of information from outside agencies and organizations.

Baptist Community Ministries Fund

The Judicial Administrator's Office has been awarded a grant from the Baptist Community Ministries, a local philanthropic organization whose mission and purpose is to improve the quality of life for citizens of the greater New Orleans community. This 3-year award totaling \$700,000 will be used to fund a pilot program in Orleans Parish Juvenile Court and Jefferson Parish Juvenile Court to implement mediation in child in need of care cases. The overall purpose of the program is to reduce the amount of time abused and neglected children remain in foster care. The Judicial Administrator's Office serves as the recipient of the funds and oversees expenditures of the funds. The award began on January 1, 2002, and ends on December 31, 2004.

Interest on Lawyer's Trust Accounts Grant Fund

On January 1, 2003, the Louisiana Bar Foundation made funding available to the Supreme Court to continue its work on the Child Advocacy Mediation Project. Specifically, funding will be used to pay attorneys for mediations of child in need of care and termination of parental rights cases that are not being paid through the Office of Community Services. Funding for this grant has been extended through December 31, 2004.

Louisiana Uniform Rules Project Fund

The Louisiana Uniform Rules Project was created by the Supreme Court in 1998 for the purpose of developing uniform district court rules to be implemented by the Supreme Court. The main source of funding for the project is a grant from the State Justice Institute. On December 12, 2001, the Supreme Court adopted District Court Rules, including appendices, and Numbering Systems for Louisiana Family and Domestic Relations Court and Juvenile Courts. The Supreme Court also created a standing District Court Rules Committee, charged with receiving related comments and/or proposed additional rules or amendments to those rules.

Families in Need of Services Software Grant Fund

With a \$25,000 grant from the Louisiana Families in Need of Services Association, the Guidance database system is being developed to record, calculate, track, and report informal case information pertaining to the families in need of services process.

Campaign for the Children Fund

The Campaign for the Children is a public awareness program that is designed to inform the public about the problem of foster care drift in Louisiana and to motivate the public to become involved in reducing and eventually eliminating the problem. The Campaign for the Children Grant has entered the final phase of

the project. Research and discussions continue with other collaborative partners for the most efficacious use of resources consistent with the mission and purpose of the Campaign. Remaining grant funds will be utilized for this final effort to promote permanency for the children in the Louisiana foster care system.

State Court Improvement Grant Fund

The State Court Improvement Grant is a four-year federal program established by the Omnibus Budget Reconciliation Act of 1993 (P. L. 103-66) to assist courts in the assessment and improvement of proceedings relating to foster care and adoption. The grant, awarded to the highest court in each state, will enable trial courts to (1) identify barriers; (2) highlight practices that are not fully successful; and (3) measure areas in need of added attention. Reforms will then be implemented that address the state court's specific needs in foster care abuse and neglect proceedings. Funding was granted through April 10, 2005.

Children's Justice Act Grant Fund

Funding passing through the State of Louisiana, Department of Social Services was made available by the U.S. Department of Health and Human Services through the Children's Justice Act Grants to States for this project. The court entered into an agreement with the State of Louisiana, Department of Social Services to develop programs to aid investigation, mediation and judicial aspects of child abuse and neglect cases. The grant ended December 31, 2003.

Criminal Information Technology Act Grant Fund

This grant is made available through the U.S. Department of Justice via the Louisiana Commission on Law Enforcement. This grant enables the Supreme Court to continue its participation in the development of the Court Management Information System (CMIS) which will allow accurate and timely information on statewide criminal court dispositions to be reported to the state Computerized Criminal History System. This funding enables the court to accomplish goals and objectives of the CMIS program thereby enhancing and improving local state criminal justice records. The grant ended September 30, 2003.

Criminal Information Technology Act 2

This grant is made available through the U.S. Department of Justice via the Louisiana Commission on Law Enforcement. This grant is a continuation of the Criminal Information Technology Act grant above. Additional funds were made available for this program and the grant was extended until September 30, 2004.

Criminal Information Technology Act (CMIS)

The National Center for State Courts identified a need for a Judiciary Network to track and manage criminal, court of appeal, civil, domestic, juvenile, and traffic cases at the state level. This grant is made available through the U.S. Department of Justice via the Louisiana Commission on Law Enforcement. This grant enables the Supreme Court to continue its participation in the development of a CMIS which will allow accurate and timely information on statewide criminal court dispositions to be reported to the state Computerized Criminal History System. This funding enables the court to accomplish goals and objectives of the CMIS program thereby enhancing and improving local state criminal justice records. Funding for this grant ends September 30, 2004.

Protective Orders Grant Fund

The Protective Orders Grant will enable the court to expand and enhance the participation in the National Instant Criminal Background Check System (NICS) and to develop model procedures for accessing records of persons other than felons who are ineligible to purchase firearms. Within this framework and with the use of federal funding, the Statewide Protective Order Grant Program (SPOP) enabled the Supreme Court to provide law enforcement officers with access to accurate, timely, and complete records in regard to protective orders, which are issued to prevent acts of domestic violence against a person or to prevent persons from stalking, intimidating, or harassing another person. On October 1, 2002, the Protective Order Grant was expanded to include funding for enhancement of project software, to provide training programs across the state, and to expand the registry's record storage. The Protective Orders Grant period, under the cognizance of the LCLE, ended September 30, 2003.

National Criminal History Improvement Program

The Statewide Protective Order Grant Program enabled the Supreme Court to provide law enforcement officers with access to accurate, timely, and complete records in regards to Protective Orders, which are issued to prevent acts of domestic violence against a person or to prevent persons from stalking, intimidating, or harassing another person. This grant is made available through the U.S. Department of Justice via the Louisiana Commission on Law Enforcement. The Louisiana Protective Order Registry is a statewide repository for civil and criminal court orders issued to protect victims of intimate partner violence and their children from further harm and harassment. Records in the registry are accessible by query to law enforcement agencies, court officials, and specific agencies with the Louisiana Department of Social Services. Funding from this grant is being used to enhance project software, provide training programs across the state, and expand the registry's record storage system. Funding ended September 30, 2003.

Louisiana Protective Order Registry

In 1997, the Louisiana Legislature created the Louisiana Protective Order Registry (LPOR) and charged the Judicial Administrator's Office of the Supreme Court with responsibility for establishing and maintaining this computerized repository of domestic violence protection orders, issued by courts statewide. Recent law changes require LPOR to revise the database, standardized forms, and interactive software developed for and provided to users. Funds in this grant have allowed LPOR to complete these revisions, disseminate the updated material, and work with courts, prosecutors, law enforcement agencies, victim assistance providers and others with an interest in protecting domestic violence victims and their children by enforcement of protection orders. Funding for this grant ends September 30, 2004.

Violence Against Women Act III Grant (VAWA III) Fund

In support of the Violent Crime Control and Law Enforcement Act, the National Crime Information Center - Protective Order File (NCIC-POF) was implemented in May 1997. Using funding available from the Violence Against Women Act grant (VAWA), the Louisiana Protective Order registry (LPOR), a database, was designed to collect information about all court orders issued for the purpose of preventing violent or threatening acts against another person; provide complete, accurate, and timely protective order records to the courts and law enforcement; and allow Louisiana to fully participate in the NCIC-POF. The VAWA III grant, under the cognizance of the LCLE, which began on March 31, 2002, provided funding to defray the cost of connecting the local area network to the wide area network of LPOR. This grant ended December 31, 2002.

Violence Against Women Act (M99-8-032)

This grant is made available through the U.S. Department of Justice via the Louisiana Commission on Law Enforcement authorized under Stop Violence Against Women Act, Title I of the Omnibus Crime Control and Safe Streets Act of 1968, 42 U.S.C. 3701. The NCIC-POF was implemented in May 1997. The LPOR, a database, was designed to collect information about all court orders issued for the purpose of preventing violent or threatening acts against another person, providing complete, accurate, and timely protective order records to the courts and law enforcement, and allowed Louisiana to fully participate in the NCIC-POF. This grant made funds available to purchase computer hardware and software in order to enhance the LPOR database. Funding for this grant ended February 28, 2004.

Statewide Driver History Initiative II Grant Fund

This is a grant made available through the U.S. National Highway and Safety Administration, Federal Highway Administration, Department of Transportation via the state Department of Public Safety and Corrections and is a continuation of the Statewide Driver History Initiative sub-grant made through the Louisiana Highway Safety Commission. This grant ended September 30, 2003.

D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The funds in the accompanying financial statements measure the resources provided by the legislature to fund current-year expenditures and the use of those resources by the court. This differs from accounting principles generally accepted in the United States of America in which the measurement focus would be to measure the flow of current resources.

Basis of accounting refers to when revenues and expenditures are recognized and reported in the financial statements, regardless of the measurement focus applied. The accompanying financial statements reflect revenues and expenditures in accordance with applicable statutory provisions and regulations of the Judicial Budgetary Control Board.

Under the foregoing legal provisions, the court uses the following practices in recognizing revenues and expenditures.

Revenues

The state General Fund and statutory dedication fund appropriations are recognized in the amounts appropriated, to the extent withdrawn from the State Treasury. Interagency transfers, fees and self-generated revenues, and non-appropriated revenues are recognized in the amounts earned, to the extent measurable and available.

Expenditures

Salaries, related benefits, and obligations of employee vested annual and sick leave are recognized when paid, to the extent that they have been appropriated or approved by the Judicial Budgetary Control Board. Substantially all other operating expenditures are recorded when the related liability is incurred, to the extent that they have been appropriated or approved by the Judicial Budgetary Control Board. Depreciation expense is not recognized by the court.

Other Financing Sources (Uses)

Transfers between funds or units of the judicial branch, some of which are not administered by the Supreme Court of Louisiana and are not expected to be repaid, are accounted for as other financing sources (uses) in the year the court or the Judicial Budgetary Control Board authorizes the transfer.

E. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, demand deposits, and investments of excess cash in direct security repurchase agreements. Under state law, the court 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. In accordance with R.S. 79:327(C)(2), the court is authorized to invest funds in direct United States Treasury obligations, United States government agency obligations, direct security repurchase agreements, and reverse direct security repurchase agreements for federal obligations.

F. LONG-TERM OBLIGATIONS

The court is by statute not allowed to incur bonded indebtedness and, therefore, no recognition within the accompanying financial statements is necessary. Furthermore, any long-term obligations of the court arising from lease commitments, judgments, or compensated absences are not recognized in the accompanying financial statements.

G. BUDGET PRACTICES

By rule of the Supreme Court of Louisiana, the Judicial Budgetary Control Board was created with the authority to approve the transfer of funds within the court as needed. The appropriation made for the operations of the court is an annual lapsing appropriation and is recorded in the appropriated funds. As provided by Act 54 of 2003, any funds therein allocated to the judiciary, any portion of the funds previously appropriated to the judiciary, or interest earnings on such appropriations are thereby appropriated and may be used to defray expenses of the judiciary. All funds remaining unexpended and/or unencumbered must be returned to the state General Fund on or before September 1 of the succeeding fiscal year. However, Act 5 of 2004 reappropriated these funds to defray expenses of the judiciary for fiscal year 2004-2005, thereby eliminating the requirement to return the unexpended/unencumbered portion to the state General Fund on or before September 1.

Revenues and expenditures for budget purposes are recognized on the same basis of accounting as described in note 1-D. Statement C includes all appropriated funds and is presented as a single fund for budgetary comparison purposes. A reconciliation of Statement B to Statement C revenues and expenditures follows:

Revenues per Statement B - Appropriated funds	<u>\$112,192,467</u>
Revenues per Statement C	<u><u>\$112,192,467</u></u>
Expenditures per Statement B:	
General Appropriation	\$68,772,175
Plus - transfers to circuit courts, other entities, and other funds per Act 54 of 2003	45,240,940
Less - unbudgeted expenditures for renovation	<u>(3,672,540)</u>
Expenditures per Statement C	<u><u>\$110,340,575</u></u>

Budget revisions are granted by the Joint Legislative Committee on the Budget, the Judicial Budgetary Control Board, and the Supreme Court of Louisiana. The budget information included in the financial statements (Statement C) includes the original appropriations plus subsequent amendments as follows:

Original approved budget - Judiciary - Act 54 of 2003	\$110,691,342
Net increase in accordance with Act 54 of 2003	<u>82,145</u>
Total	<u><u>\$110,773,487</u></u>

H. JUDGES' SALARIES

The salaries of the judges of the various appellate, district, juvenile, family, and city courts throughout Louisiana are paid directly by the Supreme Court of Louisiana with warrants drawn on the State Treasury and are included in the expenditures of the accompanying financial statements. City court judges, in addition to their state-paid salary, may receive salary from other sources, but their total salary is limited to that of a district court judge by R.S. 13:1874.1.

I. COMPENSATED ABSENCES

All regular employees of the Judicial Administrator's Office, the Office of the Clerk of the Supreme Court, the Law Library of Louisiana, the Judicial College, and certain Justices' personal staff earn and accumulate annual and sick leave, depending on years of service, at 12 and 24 days per year. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees may be compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay and for any unused compensatory leave earned at the employee's hourly rate of pay, depending on the availability of funds. Upon retirement, unused annual leave in excess of 300 hours may be converted to additional state service for the purpose of computing retirement benefits. In addition, those who attain eligibility in the state retirement system

may include unused accrued sick leave in calculating retirement benefits in accordance with the formula established by the retirement system.

J. TOTAL COLUMNS ON STATEMENTS

Total columns on the statements are captioned Memorandum Only (overview) to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations. Neither are such data comparable to a consolidation.

2. CASH AND CASH EQUIVALENTS

At June 30, 2004, the court has cash and cash equivalents (book balances) as follows:

Petty cash	\$550
Demand deposits	<u>10,987,875</u>
Total	<u>\$10,988,425</u>

Cash and cash equivalents are stated at cost, which approximates market. Under state law, these deposits 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. At June 30, 2004, the court has \$16,083,136 in deposits (collected bank balances), which is secured from risk by federal deposit insurance plus pledged securities. Included as part of the collected bank balances at June 30, 2004, the court has excess cash deposited in overnight repurchase agreements invested in U.S. Treasury Notes with a market value of \$13,574,587. The underlying securities are held by the counterparty's trust department in the court's name.

3. DUE FROM OTHER STATE AGENCIES

Due from other state agencies consists of amounts owed to the Supreme Court General Appropriation Fund of \$2,315,927 by the Louisiana Department of Social Services for the TANF programs operated by the court.

4. INTERFUND TRANSFERS

Interfund operating transfers consist of a transfer out of the Patients' Compensation Fund for \$10,000 to the Clerk of the Supreme Court Fee Account Fund, and transfers within the General Appropriated Funds of \$438,750.

5. DUE TO/DUE FROM OTHER FUNDS

Due to/due from other funds consist of the following:

	<u>Due From</u>	<u>Due To</u>
Clerk of the Supreme Court Fee Account Fund	\$127,885	
Interest on Lawyer's Trust Account Fund		\$4,891
State Court Improvement Grant Fund		65,921
Criminal Information Technology Act 2 Grant Fund		8,175
Criminal Information Technology Act - CMIS Grant Fund		20,061
National Criminal History Improvement Program		10,688
Lousiana Protective Order Registry		<u>18,149</u>
Total	<u>\$127,885</u>	<u>\$127,885</u>

6. TRANSFERS TO/FROM OTHER ENTITIES

Transfers to other entities consist of the following:

Committee on Professional Ethics and Grievances	\$3,000
First Circuit Court of Appeal	7,022,322
Second Circuit Court of Appeal	3,743,972
Third Circuit Court of Appeal	5,507,310
Fourth Circuit Court of Appeal	5,513,302
Fifth Circuit Court of Appeal	3,845,939
Nineteenth Judicial District Court	757,867
Sanity Commissions	162,172
Board of Jury Commissioners	264,563
Judges Assistance Program	30,000
Other Judicial Entities	<u>18,422,917</u>
Total	<u>\$45,273,364</u>
Transfers from Louisiana Attorney General	<u>\$72,540</u>

7. PENSION PLANS

Substantially all employees of the court are members of two statewide, public employee retirement systems (cost-sharing, multiple-employer plans). The clerk of court and deputy clerks of the court are members of the Louisiana Clerks Retirement and Relief Fund (LCRRF). Substantially all other employees and justices are members of the Louisiana State Employees Retirement System (LASERS). Generally, all full-time employees are eligible to participate in the systems, with employee benefits vesting after 10 years of service. The State of Louisiana guarantees benefits granted by the retirement systems by provisions of the Louisiana Constitution of 1974. The systems issue annual publicly available financial reports that include

financial statements and required supplementary information for the systems. The reports may be obtained by writing to the Louisiana Clerks Retirement and Relief Fund, 11745 Bricksome Avenue, Suite B1, Baton Rouge, Louisiana 70816, or by calling (225) 256-6660, and the Louisiana State Employees Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804, or by calling (225) 922-0600.

The contribution requirements of plan members and the court are established and may be amended by the state legislature. The legislature annually sets the required employer contribution rate equal to the actuarially required employer contribution, as set forth in R.S. 11:102. Employees contribute 8.25% (LCRRF) and 7.5% (LASERS) of covered salaries. The court is required to contribute 11.5% to the LCRRF and 15.8% of covered salaries to LASERS. Contributions to the systems are funded through employee contributions and employer contributions. The State of Louisiana funds the court's employer contributions through annual appropriations to the court. The court's employer contributions to LCRRF for the years ended June 30, 2004, 2003, and 2002, were \$147,278, \$124,294, and \$113,982, respectively, and to LASERS for the years ended June 30, 2004, 2003, and 2002, were \$6,234,226, \$5,243,447, and \$4,446,269, respectively, equal to the required contributions for each year.

8. POSTRETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The court provides certain continuing health and life insurance benefits for its retired employees. Substantially all of the court's employees become eligible for these benefits if they reach normal retirement age while working for the court. These benefits for retirees and similar benefits for active employees are provided through insurance companies whose monthly premiums are paid jointly by the employee and the court. The court's cost of providing retiree health care and life insurance benefits is recognized as expenditures when the monthly premiums are paid. For the year ended June 30, 2004, the cost of retiree benefits totaled \$1,272,851.

9. COMPENSATED ABSENCES

The liability for unused annual leave payable at June 30, 2004, computed in accordance with the Codification of Governmental Accounting and Financial Reporting Standards Section C60.105, is estimated at \$843,118 of unused annual leave and \$14,539 of unused compensatory leave. The leave payable is not recorded in the accompanying financial statements.

10. LEASE AND RENTAL COMMITMENTS

The Supreme Court has entered into four rental lease agreements for office space. The court's lease agreements have non-appropriation exculpatory clauses that allow lease cancellations if the legislature does not make an appropriation for their continuation during future fiscal years. Total rental expenditures for these operating leases during the 2003-2004 fiscal year amounted to \$454,994. The anticipated annual rental payments for office space for the next three fiscal years are presented in the following schedule:

SUPREME COURT OF LOUISIANA

<u>Location</u>	<u>2004-2005</u>	<u>2005-2006</u>	<u>2006-2007</u>
1555 Poydras	\$131,964	\$131,964	\$134,321
601 St. Charles	32,340		
Winnsboro, Louisiana	10,800	10,800	10,800
Thibodaux, Louisiana	19,380	19,380	19,380

The court has no capital lease agreements for the fiscal year ended June 30, 2004.

11. RESERVE FOR CONTINUING OPERATIONS

As shown on Statement A, the Supreme Court of Louisiana has reserves for continuing operations totaling \$12,708,194 at June 30, 2004. These funds may be retained and used to defray the expenditures of the court, as prescribed by R.S. 13:10.3 for the Judges' Supplemental Compensation Fund, R.S. 13:124 for the Clerk of the Supreme Court Fee Account Fund, and Act 54 of 2003 for all other appropriated funds. The fund balances in the other non-appropriated funds are considered restricted or reserved for the purposes for which the funds were collected, granted, or donated. The reserves for continuing operations are detailed as follows:

Appropriated Funds:	
Operations and Maintenance	\$7,065,223
Truancy and Assessment	1,569,058
Drug Court	2,699,694
Non-Appropriated Funds:	
Judicial College - Seminar Fund	150,321
Clerk of the Supreme Court Fee Account Fund	1,039,438
Law Library Self-Generated Fees Fund	116,458
<i>Supreme Court Justices: Sourcebook of Biographical Information</i>	1,063
Integrated Juvenile Justice Information System Project	1,433
Baptist Campus Ministries	254
Families in Need of Services Software Grant	25,000
Louisiana Uniform Rules Project	36,230
Campaign for the Children	4,020
National Criminal History Improvement Program Fund	2
Total	<u>\$12,708,194</u>

12. JUDGMENTS, CLAIMS, AND SIMILAR CONTINGENCIES

Obligations and losses arising from judgments, claims, and similar contingencies are paid through the state's self-insurance fund or by state General Fund appropriations and are not reflected in the accompanying special purpose financial statements. The self-insurance fund is operated by the Office of Risk Management, the state agency responsible for the state's risk management program.

13. DEFERRED COMPENSATION PLAN

Certain employees of the court participate in the Louisiana Public Employees Deferred Compensation Plan adopted under the provisions of Internal Revenue Code Section 457. Complete disclosures relating to the Plan are included in the separately issued audit report for the Plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397.

APPROPRIATED FUNDS

Schedule 1 presents a combining balance sheet for all appropriated funds as of June 30, 2004.

Schedule 2 presents a combining schedule of revenues, expenditures, and changes in fund balances for all appropriated funds for the year ended June 30, 2004.

NON-APPROPRIATED FUNDS

Schedule 3 presents a combining balance sheet for all non-appropriated funds as of June 30, 2004.

Schedule 4 presents a combining schedule of revenues, expenditures, and changes in fund balances for all non-appropriated funds for the year ended June 30, 2004.

**SUPREME COURT OF LOUISIANA
STATE OF LOUISIANA
APPROPRIATED FUNDS**

Combining Balance Sheet (Legal Basis), June 30, 2004

	GENERAL APPROPRIATION FUND	JUDGES' SUPPLEMENTAL COMPENSATION FUND	TRIAL COURT CASE MANAGEMENT INFORMATION FUND	TOTAL
ASSETS				
Cash and cash equivalents	\$9,223,392	\$386,042	\$72,422	\$9,681,856
Receivables	10,134			10,134
Due from other state agencies	2,315,927			2,315,927
Prepayments	51,477			51,477
TOTAL ASSETS	\$11,600,930	\$386,042	\$72,422	\$12,059,394
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$606,067		\$7,915	\$613,982
Payroll deductions payable	111,437			111,437
Total Liabilities	717,504	NONE	7,915	725,419
Fund Equity - fund balances - reserved	10,883,426	\$386,042	64,507	11,333,975
TOTAL LIABILITIES AND FUND EQUITY	\$11,600,930	\$386,042	\$72,422	\$12,059,394

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**SUPREME COURT OF LOUISIANA
STATE OF LOUISIANA
APPROPRIATED FUNDS**

**Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances (Legal Basis), June 30, 2004**

	GENERAL APPROPRIATION FUND	PATIENTS' COMPENSATION FUND	JUDGES' SUPPLEMENTAL COMPENSATION FUND	TRIAL COURT CASE MANAGEMENT INFORMATION FUND	TOTAL
REVENUES					
Appropriated by legislature:					
State General Fund	\$95,119,393				\$95,119,393
State General Fund by interagency transfers	11,390,929				11,390,929
State General Fund by statutory dedications		\$10,000	\$4,000,000	\$1,590,000	5,600,000
Interest	81,032		1,113		82,145
Total revenues	<u>106,591,354</u>	<u>10,000</u>	<u>4,001,113</u>	<u>1,590,000</u>	<u>112,192,467</u>
EXPENDITURES					
Personal services	54,518,396		3,722,245	1,009,224	59,249,865
Travel	1,832,574			28,648	1,861,222
Operating supplies and services	3,658,124			169,618	3,827,742
Professional services	1,856,266			265,744	2,122,010
Other charges	1,664,156			47,180	1,711,336
Total expenditures	<u>63,529,516</u>	<u>NONE</u>	<u>3,722,245</u>	<u>1,520,414</u>	<u>68,772,175</u>
EXCESS OF REVENUES OVER EXPENDITURES					
	<u>43,061,838</u>	<u>10,000</u>	<u>278,868</u>	<u>69,586</u>	<u>43,420,292</u>
OTHER FINANCING SOURCES (Uses)					
Operating transfers in	438,750				438,750
Operating transfers out		(10,000)	(168,307)	(270,443)	(448,750)
Transfers from other entities	72,540				72,540
Transfers to other entities	(45,273,364)				(45,273,364)
Total other financing sources (uses)	<u>(44,762,074)</u>	<u>(10,000)</u>	<u>(168,307)</u>	<u>(270,443)</u>	<u>(45,210,824)</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES					
	<u>(1,700,236)</u>	<u>NONE</u>	<u>110,561</u>	<u>(200,857)</u>	<u>(1,790,532)</u>
FUND BALANCES AT BEGINNING OF YEAR					
	<u>12,583,662</u>	<u>NONE</u>	<u>275,481</u>	<u>265,364</u>	<u>13,124,507</u>
FUND BALANCES AT END OF YEAR					
	<u>\$10,883,426</u>	<u>NONE</u>	<u>\$386,042</u>	<u>\$64,507</u>	<u>\$11,333,975</u>

**SUPREME COURT OF LOUISIANA
STATE OF LOUISIANA
NON-APPROPRIATED FUNDS**

Combining Balance Sheet (Legal Basis), June 30, 2004

	JUDICIAL COLLEGE - SEMINAR FUND	CLERK OF THE SUPREME COURT FEE ACCOUNT FUND	LAW LIBRARY SELF- GENERATED FEES FUND	LOUISIANA SUPREME COURT JUSTICES: SOURCEBOOK OF BIOGRAPHICAL INFORMATION FUND
ASSETS				
Cash and cash equivalents	\$215,506	\$905,512	\$117,802	\$1,063
Receivables		8,449		
Due from other funds		127,885		
	<u>\$215,506</u>	<u>\$1,041,846</u>	<u>\$117,802</u>	<u>\$1,063</u>
TOTAL ASSETS	<u>\$215,506</u>	<u>\$1,041,846</u>	<u>\$117,802</u>	<u>\$1,063</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$65,185	\$2,408	\$1,344	
Due to other funds				
Total Liabilities	<u>65,185</u>	<u>2,408</u>	<u>1,344</u>	NONE
Fund Equity - fund balances - reserved for continuing operations	<u>150,321</u>	<u>1,039,438</u>	<u>116,458</u>	<u>\$1,063</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$215,506</u>	<u>\$1,041,846</u>	<u>\$117,802</u>	<u>\$1,063</u>

(Continued)

INTEGRATED JUVENILE JUSTICE INFORMATION SYSTEM PROJECT FUND	BAPTIST COMMUNITY MINISTRIES	FAMILIES IN NEED OF SERVICES SOFTWARE GRANT FUND	INTEREST ON LAWYER'S TRUST ACCOUNT FUND	LOUISIANA UNIFORM RULES PROJECT FUND	CAMPAIGN FOR THE CHILDREN FUND	STATE COURT IMPROVEMENT GRANT FUND
\$1,433	\$3 1,601	\$25,000	\$4,891	\$36,230	\$4,020	\$66,363
<u>\$1,433</u>	<u>\$1,604</u>	<u>\$25,000</u>	<u>\$4,891</u>	<u>\$36,230</u>	<u>\$4,020</u>	<u>\$66,363</u>
	\$1,350		\$4,891			\$442 65,921
NONE	1,350	NONE	4,891	NONE	NONE	66,363
\$1,433	254	\$25,000	NONE	\$36,230	\$4,020	NONE
<u>\$1,433</u>	<u>\$1,604</u>	<u>\$25,000</u>	<u>\$4,891</u>	<u>\$36,230</u>	<u>\$4,020</u>	<u>\$66,363</u>

**SUPREME COURT OF LOUISIANA
STATE OF LOUISIANA
NON-APPROPRIATED FUNDS
Combining Balance Sheet (Legal Basis), June 30, 2003**

	CRIMINAL INFORMATION TECHNOLOGY ACT 2 GRANT FUND	CRIMINAL INFORMATION TECHNOLOGY ACT-CMIS GRANT FUND	NATIONAL CRIMINAL HISTORY IMPROVEMENT PROGRAM FUND	LOUISIANA PROTECTIVE ORDER REGISTRY FUND	TOTAL
ASSETS					
Cash and cash equivalents					\$1,306,569
Receivables	\$8,175	\$20,061	\$10,690	\$18,921	139,151
Due from other funds					127,885
TOTAL ASSETS	\$8,175	\$20,061	\$10,690	\$18,921	\$1,573,605
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts payable				\$772	\$71,501
Due to other funds	\$8,175	\$20,061	\$10,688	18,149	127,885
Total Liabilities	8,175	20,061	10,688	18,921	199,386
Fund Equity - fund balances - reserved for continuing operations	NONE	NONE	2	NONE	1,374,219
TOTAL LIABILITIES AND FUND EQUITY	\$8,175	\$20,061	\$10,690	\$18,921	\$1,573,605

(Concluded)

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**SUPREME COURT OF LOUISIANA
STATE OF LOUISIANA
NON-APPROPRIATED FUNDS**

**Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances (Legal Basis), June 30, 2004**

	JUDICIAL COLLEGE - SEMINAR FUND	CLERK OF THE SUPREME COURT FEE ACCOUNT FUND	LAW LIBRARY SELF- GENERATED FEES FUND	LOUISIANA SUPREME COURT JUSTICES: SOURCEBOOK OF BIOGRAPHICAL INFORMATION FUND
REVENUES				
Grants - federal				
Fees and self-generated revenues:				
Court fees		\$224,778		
Copy fees		18,402	\$8,759	
Bar admissions		14,850		
Seminar fees	\$239,480			
Sales of acts of the legislature			5,040	
Computer-assisted research fees			2,099	
Facsimile fees			2,480	
Miscellaneous		1,500		
Use of money and property - interest earnings	962	7,166		
Total revenues	<u>240,442</u>	<u>266,696</u>	<u>18,378</u>	<u>NONE</u>
EXPENDITURES				
Travel	5,299	22,131	406	
Operating supplies and services	6,211	139,687	10,285	
Professional services	200,120	30,869	2,997	
Other charges		25,728	1,394	
Total expenditures	<u>211,630</u>	<u>218,415</u>	<u>15,082</u>	<u>NONE</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>28,812</u>	<u>48,281</u>	<u>3,296</u>	<u>NONE</u>
OTHER FINANCING SOURCES				
Operating transfers in		10,000		
Operating transfers out				
Total other financing sources/uses	<u>NONE</u>	<u>10,000</u>	<u>NONE</u>	<u>NONE</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	<u>28,812</u>	<u>58,281</u>	<u>3,296</u>	<u>NONE</u>
FUND BALANCES AT BEGINNING OF YEAR	<u>121,509</u>	<u>981,157</u>	<u>113,162</u>	<u>\$1,063</u>
FUND BALANCES AT END OF YEAR	<u>\$150,321</u>	<u>\$1,039,438</u>	<u>\$116,458</u>	<u>\$1,063</u>

(Continued)

INTEGRATED JUVENILE JUSTICE INFORMATION SYSTEM PROJECT FUND	BAPTIST COMMUNITY MINISTRIES FUND	INTEREST ON LAWYER'S TRUST ACCOUNTS GRANT FUND	LOUISIANA UNIFORM RULES PROJECT FUND	FAMILIES IN NEED OF SERVICES SOFTWARE GRANT FUND	CAMPAIGN FOR THE CHILDREN FUND	STATE COURT IMPROVEMENT GRANT FUND
	\$92,318	\$12,156				\$188,040
NONE	92,318	12,156	NONE	NONE	NONE	188,040
	6,058		\$536			5,826
	10,886		64			349
	75,120	12,156	2,043			181,865
NONE	92,064	12,156	2,643	NONE	NONE	188,040
NONE	254	NONE	(2,643)	NONE	NONE	NONE
NONE	NONE	NONE	NONE	NONE	NONE	NONE
NONE	254	NONE	(2,643)	NONE	NONE	NONE
\$1,433	NONE	NONE	38,873	\$25,000	\$4,020	NONE
\$1,433	\$254	NONE	\$36,230	\$25,000	\$4,020	NONE

**SUPREME COURT OF LOUISIANA
STATE OF LOUISIANA
NON-APPROPRIATED FUNDS
Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances (Legal Basis), June 30, 2004**

	CHILDREN'S JUSTICE ACT GRANT FUND	CRIMINAL INFORMATION TECHNOLOGY ACT GRANT FUND	CRIMINAL INFORMATION TECHNOLOGY ACT 2 GRANT FUND	CRIMINAL INFORMATION TECHNOLOGY ACT-CMIS GRANT FUND
REVENUES				
Grants - federal	\$2,500	\$29,302	\$11,248	\$93,800
Fees and self-generated revenues:				
Court fees				
Copy fees				
Bar admissions				
Seminar fees				
Sales of acts of the legislature				
Computer-assisted research fees				
Facsimile fees				
Miscellaneous				
Use of money and property - interest earnings				
Total revenues	<u>2,500</u>	<u>29,302</u>	<u>11,248</u>	<u>93,800</u>
EXPENDITURES				
Travel				
Operating supplies and services				
Professional services	2,500	4,300	8,175	10,218
Other charges		25,002	3,073	83,582
Total expenditures	<u>2,500</u>	<u>29,302</u>	<u>11,248</u>	<u>93,800</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>
OTHER FINANCING SOURCES				
Operating transfers in				
Operating transfers out				
Total other financing sources/uses	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>
FUND BALANCES AT BEGINNING OF YEAR	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>
FUND BALANCES AT END OF YEAR	<u><u>NONE</u></u>	<u><u>NONE</u></u>	<u><u>NONE</u></u>	<u><u>NONE</u></u>

(Concluded)

PROTECTIVE ORDERS GRANT FUND	NATIONAL CRIMINAL HISTORY IMPROVEMENT PROGRAM FUND	LOUISIANA PROTECTIVE ORDER REGISTRY FUND	VIOLENCE AGAINST WOMEN ACT (VAWA) GRANT FUND	VIOLENCE AGAINST WOMEN ACT M99-8-032 GRANT FUND	STATEWIDE DRIVER HISTORY INITIATIVE GRANT FUND	TOTAL
\$18,933	\$47,459	\$18,921	\$49,640	\$130,271	\$34,594	\$729,182
						224,778
						27,161
						14,850
						239,480
						5,040
						2,099
						2,480
						1,500
						8,128
<u>18,933</u>	<u>47,459</u>	<u>18,921</u>	<u>49,640</u>	<u>130,271</u>	<u>34,594</u>	<u>1,254,698</u>
710		586				41,552
1,771	13,653	17,675				200,581
16,452	33,804	660		56,109	34,594	671,982
			49,640	74,162		262,581
<u>18,933</u>	<u>47,457</u>	<u>18,921</u>	<u>49,640</u>	<u>130,271</u>	<u>34,594</u>	<u>1,176,696</u>
NONE	2	NONE	NONE	NONE	NONE	78,002
						10,000
<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>10,000</u>
NONE	2	NONE	NONE	NONE	NONE	88,002
<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>1,286,217</u>
<u>NONE</u>	<u>\$2</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>\$1,374,219</u>

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OTHER REPORT REQUIRED BY
GOVERNMENT AUDITING STANDARDS

The following pages contain a report on internal control over financial reporting and on compliance with laws and regulations and other matters as required by *Government Auditing Standards*, issued by the Comptroller General of the United States. This report is based on the audit of the financial statements and includes, where appropriate, any reportable conditions and/or material weaknesses in internal control or compliance and other matters that would be material to the presented financial statements.



STEVE J. THERIOT, CPA
LEGISLATIVE AUDITOR

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STATE OF LOUISIANA
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November 29, 2004

Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of the Financial Statements
Performed in Accordance With *Government Auditing Standards*

SUPREME COURT OF LOUISIANA
STATE OF LOUISIANA
New Orleans, Louisiana

We have audited the special purpose (legal basis) financial statements of the Supreme Court of Louisiana as of and for the year ended June 30, 2004, and have issued our report thereon dated November 29, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Supreme Court's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the special purpose financial statements and not to provide an opinion 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 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 caused by error or fraud in amounts that would be material in relation to the special purpose 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 court's internal control over financial reporting and its operation that we consider to be material weaknesses.

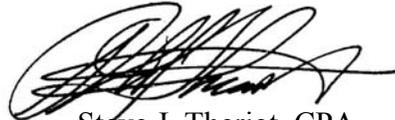
Compliance

As part of obtaining reasonable assurance about whether the Supreme Court's special purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an

objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Supreme Court of Louisiana and its management 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.

Respectfully submitted,



Steve J. Theriot, CPA
Legislative Auditor

DSG:JR:PEP:dl

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