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AUDITED FINANCIAL STATEMENTS
CITY OF THE JUDGENT DEPARTMENT
FIRST JUDICIAL DISTRICT, CADDOPARISH
DECEMBER 31, 1956

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Release Date 8-9-56

**OFFICE OF THE INDIGENT DEFENDER
FIRST JUDICIAL DISTRICT, CALDOU PARISH
SHREVEPORT, LOUISIANA**

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ANNEXED FINANCIAL STATEMENTS

Heard, McElroy & Venter, L.L.P.

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June 26, 1996

The Board of Directors
Office of the Indigent Defender
First Judicial District, Cade Parish
Shreveport, Louisiana

Independent Auditor's Report

We have audited the accompanying general purpose financial statements of the Office of the Indigent Defender as of December 31, 1995, and for the year then ended. These general purpose financial statements are the responsibility of the Office of the Indigent Defender'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. These 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 general purpose 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 Office of the Indigent Defender as of December 31, 1995, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

Heard, McElroy & Venter, L.L.P.

OFFICE OF THE INDEPENDENT DEFENDER
FIRST JUDICIAL DISTRICT, CACDOU PARISH
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 1999

	<u>Governmental</u> <u>Fund Types</u> <u>General</u>	<u>Account</u> <u>Group</u> <u>Fixed</u> <u>Assets</u>	<u>Total</u> <u>(Memorandum</u> <u>Only)</u>
A S S E T S			
Cash and cash equivalents (Note 2)	352,319	-	352,319
Accounts receivable (Note 3)	76,138	-	76,138
Fixed assets (Note 4)	<u> </u>	<u>129,619</u>	<u>129,619</u>
Total assets	<u>608,457</u>	<u>129,619</u>	<u>738,076</u>
LIABILITIES AND FUND BALANCE			
Liabilities:			
Accounts payable	10,000	-	10,000
Fund balance:			
Investment in general fixed assets	-	129,619	129,619
Fund balance	<u>608,457</u>	<u> </u>	<u>608,457</u>
Total fund balance	<u>608,457</u>	<u>129,619</u>	<u>738,076</u>
Total liabilities and fund balance	<u>608,457</u>	<u>129,619</u>	<u>738,076</u>

The accompanying notes are an integral part of this statement.

OFFICE OF THE INDIGENT DEFENDER

FIRST JUDICIAL DISTRICT, CALDO PARISH

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

GOVERNMENTAL FUND TYPE-GENERAL FUND (JUDICIAL EXPENSE)

FOR THE YEAR ENDED DECEMBER 31, 1992

Revenues:	
Court costs on Fees and Forfeitures	938,593
Fees from indigents and other miscellaneous receipts (Note E)	121,531
Lawless Indigent Defender Board (Note E)	299,879
Interest	23,236
Total revenues	1,379,839
Expenditures:	
General government-judicial:	
Salaries	700,400
Retirement (Notes 5 and 6)	14,800
Group insurance	44,838
Payroll taxes	14,610
Fees and subscriptions	8,853
Supplies	28,409
Travel	5,363
Telephone	3,152
Maintenance contracts	2,698
Professional services	159,449
Rent (Note 7)	44,384
Insurance	27,381
Accounting fees	29,241
Capital expenditures	6,082
Miscellaneous	1,521
Total expenditures	1,085,623
Excess of revenues over expenditures	314,167
Fund balance at beginning of year	334,282
Fund balance at end of year	648,449

The accompanying notes are an integral part of this statement.

OFFICE OF THE INDIGENT DEFENDER

FIRST JUDICIAL DISTRICT, CALDO PARISH

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

GOVERNMENTAL FUND TYPE-GENERAL FUND JUDICIAL EXPENSE

BUDGET GAAP BASIS AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Court costs on fines and forfeitures	696,500	705,395	78,895
Fees from indigents and other miscellaneous receipts	68,000	121,331	61,231
Louisiana Indigent Defender Board	303,685	299,879	(3,806)
Interest	11,800	33,236	21,436
Total revenues	979,985	1,179,839	408,535
Expenditures:			
General government-judicial:			
Salaries	659,000	703,400	(44,400)
Fringe benefits	13,000	14,850	(1,850)
Group insurance	48,000	44,028	3,972
Payroll taxes	18,000	14,610	3,390
Dues and subscriptions	10,500	8,000	2,450
Supplies	21,000	20,480	599
Travel	60,000	5,167	4,833
Telephone	7,500	7,150	348
Maintenance contracts	4,000	2,688	1,312
Professional services	165,000	159,449	5,551
Rent	45,000	44,166	834
Insurance	30,000	17,381	12,619
Accounting fees	15,000	59,241	(44,241)
Capital expenditures	4,000	6,082	(2,082)
Miscellaneous	3,700	1,321	2,379
Total expenditures	1,879,300	1,965,613	(86,313)
Deficit of revenues over expenditures	(89,815)	714,167	(804,382)
Fund balance at beginning of year		738,322	
Fund balance at end of year		644,418	

The accompanying notes are an integral part of this statement.

OFFICE OF THE INDIGENT DEFENDER
FIRST JUDICIAL DISTRICT, CALDO PARISH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

1. Summary of Significant Accounting Policies

The Office of the Indigent Defender was established in compliance with Louisiana Revised Statutes 15:144-149 to provide and compensate counsel appointed to represent indigents in criminal and quasi-criminal cases on the district court level. The judicial district encompasses the Parish of Caldo, Louisiana.

The accounting and reporting policies of the Office of the Indigent Defender conform to the generally accepted accounting principles as applicable to governments.

Financial Reporting Entity

GAAS Statement No. 34 established criteria for determining which component units should be considered part of the Caldo Parish Commission for financial reporting purposes. The basic criteria 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 commission 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 commission.
2. Organizations for which the commission does not appoint a voting majority but are fiscally dependent on the commission.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

For financial reporting purposes, the Office of the Indigent Defender is a part of the district court system of the State of Louisiana. However, the Office of the Indigent Defender operates autonomously from the State of Louisiana and independently from the district court system. Therefore, the Office of the Indigent Defender reports as an independent reporting entity.

Fund Accounting

The accounts of the Office of the Indigent Defender are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The Office of the Indigent Defender is grouped, in the financial statements in this report, into a governmental fund and an account group as follows:

1. Summary of Significant Accounting Policies (Continued)

Governmental Fund

General Fund

The General Fund is the general operating fund of the Office of the Indigent Defender. It is used to account for all financial resources except those required to be accounted for in another fund.

General Fixed Assets Account Group

The accounting and reporting treatment applied to fixed assets associated with a fund is determined by its measurement focus. Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, and are recorded as expenditures in the governmental fund type when purchased. The Office of the Indigent Defender has elected to capitalize public assets ("infrastructure") fixed assets consisting primarily of office equipment. No depreciation has been provided on general fixed assets.

All fixed assets are valued at historical cost. The General Fixed Assets Account Group is not a fund. It is only concerned with the measurement of financial position. It is not involved with measurement of results of operations.

Basic of Accounting

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

The records are maintained on a cash basis of accounting. However, the General Fund, as reported in the accompanying financial statements, has been accounted to a modified accrual basis of accounting utilizing the following practices:

Revenues:

Court costs related to fines and forfeitures imposed by the district and city courts are recorded when they are earned and become available. 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.

Budgetary Accounting

Annually the Office of the Indigent Defender adopts a budget for the General Fund on the modified accrual basis of accounting. Beginning and ending fund balances are not budgeted. All appropriations lapse at year end.

Vacation and Sick Leave

Employees accrue from 5 to 15 days of noncumulative vacation leave each year, depending upon length of service. Employees who resign voluntarily and give two weeks notice are compensated for their vacation leave, prorated to the date of separation during the year. Employees accrue from 5 to 20 days of sick leave each year, depending upon length of service. Sick leave cannot be accumulated.

1. **Summary of Significant Accounting Policies (Continued)**

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 time deposits. Under state law, the Office of the Indigent Defender 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. The fund 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. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a nonprofit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. Investments in LAMP are stated at cost.

Total Column on Balance Sheet

The total column on the combined balance sheet is captioned "Miscellaneous Only" to indicate that it is presented only to facilitate financial analysis. Such data in this column is not comparable to a consolidation.

2. **Cash and Investments**

At December 31, 1993, the Office of the Indigent Defender held cash and investments of \$582,325 in the Caddo Parish Commission cash and investment pool. Investments are held in the Louisiana Asset Management Pool, Inc. (LAMP), a local government investment pool (See Summary of Significant Accounting Policies). Cash and investments are stated at cost, which approximates their market values. Under state law, cash deposits must be secured by federal deposit insurance or pledged securities owned by the bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the bank. At December 31, 1993, deposits with banks are fully secured by federal deposit insurance of \$100,000. In accordance with GAAP Codification Section 258-105, the investment in LAMP at December 31, 1993 is not categorized in the three risk categories that this section sets forth, because the investment is in the pool of funds and therefore not evidenced by securities that exist in the physical or book entry form. LAMP is administered by LAMP, Inc., a nonprofit organization organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1983. The corporation is governed by a board of directors comprising the State Treasurer, representatives from various organizations of local governments, the Government Finance Officers Association of Louisiana, and the Society of Louisiana CPAs. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprise, or instrumentalities, as well as repurchase agreements collateralized by these securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 297 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. Information on the aggregate deposits of the Caddo Parish Commission and how they are secured is available in the financial statements of the Caddo Parish Commission.

3. **Receivables**

The following is a summary of receivables at December 31, 1993:

Court costs on fees and forfeitures

75,038

4. **Changes in General Fixed Assets**

General fixed assets consist of office furniture and equipment. A summary of changes in general fixed assets follows:

Balance, December 31, 1994	172,957
Additions	6,092
Deletions	-
Balance, December 31, 1995	<u>179,049</u>

5. **Pension Plan**

Some administrative and clerical employees of the Office of the Indigent Defender are members of the Parochial Employees Retirement System of Louisiana (System), a multiple-employer (cost-sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the district are members of Plan A.

All permanent employees working at least 18 hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, or at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 per cent of their final average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only prior to January 1, 1980, the benefit is equal to one per cent of final average salary plus \$24 for each year of supplemental plan-only service earned prior to January 1, 1980. Final average salary is the employee's average salary over the 30 consecutive or joint months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

The system issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System, Post Office Box 14039, Baton Rouge, Louisiana 70803-4039, or by calling (504) 626-1363.

Pending Policy. Under Plan A, members are required by state statute to contribute 9.5 percent of their annual covered salary and the board is required to contribute at an actuarially determined rate. The current rate is 8.0 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (except Calcasieu and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the benefits are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the fiscal year. The board's contributions to the System under Plan A for the year ended December 31, 1995 was \$1,882. The total current-year covered payroll under the Plan is \$26,811.

6. **Deferred Compensation**

Under the guidelines established in accordance with the Internal Revenue Code Section 457, the Office of the Indigent Defender participates in a deferred compensation plan which is administered by Public Employees Benefit Services Corporation on behalf of all participating employees. The plan, available to all employees, permits them to defer a portion of their salary until future years. The deferred pay and any income earned on it is not subject to income taxes until actually received by the employees. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

It is the opinion of the Office of the Indigent Defender's legal counsel that the Office of the Indigent Defender is not liable for losses arising from depreciation or obsolescence in the value of any investments acquired under the deferred compensation plans. However, the Office of the Indigent Defender believes it has the duty of due care that would be required of an ordinary prudent investor. The Office of the Indigent Defender also believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

The assets in the plans remain the property of the Office of the Indigent Defender until paid or made available to participants, subject only to the claims of the Office of the Indigent Defender's general creditors. The participants have no vested interest or secured or preferred position with respect to the assets or have any claims against the Office of the Indigent Defender, except as a general creditor, in an amount equal to the fair market value of the participant's account.

For the year ended December 31, 1985, the Office of the Indigent Defender had deferred compensation expense of \$10,118, which is included in retirement expense on Page 5.

7. **Rent**

The Office of the Indigent Defender rents office space under an operating lease expiring June 30, 1991.

The following is a schedule of future minimum rental payments required under the operating lease as of December 31, 1985:

1986	44,364
1987	<u>22,182</u>
	<u>66,546</u>

During 1985, total rent expense amounted to \$44,364.

8. **Fees from Indigents and Other Miscellaneous Receipts**

The following is a summary of fees from indigents and other miscellaneous receipts:

Northwest Louisiana Law Enforcement Grant	18,271
Probation Fee	24,864
Reimbursements and miscellaneous	<u>78,158</u>
	<u>121,313</u>

Monies received from the Northwest Louisiana Law Enforcement Grant aid in supporting the salary of a drug attorney for the defender's office.

During 1985, monies were received from the Louisiana Indigent Defender Board (the Board) totaling \$299,650. The Board receives appropriations from the Louisiana Legislature and then allocates the funds to the various parishes.

ADDITIONAL REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS

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June 28, 1996

The Board of Directors
Office of the Indigent Defender
First Judicial District, Caddo Parish
Shreveport, Louisiana

Compliance Report Based on an Audit of General Purpose Financial Statements Performed in Accordance with Government Auditing Standards

We have audited the general purpose financial statements of the Office of the Indigent Defender as of and for the year ended December 31, 1995, and have issued our report thereon dated June 28, 1996.

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.

Compliance with laws, regulations, contracts, and grants applicable to the Office of the Indigent Defender is the responsibility of the Office of the Indigent Defender's management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of the Office of the Indigent Defender's compliance with certain provisions of laws, regulations, contracts, and grants. However, our objective was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

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

This report is intended for the information of management, the Office of the Legislative Auditors, State of Louisiana, and the U. S. Department of Justice. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Herman, McElroy & Vental, L.L.P.

IRVING McCLELLY & WINTAL, L.L.P.

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June 26, 1996

The Board of Directors
Office of the Inspector General
First Federal District, Cade Parish
Shreveport, Louisiana

Report on the Internal Control Structure in Accordance with Government Auditing Standards

We have audited the general purpose financial statements of the Office of the Inspector General as of and for the year ended December 31, 1995, and have issued our report thereon dated June 26, 1996.

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.

In planning and performing our audit of the general purpose financial statements of the Office of the Inspector General for the year ended December 31, 1995, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control structure.

The management of the Office of the Inspector General is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, initiative and judgment 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 general purpose 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 structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, we have classified the significant internal control structure policies and procedures in the following category: cash receipts and purchases/cash disbursements.

For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. 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 general 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 internal control structure and its operation that we consider to be material weaknesses as defined above.

This report is intended for the information of management, the Office of the Legislative Auditor, State of Louisiana, and the U. S. Department of Justice. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Mark T. Elroy, Jr.