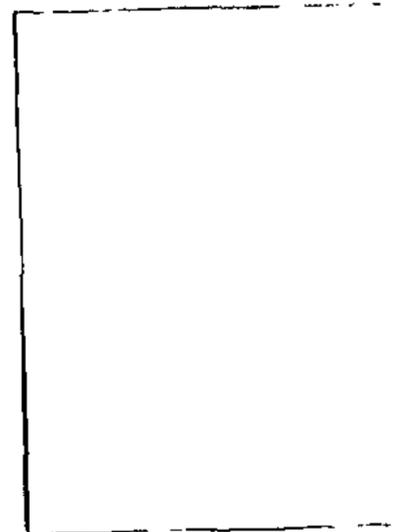


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**FORTIETH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD**

**General Purpose Financial Statements
And Independent Auditor's Report
As of and for the Year Ended
December 31, 2003**



Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 8-4-04

KEITH M. RIVERE
Certified Public Accountant

**FORTIETH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD**
St. John the Baptist Parish, Louisiana
General Purpose Financial Statements
And Independent Auditor's Report
As of and for the Year Ended
December 31, 2003

CONTENTS

	<u>Statement</u>	<u>Page No</u>
Independent Auditor's Report		1
General Purpose Financial Statements:		
Combined Balance Sheet – All Fund Types and Account Group	A	3
Combined Statement of Revenues, Expenditures and Changes in Fund Balance- All Governmental Fund Types	B	4
Statement of Receipts, Disbursements, and Changes in Cash Balance – Budget (Non-GAAP Basis) and Actual-General Fund	C	6
Notes to the Financial Statements		8
Supplementary Information Schedules:		
Schedule of Per Diem Paid to Board Members		15
Summary Schedule of Findings and Corrective Action Plan for Current Year Audit		16
Other Report Required by <u>Government Auditing Standards:</u>		
Report on Compliance and Internal Control Over Financial Reporting Based on an Audit Of Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>		18

KEITH M. RIVERE, CPA 75 Dominican Drive
Suite 206
LaPlace, LA 70068
(985) 652-6029

INDEPENDENT AUDITOR'S REPORT

Fortieth Judicial District Indigent Defender Board
LaPlace, Louisiana

I have audited the accompanying general purpose financial statements of the Fortieth Judicial District Indigent Defender Board, as of and for the year ended December 31, 2003, as listed in the table of contents. These general purpose financial statements are the responsibility of the management of the Fortieth Judicial District Indigent Defender Board. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits 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 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Fortieth Judicial District Indigent Defender Board as of December 31, 2003, and the results of operations for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, I have also issued a report dated June 18, 2004, on my consideration of the Fortieth Judicial District Indigent Defender Board's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations and contracts. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of my audit.



Keith M. Rivere
Certified Public Accountant
June 18, 2004

FORTIETH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD

St. John the Baptist Parish, Louisiana

Combined Balance Sheet

All Fund Types and Account Group

December 31, 2003

Statement A

	<u>Governmental Fund Type General Fund</u>	<u>Account Group General Fixed Assets</u>	<u>Total (Memorandum Only)</u>
<u>ASSETS AND OTHER DEBITS</u>			
Cash and cash equivalents (Note B)	\$189,724	-	\$189,724
Court cost receivable	29,947		29,947
Office equipment and furniture (Note C)	-	\$21,667	21,667
Deposits	1,200	-	1,200
	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS AND OTHER DEBITS	<u><u>\$220,871</u></u>	<u><u>\$21,667</u></u>	<u><u>\$242,538</u></u>
<u>LIABILITIES, EQUITY AND OTHER CREDITS</u>			
Liabilities			
Accounts Payable	\$ 10,239	-	\$ 10,239
	<u>10,239</u>	<u> </u>	<u>10,239</u>
Equity and Other Credits:			
Investment in general fixed assets	-	\$ 21,667	21,667
Fund balances:			
Unreserved - Undesignated	210,632	-	210,632
	<u>210,632</u>	<u>21,667</u>	<u>232,299</u>
Total Equity and Other Credits	<u>210,632</u>	<u>21,667</u>	<u>232,299</u>
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS	<u><u>\$ 220,871</u></u>	<u><u>\$ 21,667</u></u>	<u><u>\$ 242,538</u></u>

The accompanying notes are an integral part of this statement.

FORTIETH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD

St. John the Baptist Parish, Louisiana
Combined Statement of Revenues, Expenditures
and Changes in Fund Balance
Governmental Fund Type
General Fund
For the Year Ended December 31, 2003

Statement B

REVENUES

Court costs	\$398,841
Surety bonds and bond forfeitures	12,326
Intergovernmental revenue - Louisiana Indigent Defender Board	13,820
Interest earnings	1,536
Expense reimbursements	15,581
Other	2,477
	<hr/>
Total Revenues	444,581

EXPENDITURES

Attestation report by CPA	3,000
Attorneys' fees	124,511
Auto mileage, parking & tolls	2,778
Bookkeeping and secretarial	6,600
Computer access fee to Clerk of Court	2,175
Continuing education and travel	3,197
Directors' fees	800
Dues	2,020
Equipment rental - office	1,108
Experts	600
Insurance	22,182
Investigators	13,082
Janitorial	780
Library and publications	2,870
Miscellaneous	25
Office expense and supplies	1,990
Postage	555
Rent	14,238

(Continued)

The accompanying notes are an integral part of this statement.

FORTIETH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD

St. John the Baptist Parish, Louisiana
Combined Statement of Revenues, Expenditures
and Changes in Fund Balance
Governmental Fund Type
General Fund
For the Year Ended December 31, 2003

Statement B - Continued

EXPENDITURES (Continued)

Salaries and related expenses	\$212,947
Telephone	3,668
Transcripts and photocopies	696
Utilities	2,585
Capital Cases Defense	6,028
Capital expenditures - office equipment	<u>4,244</u>
Total Expenditures	<u>432,679</u>
Excess of Revenues over Expenditures	11,902
Fund Balance at Beginning of Year	<u>198,730</u>
Fund Balance at End of Year	<u>\$ 210,632</u>

(Concluded)

The accompanying notes are an integral part of this statement.

FORTIETH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD

St. John the Baptist Parish, Louisiana
Statement of Receipts, Disbursements
and Changes in Cash Balance -
Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2003

Statement C

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
RECEIPTS			
Court Costs	\$403,485	\$403,337	(\$148)
Surety bonds and bond forfeitures	9,679	11,455	1,776
Intergovernmental revenue - Louisiana Indigent Defender Board	13,820	13,820	-
Interest earnings	1,284	1,536	252
Expense reimbursements	17,357	15,581	(1,776)
Other	2,228	1,589	(639)
Total Receipts	<u>447,853</u>	<u>447,318</u>	<u>(535)</u>
DISBURSEMENTS			
Attestation report by CPA	3,000	3,000	-
Attorneys' fee	112,382	118,772	(6,390)
Auto mileage, parking & tolls	2,827	2,719	108
Bookkeeping and secretarial	6,600	6,600	-
Computer access fee to Clerk of Court	2,175	2,175	-
Continuing education and travel	3,252	3,197	55
Directors' fees	900	800	100
Dues	2,020	2,020	-
Equipment rental - office	1,108	1,108	-
Experts	600	600	-
Insurance	22,181	22,182	(1)
Investigators	13,082	13,082	-
Janitorial	720	720	-

(Continued)

The accompanying notes are an integral part of this statement.

FORTIETH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD

St. John the Baptist Parish, Louisiana
Statement of Receipts, Disbursements
and Changes in Cash Balance -
Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2003

Statement C - Continued

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Library and publications	\$2,621	\$ 2,621	\$ -
Office expense and supplies	2,069	1,953	116
Postage	555	555	-
Rent	13,937	13,938	(1)
Salaries and related expenses	214,120	212,949	1,171
Telephone	3,626	3,626	-
Transcripts and photocopies	646	646	-
Utilities	2,509	2,509	-
Capital Cases Defense	2,422	2,423	(1)
Capital disbursements - equipment & furniture	4,244	4,244	-
	<u>417,596</u>	<u>422,439</u>	<u>(4,843)</u>
Total Disbursements			
Excess of Receipts over Disbursements	30,257	24,879	(5,378)
Cash and Cash Equivalents Balance at Beginning of Year	<u>164,845</u>	<u>164,845</u>	<u>-</u>
Cash and Cash Equivalents Balance at End of Year	<u>\$195,102</u>	<u>\$189,724</u>	<u>(\$5,378)</u>

(Concluded)

The accompanying notes are an integral part of this statement.

FORTIETH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD

St. John the Baptist Parish, Louisiana

Notes to the Financial Statements

December 31, 2003

INTRODUCTION

The Fortieth Judicial District Indigent Defender Board, established in compliance with Louisiana Revised Statute 15:144-149, provides counsel to represent indigents (needy individuals) in criminal cases at the district court level. Revenues to finance the board's operations are provided primarily from court costs imposed by the courts in criminal cases within the district. The board also receives monies from a grant-in-aid program intended to supplement financial assistance in felony cases to district indigent defender boards that have a need for this type of funding.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Presentation

The accompanying general purpose financial statements of the Fortieth 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

For financial reporting purposes, in conformance with GASB Codification Section 2100, the indigent defender board is a part of the district court system of the State of Louisiana. However, the state statutes that create the boards also give each of the boards control over all of their operations. This includes the hiring and retention of employees, authority over budgeting, responsibility for funding deficits and operating deficiencies, and fiscal management and controlling the collection and disbursement of funds. Therefore, the board reports as an independent reporting entity and the financial statements include only the transactions of the Fortieth Judicial District Indigent Defender Board. Furthermore, the St. John the Baptist Parish Council does not include the Indigent Defender Board as a component unit in its comprehensive annual financial report.

FORTIETH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD

St. John the Baptist Parish, Louisiana

Notes to the Financial Statements

December 31, 2003

NOTE A--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Fund Accounting

The Board uses the General Fund and the General Fixed Assets Account Group 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. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

The General Fund of the indigent defender board is classified as a governmental fund. A governmental fund accounts for the board's general activities, including the collection and disbursement of specific or legally restricted monies and the acquisition of general fixed assets. The General Fund is the general operating fund of the board, and it accounts for all of the financial resources of the indigent defender board.

4. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The General Fund is 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. The operating statement of this fund present increases and decreases in net current assets. The modified accrual basis of accounting is used by the General Fund. The General Fund uses the following practices in recording revenues and expenditures:

Revenues:

Court costs, bond forfeitures, surety bonds and intergovernmental revenues are recorded in the year they are collected by the appropriate courts.

Interest earnings on time deposits are recorded when the time deposits have matured and the revenue is available.

All other revenues are recorded when they become available to the board.

FORTIETH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD

St. John the Baptist Parish, Louisiana

Notes to the Financial Statements

December 31, 2003

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.

5. Budgets

The proposed budget for the General Fund was prepared on the cash basis of accounting. This budget was completed and made available for public inspection at the office of the Fortieth Judicial District Indigent Defender Board on December 13, 2002. A public hearing was held on December 30, 2002, for suggestions and comments from the public, and the proposed budget was formally adopted on that date. The budget, which included proposed cash expenditures and the means of financing them, was posted at the board's office prior to the public hearing. All appropriations lapse at year end, and any accounts payable outstanding at year end are included in the next year's budget with funds appropriated in that year to finance them. Formal budget integration is not employed as a management control device during the year; however, the chief indigent defender monitors the budget during the year.

The chief indigent defender is authorized to transfer amounts between line items within any fund. When actual cash revenues fail to meet budgeted cash revenues by five percent or more and/or actual cash expenditures exceed budgeted expenditures by five percent or more, a budget amendment to reflect such change is adopted by the indigent defender board in an open meeting. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

FORTIETH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD

St. John the Baptist Parish, Louisiana

Notes to the Financial Statements

December 31, 2003

The following is a reconciliation of the excess of receipts over disbursements on Statement C (budget comparison) with the excess of revenues over expenditures on Statement B for the General Fund:

	<u>General Fund</u>
Excess (Deficiency) of receipts over disbursements – Statement C	\$24,879
Add:	
+ Receivables at December 31, 2003	29,946
+ Liabilities at December 31, 2002	- 0 -
Less:	
- Receivables at December 31, 2002	(32,684)
- Liabilities at December 31, 2003	<u>(10,239)</u>
Excess (Deficiency) of revenues over expenditures – Statement B	\$11,902 =====

6. Encumbrances

The board does not use encumbrance accounting.

7. Cash and Cash Equivalents

Cash includes amounts in demand deposits and time deposits. Under state law, the board may deposit funds in demand deposit accounts, interest bearing demand deposit accounts, money market accounts, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

8. Receivables

Receivables include amounts which were due to be received in 2003, but were not actually received until 2004.

FORTIETH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD

St. John the Baptist Parish, Louisiana

Notes to the Financial Statements

December 31, 2003

9. Fixed Assets

Fixed assets are recorded as expenditures at the time purchased, and the related assets are capitalized in the general fixed assets account group. Public domain or infrastructures are not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost if historical cost is not available.

10. Annual and Sick Leave

Vacation (annual) leave is accrued by employees at a variable rate, which is predetermined by the indigent defender board and depends on the employee's years of service. The leave is accrued on a per month basis and is credited at the end of each month. No carryover or accumulation from one calendar year to the next is permitted. Vacation days must be taken in the calendar year when earned or they are lost. Accruing vacation days commence anew each calendar year.

Sick leave is granted to full-time, permanent employees at a variable rate and depends on the employee's years of service. Employees may carryover and accumulate up to sixty sick days. Sick days have no cash value. At the time of termination of employment, whether voluntary or involuntary, the departing employee will not be paid any money as compensation for the accumulated unused "sick days."

11. Fund Equity

Reserves represent those portions of fund equity not appropriable for expenditures or legally segregated for a specific future use.

12. Total Column on Balance Sheet

The total column on the balance sheet is captioned "Memorandum Only" to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

FORTIETH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD
 St. John the Baptist Parish, Louisiana
 Notes to the Financial Statements
 December 31, 2003

NOTE B – CASH AND CASH EQUIVALENTS

At December 31, 2003, the carrying amount (book balances) of cash and cash equivalents of the board was as follows:

Cash in demand deposit account	\$26,455
Time deposits	<u>163,269</u>
Total	<u>\$189,724</u>

The 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. At December 31, 2003, the board has \$210,121 in deposits (collected bank balances). These deposits are secured from risk by \$146,852 of federal deposit insurance and \$63,269 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No.3, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the board that the fiscal agent has failed to pay deposited funds upon demand.

NOTE C – CHANGES IN GENERAL FIXED ASSETS

	Balance January 1, 2003	Additions	Deductions	Balance December 31, 2003
Equipment and Furniture	<u>\$ 29,746</u>	<u>\$1,491</u>	<u>\$ 9,570</u>	<u>\$21,667</u>
Total	<u>\$ 29,746</u>	<u>\$1,491</u>	<u>\$ 9,570</u>	<u>\$21,667</u>

FORTIETH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD
St. John the Baptist Parish, Louisiana
Notes to the Financial Statements
December 31, 2003

NOTE D – PENSION PLAN

The Fortieth Judicial District Indigent Defender Board does not have a pension plan or any other retirement plan for their employees.

NOTE E – LEASES AND COMMITMENTS

The board leases office space under a one year operating lease which expired December 31, 2003. The monthly rental rate is \$1,050 per month. The board also leases additional office space under a month to month lease. The monthly rental rate is \$200 per month. The board leases storage space under a month to month lease. The monthly rental rate is \$67.50 per month.

NOTE F – LITIGATION

According to management and the board, the board was not involved in any litigation at December 31, 2003, which would require presentation in financial statements or notes thereto. Therefore, no provision for liability has been set up in the accompanying general purpose financial statements.

NOTE G – HEALTH CARE AND LIFE INSURANCE BENEFITS

The board provides certain continuing health insurance benefits for active employees. The board pays 100% of the active employees portions of their health insurance premiums. Premiums are paid monthly to the board's health insurance carrier. The board's portion of the cost is recognized as an expenditure when paid.

The cost for providing benefits for the active employees for the year was \$15,036.

FORTIETH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD

LaPlace, Louisiana

Supplementary Information Schedules
Schedule of Per Diem Paid to Board Members
For the Year Ended December 31, 2003

	<u>Meetings Attended</u>	<u>Per Diem</u>
Jules A. Carville, III	3	\$300
Sylvia T. Steib	2	\$200
Harold Keller	3	<u>\$300</u>
Total		<u>\$800</u>

Board members are paid \$100 for each meeting they attend.

FORTIETH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD

LaPlace, Louisiana

Supplementary Information Schedule (Continued)

Summary Schedule of Findings and Corrective

Action Plan for Current Year Audit

For the Year Ended December 31, 2003

I have audited the accompanying general purpose financial statements of the Fortieth Judicial District Indigent Defender Board, as of and for the year ended December 31, 2003, and have issued my report thereon dated June 18, 2004. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. My audit of the financial statements as of December 31, 2003 resulted in an unqualified opinion.

Section 1 – Summary of Auditor’s Report and Findings

There was one material weakness in internal control that was a reportable condition which required disclosure in this audit report (Finding No. 1).

There were no instances of noncompliance that were required to be reported in this audit report.

The Fortieth Judicial District Indigent Defender Board did not receive any major or significant federal funding during the twelve months ended December 31, 2003.

FORTIETH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD

LaPlace, Louisiana

Supplementary Information (Continued)
Summary Schedule of Findings and Corrective
Action Plan for the Current Year Audit
For the Year Ended December 31, 2003

Section II – Financial Statement Finding

Finding No. 1

Fiscal Year Finding Initially Occurred: Has existed since inception

Finding Described: The size of the board's operations and its limited staff preclude an adequate segregation of duties and other features of an adequate system of internal accounting control. However, two signatures are required on all check disbursements and one must be a board member's signature.

Corrective Action and Additional Explanation: Management is aware of this inadequacy in the internal control structure; however, it feels that to employ such controls would not be cost beneficial. No action will need to be taken.

Contact person:

Jules A. Carville, III
Chairman of the Board
LaPlace, Louisiana

Anticipated Completion Date: Not applicable.

KEITH M. RIVERE, CPA 75 Dominican Drive
Suite 206
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(985) 652-6029

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

Fortieth Judicial District Indigent Defender Board
LaPlace, Louisiana

I have audited the general purpose financial statements of the Fortieth Judicial District Indigent Defender Board as of and for the year ended December 31, 2003, and have issued my report thereon dated June 18, 2004. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

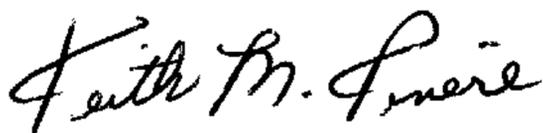
As part of obtaining reasonable assurance about whether the Fortieth Judicial District Indigent Defender Board's general purpose financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations and contracts, noncompliance with which could have a direct and material effect on the determination of the financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and 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.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Fortieth Judicial District Indigent Defender Board's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, I noted a matter involving the internal control over financial reporting and its operations that I consider to be reportable condition. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgement, could adversely affect the board's ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements. I noted that, as a material weakness, the size of the board's operations and its limited staff preclude an adequate segregation of duties and other features of an adequate system of internal accounting control. Management is aware of this inadequacy in the internal control structure, however, it feels that to employ such controls would not be cost beneficial.

A material weakness is a reportable 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 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. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, I considered the reportable condition described above to be a material weakness.

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 M. Rivere
Certified Public Accountant

June 18, 2004

KEITH M. RIVERE, CPA

**75 Dominican Drive
Suite 206
LaPlace, LA 70068
(985) 652-6029**

June 18, 2004

Board of Directors
Fortieth Judicial District
Indigent Defender Board
75 Dominican Drive, Suite 202
LaPlace, Louisiana 70068-3400

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In planning and performing the audit of the financial statements of the Fortieth Judicial District Indigent Defender Board for the year ended December 31, 2003, I considered its internal control to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control. The financial records provided to me were adequate. Cheryl is doing an excellent job.

However, during my audit, I became aware of a matter that is an opportunity for strengthening internal controls and operating efficiency. I have reported on the Board's internal control in my report dated June 18, 2004; this letter does not affect that report.

I will review the status of this comment during my next audit engagement. I have already discussed this comment and suggestion with certain Board management, and I will be pleased to discuss this comment in further detail at your convenience, to perform any additional study of the matter, or to assist you in implementing the recommendation. My comment is summarized on Attachment A.

This report is intended solely for the information and use of the Board of Director's, management, the Louisiana Legislative Auditor, and is not intended to be and should not be used by anyone other than these specific parties.



Keith M. Rivere
Certified Public Accountant
June 18, 2004

Observation # 1

Observation: The Board met only twice during 2003. Both meetings were held in December.

Recommendation: I recommend that the Board meet at least on a quarterly basis to oversee the financial operations of the indigent defender's office.

Management's corrective action plan: The Board agrees with the observation and will hold a quarterly meeting.

Observation #2

Observation: Several contract lawyers submitted bills to the Fortieth Judicial District Indigent Defender Board in late January, February, and March for services provided in the previous year. This makes it hard for management to adequately budget for the current year.

Recommendation: I recommend that the Board adopt a policy that all bills for the previous year be received by indigent defender's office by January 15 of the following year.

Management's corrective action plan: The Board agrees with the observation and will adopt such a policy.

Observation #3

Observation: The indigent defender's office receives reimbursements for court cost and other fees from the defendant if the court believes the defendant is financially able. The secretary of the indigent defender collects the funds from the defendant at the office of the indigent defender and turns over to the chief defender. However, she is in the office alone some of the time. The office accepts only checks and money orders and does not accept cash. However, this may be an opportunity for theft.

Recommendation: I recommend that the secretary issue a signed receipt to the defendant upon receipt of these funds. The receipts should be issued in numerical order. The defendant should sign the back of the copy of the receipt kept by the indigent defender's office. If payment is received in the mail and in lieu of the defendant's signature, the receipt should state, "Payment received by mail." A sign should be posted stating that the defendant should not leave without a signed numbered receipt. The receipt

should be turned over to the person responsible for keeping track of amounts owed to the indigent defender board. The person responsible for keeping track of the amounts owed should periodically call defendants for verification of the amount still owed.

Management's corrective action plan: Management agrees with the observation and will adopt such a policy.