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**TWENTY-NINTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD**
Hahnville, Louisiana
Component Unit Financial Statements
and Independent Auditor's Report
As of and for the Year Ended
December 31, 1995

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INDEPENDENT AUDITOR'S REPORT

Twenty-Ninth Judicial District Indigent Defender Board
A Component Unit of the St. Charles Parish Council
Hahnville, Louisiana

I have audited the accompanying component unit financial statements of the Twenty-Ninth Judicial District Indigent Defender Board, a component unit of the St. Charles Parish Council, as of and for the year ended December 31, 1995, as listed in the table of contents. These component unit financial statements are the responsibility of the management of Twenty-Ninth Judicial District Indigent Defender Board. My responsibility is to express an opinion on these component unit financial statements based on my audit.

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

In my opinion, the component unit financial statements referred to above present fairly, in all material respects, the financial position of the Twenty-Ninth Judicial District Indigent Defender Board as of December 31, 1995, and the results of operations for the year then ended, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued a report dated June 6, 1996 on my consideration of the Twenty-Ninth Judicial District Indigent Defender Board's internal control structure and a report dated June 6, 1996 on its compliance with laws and regulations. Both reports are presented separately after the notes to the financial statements of this audit report.



Keith J. Rovira
Certified Public Accountant

June 6, 1996

COMPONENT UNIT FINANCIAL STATEMENTS

TWENTY-NINTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
St. Charles Parish, Louisiana
Governmental Fund Type - General Fund
Balance Sheet
December 31, 1995

Statement A

ASSETS

Cash (Note B)	\$123,882
Prepaid professional fees	<u>3,000</u>
 TOTAL ASSETS	 <u>\$126,882</u>

LIABILITIES AND FUND EQUITY

Liabilities	-
Fund Equity - fund balance - unreserved - undesignated	 <u>\$126,882</u>
 TOTAL LIABILITIES AND FUND EQUITY	 <u>\$126,882</u>

The accompanying notes are an integral part of this statement.

TWENTY-NINTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
 St. Charles Parish, Louisiana
 Governmental Fund Type - General Fund
 Statement of Revenues, Expenditures
 and Changes in Fund Balance
 For the Year Ended December 31, 1995

Statement B

REVENUES

Court costs on fines and forfeitures	\$161,916
Interest earnings	<u>5,237</u>
Total Revenues	<u>167,153</u>

EXPENDITURES

General government - judicial:	
Professional services	210,000
Other	<u>372</u>
Total Expenditures	<u>210,372</u>
(Deficiency) of Revenues over Expenditures	(43,219)
Fund Balance at Beginning of Year	<u>170,101</u>
Fund Balance at End of Year	<u>\$126,882</u>

The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

**TWENTY-NINTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD**
St. Charles Parish, Louisiana
Notes to the Financial Statements
December 31, 1995

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Twenty-Ninth 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.

As provided by Act 21 of 1982, Louisiana Revised Statutes 13:477(29) and 13:477(40), the electors of the Twenty-Ninth Judicial District Indigent Defender Board, being the parishes of St. Charles and St. John the Baptist, approved the division of the Twenty-Ninth Judicial District Indigent Defender Board, effective January 21, 1985, by the establishment of the Fortieth Judicial District Indigent Defender Board to be composed of St. John the Baptist Parish, with the Twenty-Ninth Judicial District Indigent Defender Board to continue and be composed of St. Charles Parish.

1. Basis of Presentation

The accompanying component unit financial statements of the Twenty-Ninth 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.

2. Reporting Entity

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

**TWENTY-NINTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD**
St. Charles Parish, Louisiana
Notes to the Financial Statements
December 31, 1995

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the St. Charles Parish Council 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 parish council 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 parish council.
2. Organizations for which the parish council does not appoint a voting majority, but are fiscally dependent on the parish council.
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

The indigent defender board is a part of the operations of the district court system. The district court system is fiscally dependent on the parish council for building space and courtrooms. The substance of the relationship between the district court system and the parish council is that the parish council has approval authority over its capital budget. In addition, the nature and significance of the relationship between the district court and the parish council is such that exclusion from the parish council's financial statements would render the parish council's financial statements misleading or incomplete.

**TWENTY-NINTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD**
St. Charles Parish, Louisiana
Notes to the Financial Statements
December 31, 1995

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Fund Accounting

The indigent defender board uses funds 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 and activities.

A fund is a separate accounting entity with a self-balancing set of accounts. The General Fund of the indigent defender board is classified as a governmental fund. The General Fund accounts for all of the board's general activities and financial resources, including the collection and disbursement of specific or legally restricted monies.

4. Fixed Assets

The indigent defender board does not own any fixed assets.

5. Long-Term Obligations

There are no long-term obligations at December 31, 1995.

6. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The indigent defender board's records are maintained on a cash basis of accounting. However, the General Fund reported in the accompanying financial statements has been converted to a modified accrual basis of accounting using the following practices:

Revenues:

Court costs are recorded in the year they are collected by the tax collector.

Substantially all other revenues, including interest earnings, are recorded when received.

**TWENTY-NINTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD**
St. Charles Parish, Louisiana
Notes to the Financial Statements
December 31, 1995

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Expenditures:

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

7. Budgets

The indigent defender board did not prepare a budget for the year ended December 31, 1995. Attorney General Opinion No. 82-531 states that indigent defender boards are not political subdivisions within the meaning of the Louisiana Local Government Budget Act, therefore, these boards are not required to prepare a budget.

8. Cash

Cash includes amounts in interest bearing demand deposits. Under state law, the governmental entity may deposit funds into 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.

9. Encumbrances

Encumbrance accounting is not used by the board.

10. Compensated Absences and Pension Plan

The indigent defender board does not have any full-time employees; therefore, it does not have any leave policy and it does not participate in any pension plan.

**TWENTY-NINTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD**
St. Charles Parish, Louisiana
Notes to the Financial Statements
December 31, 1995

NOTE B - CASH

At December 31, 1995, the carrying amount (book balance) of all cash of the indigent defender board totaled \$123,882, and is listed as follows:

Interest bearing demand deposits	\$ <u>123,882</u>
Total	\$ <u>123,882</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. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. The indigent defender board had bank balance deposits totaling \$123,882. These deposits are secured from risk by \$100,000 of federal deposit insurance and \$23,882 of securities pledged.

NOTE C - LEASES

The indigent defender board did not have any capital or operating lease commitments at December 31, 1995.

NOTE D - LITIGATION

There was no litigation pending against the indigent defender board at December 31, 1995.

OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
STRUCTURE BASED ON AN AUDIT OF COMPONENT UNIT
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

Twenty-Ninth Judicial District Indigent Defender Board
A Component Unit of the St. Charles Parish Council
St. Charles Parish, Louisiana

I have audited the component unit financial statements of the Twenty-Ninth Judicial District Indigent Defender Board, a component unit of the St. Charles Parish Council, as of and for the year ended December 31, 1995, and have issued my report thereon dated June 6, 1996.

I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the component unit financial statements are free of material misstatement.

The Twenty-Ninth Judicial District Indigent Defender Board is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of component unit financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the internal control structure to future periods is subject to the risk that procedures

may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

In planning and performing my audit of the component unit financial statements of the Twenty-Ninth Judicial District Indigent Defender Board, for the year ended December 31, 1995, I obtained an understanding of the internal control structure. With respect to the internal control structure, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk in order to determine my auditing procedures for the purpose of expressing my opinion on the component unit financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

I noted a matter involving the internal control structure and its operation that I consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. A reportable condition involves a matter coming to my attention relating to significant deficiencies in the design or operation of the internal control structure that, in my judgement, could adversely affect the entity's ability to record, process, summarize and report financial data consistent with the assertions of management in the component unit financial statements.

A material weakness is a reportable condition in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the component unit 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.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, I noted that, as a material weakness, the size of the Twenty-Ninth Judicial District Indigent Defender Board's operation and its limited staff preclude an adequate segregation of duties and other features of an adequate system of internal accounting control, although to employ such controls may not be cost beneficial. This condition was considered in determining the nature, timing and extent of the procedures to be performed in my audit of the financial statements of the Twenty-Ninth Judicial District Indigent Defender Board for the year ended December 31, 1995.

This report is intended solely for the use of management and the State of Louisiana Legislative Auditor and should not be used for

any other purpose. This restriction is not intended to limit the distribution of this report which, upon acceptance by the State of Louisiana Legislative Auditor, is a matter of public record.

A handwritten signature in cursive script that reads "Keith J. Rovira".

Keith J. Rovira
Certified Public Accountant

June 6, 1996

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
LAWS AND REGULATIONS BASED ON AN AUDIT OF COMPONENT UNIT
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

Twenty-Ninth Judicial District Indigent Defender Board
A Component Unit of the St. Charles Parish Council
St. Charles Parish, Louisiana

I have audited the component unit financial statements of the Twenty-Ninth Judicial District Indigent Defender Board, a component unit of the St. Charles Parish Council, as of and for the year ended December 31, 1995, and have issued my report thereon dated June 6, 1996.

I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the component unit financial statements are free of material misstatement.

Compliance with laws, regulations and contracts applicable to the Twenty-Ninth Judicial District Indigent Defender Board is the responsibility of the Twenty-Ninth Judicial District Indigent Defender Board. As part of obtaining reasonable assurance about whether the component unit financial statements are free of material misstatement, I performed tests of the Twenty-Ninth Judicial District Indigent Defender Board's compliance with certain provisions of laws, regulations and contracts. However, the objective of my audit of the component unit financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, I do not express such an opinion.

The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended solely for the use of management and the State of Louisiana Legislative Auditor, and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report which, upon acceptance by the State of Louisiana Legislative Auditor, is a matter of public record.



Keith J. Rovira
Certified Public Accountant

June 6, 1996
