

ANNUAL FINANCIAL REPORT OF THE  
TWENTY-SEVENTH JUDICIAL DISTRICT  
INDIGENT DEFENDER FUND  
OPELOUSAS, LOUISIANA  
FOR THE YEAR ENDED JUNE 30, 2014

## TABLE OF CONTENTS

	<u>PAGE</u>
Independent Auditor's Report	1-2
 <u>BASIC FINANCIAL STATEMENTS</u>	
 <u>Government-wide Financial Statements (GWFS)</u>	
Statement of Net Position	3
Statement of Activities	4
 <u>Fund Financial Statements</u>	
Balance Sheet	5
Reconciliation of the Governmental Fund's Balance Sheet to the Statement of Net Position	6
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Fund	7
Reconciliation of the Statement of Revenues, Expenditures, and Changes in the Fund Balance of the Governmental Fund to the Statement of Activities	8
Notes to Financial Statements	9-18
 <u>REQUIRED SUPPLEMENTARY INFORMATION</u>	
Budgetary Comparison Schedule -- Revenues and Expenditures -- General Fund	19
 <u>RELATED REPORTS</u>	
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>	20-21
Schedule of Findings and Responses	22-23
Schedule of Prior Year Findings	24

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INDEPENDENT AUDITOR'S REPORT

To the Indigent Public Defender  
 Twenty-Seventh Judicial District  
 Indigent Defender Fund  
 Opelousas, Louisiana

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities and the major fund of the Twenty-Seventh Judicial District Indigent Defender Fund as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Twenty-Seventh Judicial District Indigent Defender Fund's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

To the Indigent Public Defender  
Twenty-Seventh Judicial District  
Indigent Defender Fund  
Opelousas, Louisiana  
Page 2

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of Twenty-Seventh Judicial District Indigent Defender Fund, as of June 30, 2014 and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Other Matters

#### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedule on page 19 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Our opinion on the basic financial statements is not affected by this missing information.

#### Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 19, 2014, on our consideration of Twenty-Seventh Judicial District Indigent Defender Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Twenty-Seventh Judicial District Indigent Defender Fund's internal control over financial reporting and compliance.

*John S. Cowling & Co.*

Opelousas, Louisiana  
December 19, 2014

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

TWENTY-SEVENTH JUDICIAL DISTRICT  
INDIGENT DEFENDER FUND  
OPELOUSAS, LOUISIANA  
STATEMENT OF NET POSITION  
GOVERNMENTAL FUND  
FOR THE YEAR ENDED JUNE 30, 2014

	<u>GENERAL</u>
 <u>ASSETS</u>	
Cash and cash equivalents	\$ 255,792
Cash restricted for various grants	83,172
Revenue receivable – court costs	30,566
Capital assets (net)	<u>3,261</u>
<u>Total assets</u>	<u>372,791</u>
 <u>LIABILITIES</u>	
Accounts payable	2,008
Other accrued liabilities	<u>606</u>
<u>Total liabilities</u>	<u>2,614</u>
 <u>NET POSITION</u>	
Net investment in capital assets	3,261
Restricted for various grants	83,172
Unrestricted	<u>283,744</u>
<u>Total net position</u>	<u>370,177</u>

The accompanying notes are an integral part of this statement

TWENTY-SEVENTH JUDICIAL DISTRICT  
INDIGENT DEFENDER FUND  
OPELOUSAS, LOUISIANA  
STATEMENT OF ACTIVITIES  
GOVERNMENTAL FUND  
FOR THE YEAR ENDED JUNE 30, 2014

<u>ACTIVITIES</u>	<u>EXPENSES</u>	<u>PROGRAM REVENUE CHARGES FOR SERVICES</u>	<u>OPERATING GRANTS AND CONTRIBUTIONS</u>	<u>NET (EXPENSES) REVENUES AND CHANGE IN NET POSITION GOVERNMENTAL ACTIVITIES</u>
<u>Governmental Activities</u>				
General government	<u>\$ 1,113,851</u>	<u>\$ 477,674</u>	<u>\$ 401,439</u>	<u>\$ (234,738)</u>
<u>Total governmental activities</u>	<u>1,113,851</u>	<u>477,674</u>	<u>401,439</u>	<u>(234,738)</u>
General Revenues				
Interest and investment earnings				1,455
Miscellaneous				195
<u>Total general revenues</u>				<u>1,650</u>
				<u>Change in net position</u> (233,088)
				Net position – July 1, 2013 <u>603,265</u>
				Net position – June 30, 2014 <u>370,177</u>

The accompanying notes are an integral part of this statement.



FUND FINANCIAL STATEMENTS

TWENTY-SEVENTH JUDICIAL DISTRICT  
INDIGENT DEFENDER FUND  
OPELOUSAS, LOUISIANA  
BALANCE SHEET  
GOVERNMENTAL FUND  
FOR THE YEAR ENDED JUNE 30, 2014

	<u>GENERAL FUND</u>
<u>ASSETS</u>	
Cash and cash equivalents	\$ 255,792
Cash restricted for various grants	83,172
Revenue receivable - court costs	<u>30,566</u>
<u>Total assets</u>	<u>369,530</u>
 <u>LIABILITIES AND FUND BALANCE</u>	
<u>LIABILITIES</u>	
Accounts payable	\$ 2,008
Other accrued liabilities	606
<u>Total liabilities</u>	<u>2,614</u>
 <u>FUND BALANCE</u>	
Fund balance	
Restricted	83,172
Unassigned	<u>283,744</u>
<u>Total fund balance</u>	<u>366,916</u>
<u>Total liabilities and fund balance</u>	<u>369,530</u>

The accompanying notes are an integral part of this statement.

TWENTY-SEVENTH JUDICIAL DISTRICT  
INDIGENT DEFENDER FUND  
OPELOUSAS, LOUISIANA  
RECONCILIATION OF THE GOVERNMENTAL FUND'S BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2014

Total fund balance for the governmental fund at June 30, 2014		\$ 366,916
Cost of capital assets at June 30, 2014	\$ 8,491	
Less: Accumulated depreciation as of June 30, 2014	<u>(5,230)</u>	<u>3,261</u>
Net position at June 30, 2014		<u><u>370,177</u></u>

The accompanying notes are an integral part of this statement.

TWENTY-SEVENTH JUDICIAL DISTRICT  
INDIGENT DEFENDER FUND  
OPELOUSAS, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUND  
FOR THE YEAR ENDED JUNE 30, 2014

REVENUES

Fines	
Court Cost	
Judicial district courts	\$ 232,368
City courts	144,830
Condition of probation	10,662
Criminal bond fee	68,683
Indigent defense application fee	21,131
District assistance fund	401,439
Interest	1,455
Miscellaneous	195
<u>Total revenues</u>	<u>880,763</u>

EXPENDITURES

General government - judicial	
Current	
Retained indigent defenders	924,768
Non-retained indigent defenders	8,685
Rental	129
Dues and seminars	10,225
Salaries	117,707
Payroll taxes	8,713
Witness fees	6,125
Contracted services	9,630
Legal notices	38
Insurance	496
Telephone	10,386
Administration expense	500
Office supplies	5,104
Bank charges, check printing	1,592
Law library intergovernmental agreement	8,752
Other	252
<u>Total expenditures</u>	<u>1,113,102</u>

NET CHANGE IN FUND BALANCE (232,339)

FUND BALANCE, beginning of year 599,255

FUND BALANCE, end of year 366,916

The accompanying notes are an integral part of this statement.

TWENTY-SEVENTH JUDICIAL DISTRICT  
INDIGENT DEFENDER FUND  
OPELOUSAS, LOUISIANA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN THE FUND BALANCE OF THE GOVERNMENTAL FUND  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2014

Total net change in the fund balance for the year ended June 30, 2014 per Statement of Revenues, Expenditures and Changes in Fund Balance	\$ (232,339)
Depreciation expense	<u>(749)</u>
<u>Total change in net position for the year ended June 30, 2014 per Statement of Activities</u>	<u>(233,088)</u>

The accompanying notes are an integral part of this statement.

TWENTY-SEVENTH JUDICIAL DISTRICT  
INDIGENT DEFENDER FUND  
OPELOUSAS, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Twenty-Seventh Judicial District Indigent Defender Fund 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 accompanying financial statements of the Twenty-Seventh Judicial District Indigent Defender Fund 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.

The following is a summary of certain significant accounting policies and practices of the Twenty-Seventh Judicial District Indigent Defender Fund.

A. FINANCIAL REPORTING ENTITY

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of another entity for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability.

For financial reporting purposes, the Twenty-Seventh Judicial District Indigent Defender Fund is a part of the district court system of the State of Louisiana. However, the state statutes that create the district boards also give each of the boards control over all their operations. This includes the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. The Twenty-Seventh Judicial District Indigent Defender Fund is financially independent and operates autonomously from the State of Louisiana and independently from the district court system. Therefore, the Board reports as an independent reporting entity and the financial statements include only the transactions of the Twenty-Seventh Judicial District Indigent Defender Fund.

B. BASIS OF PRESENTATION

Government-wide Financial Statements (GWFS). The Statement of Net Position and the Statement of Activities display information on all of the nonfiduciary activities of the Twenty-Seventh Judicial District Indigent Defender Fund. They include all funds of the reporting entity. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Fiduciary funds are not included in the GWFS.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expenses of other functions are not allocated to those functions, but are reported separately in the Statement of Activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

TWENTY-SEVENTH JUDICIAL DISTRICT  
INDIGENT DEFENDER FUND  
OPELOUSAS, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIS OF PRESENTATION (Continued)

Fund Financial Statements. The Twenty-Seventh Judicial District Indigent Defender Fund uses funds to report on its financial position and the results of its operations. A fund is an independent fiscal and accounting entity 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 fund presented in the financial statements is described as follows:

Governmental Fund

General Fund - The General Fund is the general operating fund. It is used to account for all financial resources.

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, the governmental activities are presented using the economic resources measurement focus.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

- a. The fund financial statements utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The government-wide financial statements utilize an "economic resources" measurement focus. The accounting objective of this measurement focus is the determination of operating income, changes in net position and financial position. All assets and liabilities (whether current or noncurrent) associated with their activities are reported.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

TWENTY-SEVENTH JUDICIAL DISTRICT  
INDIGENT DEFENDER FUND  
OPELOUSAS, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING (Continued)

Basis of Accounting (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting.

D. REVENUES, EXPENDITURES, AND EXPENSES

Operating Revenues and Expenses

Operating revenues and expenses are those that result from providing services and producing and delivering goods and/or services. It also includes all revenues and expenses not related to capital and related financing, noncapital financing or investing activities.

Court costs, restitution, and bail bond fees are recorded in the month collected by the appropriate collection authority.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for the governmental activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Fund – By Character

In the fund financial statements, governmental funds report expenditures of financial resources.

E. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash includes amounts in interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less.

Under state law the Twenty-Seventh Judicial District Indigent Defender Fund may deposit funds with any bank located within the state and organized under the laws of the State of Louisiana, any other state in the union, or under the laws of the United States. Further, the Twenty-Seventh Judicial District Indigent Defender Fund may invest in time deposits or certificates of deposit of those banks.



TWENTY-SEVENTH JUDICIAL DISTRICT  
INDIGENT DEFENDER FUND  
OPELOUSAS, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)

Bank deposits must be secured by federal depository insurance or the pledge of securities owned by the bank. The market value of the pledged securities must at all times equal or exceed 100 percent of the uninsured amount on deposit with the bank.

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Twenty-Seventh Judicial District Indigent Defender Fund's deposits may not be recovered or will not be able to recover the collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting balances) must be secured by federal deposit insurance or similar federal security 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 bank. These securities are held in the name of the Twenty-Seventh Judicial District Indigent Defender Fund or the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At June 30, 2014, the carrying amount of the Twenty-Seventh Judicial District Indigent Defender Fund's cash was \$338,964. The bank balance of cash was \$345,433 for the year ended June 30, 2014. . At June 30, 2014 these deposits were secured from risk by \$250,000 of FDIC insurance and \$95,433 was covered by securities held by pledging financial institutions in the Twenty-Seventh Judicial District Indigent Defender Fund's name.

F. RECEIVABLES

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balance for the governmental activities includes court costs.

In the fund financial statements, material receivables in governmental funds include revenue accruals for court costs since they are usually both measurable and available. Non-exchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available.

G. CAPITAL ASSETS

Capital assets (including infrastructure assets), which constitute assets of the General Fund, are recorded at cost and depreciation is computed under the straight-line method. The service lives by type of asset are as follows:

Equipment	7-10 years
Furniture	7-10 years

TWENTY-SEVENTH JUDICIAL DISTRICT  
INDIGENT DEFENDER FUND  
OPELOUSAS, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. BUDGETS AND BUDGETARY ACCOUNTING

As required by state law, the Twenty-Seventh Judicial District Indigent Defender Fund adopted a budget for its General Fund. The budgetary practices included public notice of the proposed budget, public inspection of the proposed budget, and a public hearing on the budget prior to adoption.

Any amendment involving the transfer of monies from one function to another or increases in expenditures at the functional level must be approved by the Twenty-Seventh Judicial District Indigent Defender Fund. All budget amounts which are not expended, or obligated through contracts, lapse at year-end.

The General Fund budget was adopted and amended on a basis consistent with generally accepted accounting principles (GAAP).

I. PENSION PLAN AND LEAVE POLICIES

The Twenty-Seventh Judicial District Indigent Defender Fund has no pension plan or leave policies.

J. ENCUMBRANCES

The Twenty-Seventh Judicial District Indigent Defender Fund does not employ the encumbrance system of accounting.

K. COMPENSATED ABSENCES

The Twenty-Seventh Judicial District Indigent Defender Fund does not provide for accumulated vacation or sick leave.

L. EQUITY CLASSIFICATIONS

In the government-wide statements, equity is classified as net position and displayed in three components:

1. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted net position - Consist of net position with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
3. Unrestricted net position - All other net position that do not meet the definition of "restricted" or "net investment in capital assets."

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance reports aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources.

TWENTY-SEVENTH JUDICIAL DISTRICT  
INDIGENT DEFENDER FUND  
OPELOUSAS, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. EQUITY CLASSIFICATIONS (Continued)

The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned and unassigned.

1. Restricted fund balance – This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions for enabling legislation.
2. Committed fund balance – These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances. Those committed amounts cannot be used for any other purpose unless the governing authority removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.
3. Assigned fund balance – This classification reflects the amounts constrained by the Twenty-Seventh Judicial District Indigent Defender Fund's "intent" to be used for specific purposes, but are neither restricted nor committed. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.
4. Unassigned fund balance – This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the Twenty-Seventh Judicial District Indigent Defender Fund's policy to use externally restricted resources first, then unrestricted resources – committed, assigned and unassigned – in order as needed.

M. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

TWENTY-SEVENTH JUDICIAL DISTRICT  
INDIGENT DEFENDER FUND  
OPELOUSAS, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 2 - CAPITAL ASSETS

Capital assets and depreciation activity, as of and for the year ended June 30, 2014, for the Twenty-Seventh Judicial District Indigent Defender Fund are as follows:

	Balances July 1, 2013	Additions	Disposals	Balances June 30, 2014
Governmental activities				
Equipment	\$ 7,618	\$ -	\$ -	\$ 7,618
Furniture and fixtures	873	-	-	873
<u>Totals at historical cost</u>	<u>8,491</u>	<u>-</u>	<u>-</u>	<u>8,491</u>
Less accumulated depreciation				
Equipment	(3,753)	(707)	-	(4,460)
Furniture and fixtures	(728)	(42)	-	(770)
<u>Total accumulated depreciation</u>	<u>(4,481)</u>	<u>(749)</u>	<u>-</u>	<u>(5,230)</u>
Governmental Activities				
Capital assets, net	<u>4,010</u>	<u>(749)</u>	<u>-</u>	<u>3,261</u>

Depreciation expense was charged to governmental activities as follows:

    General Government      \$749

NOTE 3 - INTERGOVERNMENTAL COOPERATIVE AGREEMENT

On September 2, 1997, three agencies - the Twenty-Seventh Judicial District Indigent Defender Fund, the Twenty-Seventh Judicial District Court and the St. Landry Parish District Attorney entered into an intergovernmental agreement to provide funds to maintain the St. Landry Parish Law Library. The Twenty-Seventh Judicial District Indigent Defender Fund agrees to contribute each year for an indefinite term. The agreement may be terminated at any time by a majority vote of the parties involved and any party may withdraw from the agreement by giving thirty days written notice. The Twenty-Seventh Judicial District Indigent Defender Fund contributed \$8,752 for the year ended June 30, 2014.

TWENTY-SEVENTH JUDICIAL DISTRICT  
INDIGENT DEFENDER FUND  
OPELOUSAS, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

**NOTE 4 - GOVERNMENTAL FUND REVENUES/EXPENDITURES**

For the year ended June 30 2014, the major sources of governmental fund revenues and expenditures were as follows:

	<u>2014</u>
Revenues:	
<b>State Government</b>	
Appropriations - general	\$ 401,439
Appropriations - special	-
Revenue sharing	-
Grants	-
On-behalf payments	-
Other	-
<u>Total</u>	<u>401,439</u>
<b>Local Government</b>	
Appropriations - general	-
Appropriations - special	-
Grants	-
Statutory fines, forfeitures, fees, court cost, and other	477,674
Taxes- millages, sales, special, and other	-
Criminal court fund	-
On-behalf payments	-
Other	-
<u>Total</u>	<u>477,674</u>
<b>Federal Government</b>	
Grants - direct	-
Grants - indirect	-
<u>Total</u>	<u>-</u>
<b>Other Grants and Contributions</b>	
Nonprofit organizations	-
Private organizations	-
Corporate	-
Other	-
<u>Total</u>	<u>-</u>
<b>Charges for Services</b>	-
<b>Investment Earnings</b>	<u>1,455</u>
<b>Miscellaneous</b>	<u>195</u>
<u>Total revenues</u>	<u><u>880,763</u></u>

TWENTY-SEVENTH JUDICIAL DISTRICT  
INDIGENT DEFENDER FUND  
OPELOUSAS, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 4 - GOVERNMENTAL FUND REVENUES/EXPENDITURES (Continued)

Expenditures:	<u>2014</u>
<b>Personnel Services Benefits</b>	
Salaries	\$ 117,707
On-behalf payments - salaries	-
Retirement contributions	-
On-behalf payments - retirement	-
Insurance	496
On-behalf payments - insurance	-
Payroll taxes	8,713
Other	-
<u>Total</u>	<u>126,916</u>
<b>Professional Development</b>	
Dues, licenses, and registrations	10,225
Travel	-
Other	-
<u>Total</u>	<u>10,225</u>
<b>Operating Cost</b>	
Library and research	8,752
Contract services - retained attorney/legal	924,768
Contract services - non-retained attorney/legal	8,685
Contracted services - other	15,755
Lease - office	-
Lease - autos and other	-
Rental	129
Travel - transportation	-
Travel - other	-
Insurance	-
Supplies	6,696
Repairs and maintenance	-
Utilities and telephone	10,386
Other	790
<u>Total</u>	<u>975,961</u>
<b>Debt Service</b>	<u>-</u>
<b>Capital outlay</b>	<u>-</u>
<u>Total expenditures</u>	<u>1,113,102</u>

TWENTY-SEVENTH JUDICIAL DISTRICT  
INDIGENT DEFENDER FUND  
OPELOUSAS, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 5 - OTHER POST-EMPLOYMENT BENEFITS (OPEB)

The Twenty-Seventh Judicial District Indigent Defender Fund does not provide any post-employment benefits to retirees and therefore is not required to report under GASB Statement No. 45, Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions.

NOTE 6- FUND BALANCE CONSTRAINTS

The constraints on fund balance as listed in the aggregate in the Statement of Revenues, Expenditures, and Changes in Fund Balance are detailed according to the balance classification and fund.

Fund Balance:	
Nonspendable	\$ -
Restricted	
For various grants	83,172
Committed	-
Assigned	-
Unassigned	<u>283,744</u>
<u>Total fund balance</u>	<u><u>366,916</u></u>

NOTE 7 - SUBSEQUENT EVENTS

Subsequent events were evaluated through December 19, 2014, which is the date the financial statements were available to be issued. As of December 19, 2014 there were no subsequent events noted.

REQUIRED SUPPLEMENTARY INFORMATION



BUDGETARY COMPARISON SCHEDULE

TWENTY-SEVENTH JUDICIAL DISTRICT  
INDIGENT DEFENDER FUND  
OPELOUSAS, LOUISIANA  
BUDGETARY COMPARISON SCHEDULE – REVENUES AND EXPENDITURES  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2014

	<u>BUDGET</u> <u>ORIGINAL</u>	<u>ACTUAL</u>	VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>			
Court Cost	\$ 560,000	\$ 377,198	\$ (182,802)
Condition of probation	15,000	10,662	(4,338)
Criminal bond fee	61,000	68,683	7,683
Indigent defense application fee	30,000	21,131	(8,869)
District assistance fund	472,570	401,439	(71,131)
Interest	247	1,455	1,208
Miscellaneous	-	195	195
<u>Total revenues</u>	<u>1,138,817</u>	<u>880,763</u>	<u>(258,054)</u>
<u>EXPENDITURES</u>			
General government - judicial			
Current			
Retained, indigent defenders	941,720	924,768	16,952
Non-retained, indigent defenders	-	8,685	(8,685)
Rental	-	129	(129)
Dues and seminars	9,500	10,225	(725)
Salaries	111,062	117,707	(6,645)
Payroll taxes	8,496	8,713	(217)
Witness fees	15,000	6,125	8,875
Contracted services	10,000	9,630	370
Legal notices	350	38	312
Insurance	18,000	496	17,504
Telephone	13,000	10,386	2,614
Administration expense	5,000	500	4,500
Office supplies	10,000	5,104	4,896
Bank charges	-	1,592	(1,592)
Law library intergovernmental agreement	10,000	8,752	1,248
Other	-	252	(252)
<u>Total expenditures</u>	<u>1,152,128</u>	<u>1,113,102</u>	<u>39,026</u>
<u>EXCESS (DEFICIENCY) OF REVENUES</u>			
<u>OVER (UNDER) EXPENDITURES</u>			
	<u>(13,311)</u>	<u>(232,339)</u>	<u>(219,028)</u>
<u>FUND BALANCE</u> , beginning of year		<u>599,255</u>	
<u>FUND BALANCE</u> , end of year		<u>366,916</u>	

See accountant's report.

RELATED REPORTS

James L. Nicholson, Jr., CPA  
G. Kenneth Pavy, II, CPA  
Michael A. Roy, CPA  
Lisa Trouille Manuel, CPA  
Dana D. Quebedeaux, CPA



**JOHN S. DOWLING & COMPANY**  
A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

20  
John S. Dowling, CPA  
1904-1984  
John Newton Stout, CPA  
1936-2005  
Chizal S. Fontenot, CPA  
1955-2012

Retired

Harold Dupre, CPA  
1996  
Dwight Ledoux, CPA  
1998  
Joel Lanclos, Jr., CPA  
2003  
Russell J. Stelly, CPA  
2005

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS

To the Indigent Public Defender  
Twenty-Seventh Judicial District  
Indigent Defender Fund  
Opelousas, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the Twenty-Seventh Judicial District Indigent Defender Fund, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Twenty-Seventh Judicial District Indigent Defender Fund's basic financial statements, and have issued our report thereon dated December 19, 2014.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Twenty-Seventh Judicial District Indigent Defender Fund's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Twenty-Seventh Judicial District Indigent Defender Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Twenty-Seventh Judicial District Indigent Defender Fund's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and responses that we consider to be a significant deficiency listed as item 2014-1.

To the Indigent Public Defender  
Twenty-Seventh Judicial District  
Indigent Defender Fund  
Opelousas, Louisiana

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Twenty-Seventh Judicial District Indigent Defender Fund's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed two instance of noncompliance or other matters that are required to be reported under Government Auditing Standards which is described in the accompanying schedule of findings and responses as item 2014-2 and 2014-3.


### **Twenty-Seventh Judicial District Indigent Defender Fund's Response to Findings**

The Twenty-Seventh Judicial District Indigent Defender Fund's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. The Twenty-Seventh Judicial District Indigent Defender Fund's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the Twenty-Seventh Judicial District Indigent Defender Fund, its management and the appropriate regulatory agency and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

  
Opelousas, Louisiana  
December 19, 2014

TWENTY-SEVENTH JUDICIAL DISTRICT  
INDIGENT DEFENDER FUND  
OPELOUSAS, LOUISIANA  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED JUNE 30, 2014

A. SUMMARY OF AUDITOR'S RESULTS

1. We have audited the basic financial statements of the Twenty-Seventh Judicial District Indigent Defender Fund as of and for the year ended June 30, 2014, and have issued our report thereon dated December 19, 2014. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and the provisions of OMB Circular A133. Our audit of the financial statements as of June 30, 2014 resulted in an unqualified opinion.
2. One significant deficiency and no material weaknesses relating to the audit of the financial statements were reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
3. Two instances of noncompliance relating to the audit of the financial statements were reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
4. No management letter was issued for the Twenty-Seventh Judicial District Indigent Defender Fund as of and for the year ended June 30, 2014.
5. There was no single audit required under OMB Circular A-133

B. FINDINGS – FINANCIAL STATEMENT AUDIT

**Internal Control Material to the Financial Statements**

**2014-1 Inadequate Segregation of Duties within the Accounting System**

Condition: Due to the small number of employees, the Twenty-Seventh Judicial District Indigent Defender Fund did not have adequate segregation of functions within the accounting system.

Criteria: Proper internal controls dictate that the duties be segregated so that no one individual performs or controls all duties related to the accounting system.

Cause: There are a small number of employees at the Twenty-Seventh Judicial District Indigent Defender Fund performing the daily operating activities.

Effect: Without adequate segregation of duties and oversight, errors or fraud could occur and not be detected, increasing the loss or theft of assets.

Recommendation: The Twenty-Seventh Judicial District Indigent Defender Fund should ensure that no single individual controls all facets of the accounting system and that adequate supervision is implemented. Separating incompatible duties and performing supervisory review is significant in reducing risk.

TWENTY-SEVENTH JUDICIAL DISTRICT  
INDIGENT DEFENDER FUND  
OPELOUSAS, LOUISIANA  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED JUNE 30, 2014

B. FINDINGS – FINANCIAL STATEMENT AUDIT (Continued)

**Internal Control Material to the Financial Statements** (Continued)

2014-1 Inadequate Segregation of Duties within the Accounting System (Continued)

Response: Segregation of duties within the accounting system is not economically feasible in an office as small as ours. We have three clerical employees, two of which are assigned data processing task. Only one employee handles the money, and is closely supervised by the District Defender personally. Monies received from the State are deposited directly into the operating account. Monies received from the Courts are received through the mail which is usually opened by the District Defender and reviewed before being given to Office Manager/Bookkeeper for deposit. All monies paid out are done so by check. Only the District Defender can sign on the accounts. All deposits and expenditures are promptly reported to our independent CPA. Our office provides the summary of our monthly financial report to the State by the 15<sup>th</sup>. No cash is ever kept. Processing fees (\$40.00 per case) are paid by money order and are deposited into our operating account weekly. We are audited annually.

Contact person: Ed Lopez

**Compliance and other Matters**

2014-2 Budgeted Revenues Exceeded Actual Revenues by More Than Five Percent

Condition: Total budgeted revenues exceeded total actual revenues by \$258,054 which caused the percentage variance to be 22.6 percent.

Criteria: Louisiana Revised Statute (RS 39:1310-1311) states that the budget must be amended when budgeted revenues exceed actual revenues by more than five percent.

Cause: The budget was not properly amended to account for the decrease in revenues.

Effect: The budgeted revenues exceeded actual revenues by more than five percent.

Recommendation: The Twenty-Seventh Judicial District Indigent Defender Fund should budget revenues more accurately in the future to reflect actual revenues.

Response: The budget will be amended when budgeted revenues exceed revenues by more than five percent in the future.

Contact Person: Ed Lopez

2014-3 Budget Presentation

Condition: The budget was not prepared in the required format.

Criteria: The Louisiana Local Government Budget Act (RS 39:1305(c)(2)(a)) states that the budget must be presented in the specific format.

Cause: The budget was not properly presented.

Effect: The format required by the Louisiana Local Government Budget Act was not followed.

Response: All future budgets will be prepared in accordance with the Louisiana Local Budget Act.

TWENTY-SEVENTH JUDICIAL DISTRICT  
INDIGENT DEFENDER FUND  
OPELOUSAS, LOUISIANA  
SCHEDULE OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2014

SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

2013-1 Bond Insurance

Resolved

2013-2 Inadequate Segregation of Duties within the Accounting System

Repeat comment

SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

N/A

SECTION III - MANAGEMENT LETTER

N/A