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**SECOND JUDICIAL DISTRICT INDIGENT DEFENDER BOARD
PARISHES OF BIENVILLE, CLAIBORNE AND JACKSON, LOUISIANA
GENERAL PURPOSE FINANCIAL STATEMENTS
AS OF AND
FOR THE YEAR ENDED DECEMBER 31, 1999**

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 MAY 2 4 2000

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**SECOND JUDICIAL DISTRICT INDIGENT DEFENDER BOARD
PARISHES OF BIENVILLE, CLAIBORNE AND JACKSON, LOUISIANA**

**General Purpose Financial Statements
As of and For the Year Ended December 31, 1999**

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INDEPENDENT AUDITORS' REPORT

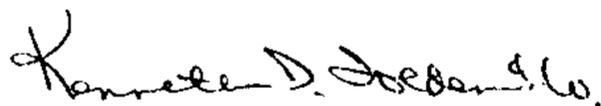
**To the Members of the Second Judicial
District Indigent Defender Board
Jonesboro, Louisiana**

We have audited the accompanying general purpose financial statements of the Second Judicial District Indigent Defender Board, parishes of Bienville, Claiborne, and Jackson Louisiana, as of and for the year ended December 31, 1999. These general purpose financial statements are the responsibility of the Second Judicial District Indigent Defender Board's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 above present fairly, in all material respects, the financial position of the Second Judicial District Indigent Defender Board of Louisiana as of December 31, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated April 3, 2000, on our consideration of the Second Judicial District Indigent Defender Board of Louisiana's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.



**Kenneth D. Folden & Co.
Certified Public Accountants**

**Jonesboro, Louisiana
April 3, 2000**

**SECOND JUDICIAL DISTRICT INDIGENT DEFENDER BOARD
PARISHES OF BIENVILLE, CLAIBORNE AND JACKSON, LOUISIANA**

**ALL FUND TYPES AND ACCOUNT GROUPS
Balance Sheet, December 31, 1999**

	ACCOUNT GROUP		TOTAL (MEMORANDUM ONLY)
	GOVERNMENT FUND TYPE - GENERAL FUND	GENERAL FIXED ASSETS	
ASSETS			
Cash	\$ 203,703	\$	\$ 203,703
Receivable	4,885		4,885
Equipment		15,630	15,630
TOTAL ASSETS	\$ 208,588	\$ 15,630	\$ 224,218
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts payable	\$	\$	\$
Total liabilities	NONE	NONE	NONE
Fund equity:			
Investment in general fixed assets		15,630	15,630
Fund balance - unreserved - undesignated	208,588		208,588
Total fund equity	208,588	15,630	224,218
TOTAL LIABILITIES AND FUND	\$ 208,588	\$ 15,630	\$ 224,218

The accompanying notes are an integral part of this statement.

**SECOND JUDICIAL DISTRICT INDIGENT DEFENDER BOARD
PARISHES OF BIENVILLE, CLAIBORNE AND JACKSON, LOUISIANA
GOVERNMENTAL FUND TYPE - GENERAL FUND**

**Statement of Revenues, Expenditures, And
Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended December 31, 1999**

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Court costs on fines and forfeitures	\$ 157,200	\$ 167,323	\$ 10,123
State grants	33,600	6,605	(26,995)
Fees from indigents	1,080	3,511	2,431
Appearance bond rebates	13,800	10,754	(3,046)
Interest revenue	7,200	6,688	(512)
Bond premium fee		5,223	5,223
Total revenues	212,880	200,104	(12,776)
EXPENDITURES			
Association dues	780	800	(20)
Contracted legal services	190,000	184,750	5,250
Professional services	34,900	4,130	30,770
Seminars	2,000	1,430	570
Travel	475		475
Office	2,400	1,435	965
Miscellaneous	180	43	137
Total expenditures	230,735	192,588	38,147
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(17,855)	7,516	25,371
FUND BALANCE AT BEGINNING OF YEAR	176,843	201,072	24,229
FUND BALANCE AT END OF YEAR	\$ 158,988	\$ 208,588	\$ 49,600

The accompanying notes are an integral part of this statement.

**SECOND JUDICIAL DISTRICT INDIGENT DEFENDER BOARD
PARISHES OF BIENVILLE, CLAIBORNE AND JACKSON, LOUISIANA**

**Notes to the Financial Statements
As of and for the Year Ended December 31, 1999**

INTRODUCTION

The Second 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 parishes of Bienville, Claiborne and Jackson, Louisiana. The board at present has four members who serve without compensation. Each bar association from the representative parishes nominates members for selection to the board. The judges of the District then appoint board members from the nominations. The board has no employees, but does retain an attorney to act as chief indigent defender to administer the operations of the board. This attorney is paid a monthly retainer and is accountable to the board. The board has no employees; all legal services are on a contract basis.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying general purpose financial statements of the Second 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

Governmental Accounting Standards Board Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. The basic criterion for including a potential component unit within the reporting entity is financial accountability. For financial reporting purposes, in conformance with GASB Statement No. 14, the Second Judicial District Indigent Defender Board includes all funds, account groups, et cetera, that are within the oversight responsibility of the Indigent Defender Board. Oversight responsibility is determined on the basis of appointment of governing body, ability to significantly influence operations, accountability for fiscal matters, and the nature and significance of an organization's relationship with the primary government. Based on the consideration of the foregoing criteria, the Second Judicial District Indigent Defender Board is deemed to be a separate reporting entity. Certain units of local government over which the Indigent Defender Board exercises no oversight responsibility, such as the parish police jury, parish school board, other independently-elected officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the Indigent Defender Board.

C. FUND ACCOUNTING

The Indigent Defender Board uses fund accounting 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 a self-balancing set of accounts.

The sole fund of the Indigent Defender Board is classified as a governmental fund. A description of governmental funds and the fund type utilized by the Indigent Defender Board follows.

**SECOND JUDICIAL DISTRICT INDIGENT DEFENDER BOARD
PARISHES OF BIENVILLE, CLAIBORNE AND JACKSON, LOUISIANA
Notes to the Financial Statements (Continued)**

C. FUND ACCOUNTING (Continued)

GOVERNMENTAL FUND TYPES

Governmental funds account for an agency's general activities, including the collection and disbursement of specific or legally restricted monies, and the acquisition of general fixed assets. The Governmental fund of the Indigent Defender Board is a

General Fund

The general operating fund which accounts for all financial resources, except those required to be accounted for in other funds. All resources of the Second Judicial District Indigent Defender Board are accounted for in the General Fund.

D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental funds are 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. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by the governmental funds. Governmental funds use the following practices in recording revenues and expenditures:

Revenues - Court costs on fines and forfeitures, imposed by the district and city courts, are recorded in the year they are collected by the courts. Substantially all other revenues are recorded when received.

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

E. BUDGETARY PRACTICES

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). The board must meet and approve all budget changes or amendments. At year end all appropriations lapse. Budget amounts are as originally adopted.

F. ENCUMBRANCES

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Indigent Defender Board.

G. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in short-term time deposits. Under state law, the Board may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

**SECOND JUDICIAL DISTRICT INDIGENT DEFENDER BOARD
PARISHES OF BIENVILLE, CLAIBORNE AND JACKSON, LOUISIANA
Notes to the Financial Statements (Continued)**

G. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)

Under state law, the Board may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. At December 31, 1999, the Second Judicial District Indigent Defender Board had no investments.

H. FIXED ASSETS

Fixed assets of governmental funds are recorded as expenditures at the time they are purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost.

2. CASH

At December 31, 1999, the Indigent Defender Board had cash (book balances) totaling \$203,703 as follows:

Interest-bearing demand deposits	\$	53,703
Time deposits		<u>150,000</u>
Total		<u>\$ 203,703</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the relating bank balances) 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 accepted to both parties. At December 31, 1999, the Second Judicial District Indigent Defender Board has \$203,703 in deposits (collected bank balances), in three financial institutions. These deposits are secured from risk by \$203,703 of federal deposit insurance.

3. RECEIVABLES

The following is a summary of receivables at December 31, 1999:

Class of Receivable	
Court costs on fines and forfeitures	\$ 3,670
Bond premium fee	<u>1,215</u>
Total	<u>\$ 4,885</u>

4. FIXED ASSETS AND LONG TERM OBLIGATIONS

The changes in general fixed assets follow:

	Balance at January 1, 1999	Additions	Deletions	Balance at December 31, 1999
Equipment	\$ 15,630	\$	\$	\$ 15,630
Total	<u>\$ 15,630</u>	<u>NONE</u>	<u>NONE</u>	<u>\$ 15,630</u>

There are no long-term obligations at December 31, 1999.

**SECOND JUDICIAL DISTRICT INDIGENT DEFENDER BOARD
PARISHES OF BIENVILLE, CLAIBORNE AND JACKSON, LOUISIANA
Notes to the Financial Statements (Continued)**

5. PENSION PLAN AND VACATION AND SICK LEAVE POLICIES

There are no employees of the Second Judicial District Indigent Defender Board. Therefore, the Board does not contribute to a pension plan and does not have formal vacation and sick leave policies.

6. LITIGATION

The Second Judicial District Indigent Defender Board is not involved in any ligation at December 31, 1999.

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

To the Members of the Second Judicial
District Indigent Defender Board
Jonesboro, Louisiana

We have audited the general purpose financial statements of the Second Judicial District Indigent Defender Board of Louisiana, as of and for the year ended December 31, 1999, and have issued our report thereon dated April 3, 2000. We conducted our audit in accordance with generally accepted auditing standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

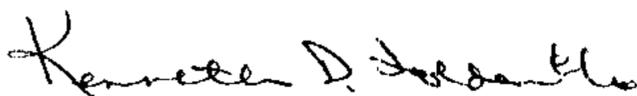
Compliance

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

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Second Judicial District Indigent Defender Board of Louisiana'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.

This report is intended for the information of management. However, this report is a matter of public record and its distribution is not limited.



Kenneth D. Folden & Co.
Certified Public Accountants

Jonesboro, Louisiana
April 3, 2000

**SECOND JUDICIAL DISTRICT INDIGENT DEFENDER BOARD
PARISHES OF BIENVILLE, CLAIBORNE AND JACKSON, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 1999**

A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unqualified opinion on the financial statements of the Second Judicial District Indigent Defender Board of Louisiana.
2. No reportable conditions relating to the audit of the financial statement are reported in the **REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**.
3. No instance of noncompliance material to the financial statements of the Second Judicial District Indigent Defender Board of Louisiana was disclosed during the audit.
4. The Second Judicial District Indigent Defender Board of Louisiana had no federal award programs.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

There are no findings for the year ended December 31, 1999. Also, there were no findings in the prior audit.

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

The Second Judicial District Indigent Defender Board of Louisiana had no major federal award programs.