

**FIFTH JUDICIAL DISTRICT
OFFICE OF THE PUBLIC DEFENDER
Oak Grove, Louisiana**

Annual Financial Statements
For the Year Ended
June 30, 2014

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**FIFTH JUDICIAL DISTRICT
OFFICE OF PUBLIC DEFENDER
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Annual Financial Statements
For the Year Ended June 30, 2014

CONTENTS

	Statement	Page
Independent Auditor's Report		1-3
Required Supplementary Information – Part I:		
Management Discussion and Analysis		5-7
Basic Financial Statements:		
Governmental Funds Balance Sheet/ Statement of Net Position	A	9
Statement of Governmental Funds Revenues, Expenditures and Changes in Fund Balances/ Statement of Activities	B	10
Notes to the Financial Statements		12-20
	Schedule	Page
Required Supplementary Information - Part II:		
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – General Fund	1	22
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		23-24
Supplementary Information:		
Schedule of Findings and Responses		26
Summary Schedule of Findings		27

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Independent Auditor's Report

To the Members of the Fifth Judicial District
Office of the Public Defender
Oak Grove, Louisiana

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities of the Fifth Judicial District Office of the Public Defender (The Office) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise The Office'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 principals 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

My responsibility is to express opinions on these 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 *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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of The Office, as of June 30, 2014, and the respective changes in financial position and 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 management's discussion and analysis and budgetary comparison information on pages 5 through 7 and 22 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 operational, economic, or historical context. I have applied certain limited procedures to the required supplementary 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise The Office's basic financial statements. The accompanying supplementary information is listed in the table of contents under Supplementary Information and is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, therefore, I express no opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated December 15, 2014, on my consideration of the Fifth Judicial District Office of the Public Defender's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal or on

compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Fifth Judicial District Office of the Public Defender (The Office's) internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Jimmie Self, CPA".

Jimmie Self, CPA
Monroe, Louisiana

December 15, 2014

Required Supplementary Information
(Part I)

Management Discussion and Analysis

**FIFTH JUDICIAL DISTRICT OFFICE OF PUBLIC DEFENDER
MANAGEMENT DISCUSSION AND ANALYSIS
As of and for the Year Ended June 30, 2014**

Our Management Discussion and Analysis (MD&A) of the Fifth Judicial District Office of Public Defender (The Office) provides an overview of the activities for the year ended June 30, 2014.

The prior period report was for a twelve month period beginning July 1, 2012 and ending June 30, 2013.

The MD&A is a format for reporting the information required by the Governmental Accounting Standards Board Statement Number 34 (known as GASB 34) which is now required for reporting the financial activities of all state and local governmental units. It is only a part of the financial report as presented in the annual financial audit for the fiscal year and should be read and considered with the financial statements, notes to the financial statements, and the audit report as a whole.

Financial Highlights

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of The Office as a whole and present a longer-term view of The Office's finances. These statements tell how these services were financed in the short term as well as what remains for future spending. The Office only maintains a general fund, which accounts for daily operations.

Our analysis of the funds maintained by The Office as a whole begins with the Statement of Net Position and the Statement of Activities. These two reports provide information about the funds maintained by The Office as a whole and about its activities in a way that helps to answer one of the most important questions asked about The Office's finances, "Is The Office, as a whole, better off or worse off as a result of the year's activities?" These statements include all assets and liabilities using the accrual basis of accounting used by most private sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash was received or paid.

These two statements report The Office's net position and changes in those assets. The net assets, the difference between the assets and the liabilities, is one way to measure the summary of the basic government-wide financial statements as follows:

**FIFTH JUDICIAL DISTRICT OFFICE OF PUBLIC DEFENDER
MANAGEMENT DISCUSSION AND ANALYSIS
As of and for the Year Ended June 30, 2014**

SUMMARY OF THE STATEMENT OF NET POSITION

June 30, 2014

TABLE I – TOTAL NET ASSETS	6/30/2013	6/30/2014
Current Assets	\$ 242,697	134,668
Investments	0	0
Receivables	28,149	28,904
Total Assets	<u>270,846</u>	<u>163,572</u>
 Current Liabilities	 0	 0
 Net Position:		
Invested in Capital Assets, Net (See Note 7)	387	130
Unassigned	270,846	163,572
Total Net Position	<u>\$ 271,233</u>	<u>\$ 163,702</u>

SUMMARY OF THE STATEMENT OF ACTIVITIES

For the Year ended June 30, 2014

TABLE 2 – CHANGE IN NET ASSETS	6/30/2013	6/30/2014
Revenues:		
Charges for Services	\$330,650	326,316
District Assistance Funds	175,208	113,073
Other	127	99
Total Revenues	<u>\$ 505,985</u>	<u>\$439,488</u>
 Expenditures		
Personal Services	\$ 480,763	505,087
Travel and Professional Development	4,040	180
Operating Services	24,865	41,495
Capital Outlay	0	257
Total Expenditures	<u>509,668</u>	<u>547,019</u>
Total Changes in Net Position	<u>\$-3683</u>	<u>\$ -107531</u>

Governmental Activities

For the prior period ended June 30, 2013, The Office's assets exceeded its liabilities by \$271,233 (Net Assets). This was a decrease of \$3,683 over the prior year.

**FIFTH JUDICIAL DISTRICT OFFICE OF PUBLIC DEFENDER
MANAGEMENT DISCUSSION AND ANALYSIS
As of and for the Year Ended June 30, 2014**

For the current year ended June 30, 2014, the Office's assets exceeded its liabilities by - 163,702. This was decrease of \$107,531 over the prior year..

Unassigned Net Assets \$163,572 represent the portion available to maintain The Office's obligation to both citizens and creditors at the close of the year ended June 30, 2014. This is a decrease of \$107,531 over the prior one year period, largely due to decline in District Attorney assistance, and an increase in professional fees.

General Fund Budgetary Highlights

The Office did not amend its General Fund Budget during the year. Actual income was \$1,888, greater than the budgeted income, due to additional monies from the Public Defender Board District Assistance Fund. Budgeted expenses were \$546,850, actual expenses were 547,019, \$169 greater than budgeted expense (unfavorable).

Capital Assets

There were \$858 capital outlays for the twelve month period ended 6/30/2013.

There were no capital outlays for the twelve month period ended 6/30/2014

Contacting The Office's Financial Management

This Management Discussion and Analysis is designed to provide our citizens and taxpayers with a general overview for the funds maintained by The Office and to show accountability for the money it receives. If you have any questions or need additional financial information, contact Fifth Judicial District Office of Public Defender, John Gathings, CPA, P.O. Box 1088, Oak Grove, Louisiana 71263.

Basic Financial Statements

FIFTH JUDICIAL DISTRICT OFFICE OF PUBLIC DEFENDER
 Oak Grove, Louisiana
 Governmental Funds Balance Sheet/Statement of Net Position
 June 30, 2014

Statement A

	General Fund	Adjustments	Statement of Net Assets
ASSETS			
Cash and cash equivalents	\$ 134,668	\$ -	\$ 134,668
Receivables	28,904	-	28,904
Total Assets	<u>\$ 163,572</u>	<u>\$ -</u>	<u>\$ 163,572</u>
LIABILITIES			
Liabilities	\$ -	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES/NET POSITION			
Fund balances:			
Unassigned	163,572		163,572
Total Fund Balances	<u>163,572</u>	<u>-</u>	<u>163,572</u>
Total Liabilities and Fund Balances	<u>\$ 163,572</u>	<u>\$ -</u>	<u>\$ 163,572</u>
NET Position			
Invested in Capital Assets, net of Related Debt (Note 7)	\$ 130		\$ 130
Total Net Position	<u>\$ 163,702</u>	<u>\$ -</u>	<u>\$ 163,702</u>

The accompanying notes are an integral part of this statement.

Statement of Governmental Fund Revenues,
Expenditures, and Changes in Fund Balances/
Statement of Activities
For the Year Ended June 30, 2014

	Judicial Expense Fund	Adjustments	Statement of Activities
EXPENDITURES/EXPENSES			
Judiciary:			
Personal services	\$ 505,087	\$ -	\$ 505,087
Travel and professional development	180	-	180
Operating services	41,495	-	41,495
Depreciation	-	257	257
Total Expenditures/Expenses	<u>546,762</u>	<u>257</u>	<u>547,019</u>
PROGRAM REVENUES			
Charges for Services	326,316	-	326,316
Net Program Expense	<u>(220,446)</u>	<u>257</u>	<u>(220,315)</u>
District Assistance Funds	113,073	-	113,073
Investment Earnings	99	-	99
Total General Revenues	<u>113,172</u>	<u>-</u>	<u>113,172</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(107,274)	(257)	(107,531)
FUND BALANCE/NET POSITION:			
Beginning of the Year	270,846	-	271,233
Net Position End of Year	<u>\$ 163,572</u>	<u>\$ 130</u>	<u>\$ 163,702</u>

* Adjustments

Capital Assets \$130 net (prior year balance of \$387), net of depreciation (\$257), are recorded on the Statement of Net Assets, but not in the fund statements of the Judicial Expense Fund.

The accompanying notes are an integral part of this statement.

Notes to the Financial Statements

**FIFTH JUDICIAL DISTRICT
OFFICE OF THE PUBLIC DEFENDER
Oak Grove, Louisiana**

Notes to the Financial Statements
For the Year Ended June 30, 2014

INTRODUCTION

The Fifth Judicial District Office of the Public Defender (The Office) was created in compliance with Louisiana Revised Statutes 15:133-149 to serve the Fifth Louisiana Judicial District in representing indigents (needy individuals) in criminal and quasi-criminal cases at the district court level. Pursuant to the passage of Act 307, district indigent defender boards throughout the state of Louisiana were dissolved and district offices of public defender were created, all serving under the direction of the Louisiana Public Defender Board headquartered in New Orleans. This change went in to effect on August 15, 2007. This local office now functions as the Fifth Judicial District Office of Public Defender under the supervision of a Chief Public Defender (domiciled within the fifth district) in charge of day to day operations, serving the Fifth Judicial District comprised of the Louisiana parishes of West Carroll, Richland, and Franklin. James M. Miller of Oak Grove, LA serves as the Chief Public Defender for the Fifth District.

Accounting Standards

The Office complies with accounting principles generally accepted in the United States of America (GAAP). GAAP includes all Relevant Government Accounting Standards Board (GASB) Pronouncements. In the government-wide financial statements, Financial Accounting Standards Board (FASB) Pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The accounting framework and the more significant accounting policies are discussed in subsequent sections of this note. .

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying basic financial statements of the Fifth Judicial District Office of the Public Defender have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis – for State and Local Governments*, issued in June 1999.

**FIFTH JUDICIAL DISTRICT
OFFICE OF THE PUBLIC DEFENDER
Oak Grove, Louisiana**

Notes to the Financial Statements
For the Year Ended June 30, 2014

B. REPORTING ENTITY

The accompanying financial statements present information only on the funds maintained by the board and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. FUND ACCOUNTING

The Office uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain board functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

Governmental Funds

Governmental funds account for all The Office's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the board. The following are The Office governmental funds:

General Fund - the primary operating fund of The Office and it accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to board policy.

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Fund Financial Statements (FFS)

The amounts reflected in the General Fund and Other Funds, of Statements A and B, are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is

**FIFTH JUDICIAL DISTRICT
OFFICE OF THE PUBLIC DEFENDER
Oak Grove, Louisiana**

Notes to the Financial Statements
For the Year Ended June 30, 2014

then reconciled, through adjustment, to a government-wide view of The Office operations.

The amounts reflected in the General Fund and Other Funds, of Statements A and B use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Office considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Revenues to finance The Office's operations are primarily provided from court costs on fines imposed by the Court. Supplemental grants are also received from the State of Louisiana to provide additional funds for the operation of The Office.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related funds become a liability.

Government Wide Financial Statements (GWFS)

The column labeled Statement of Net Position (Statement A) and the column labeled Statement of Activities (Statement B) display information about the board as a whole. These statements include all the financial activities of The Office. Information contained in these columns reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from non exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Non exchange Transactions*, when applicable.

**FIFTH JUDICIAL DISTRICT
OFFICE OF THE PUBLIC DEFENDER
Oak Grove, Louisiana**

Notes to the Financial Statements
For the Year Ended June 30, 2014

Program Revenues - Program revenues included in the column labeled Statement of Activities (Statement B) are derived directly from board users as a fee for services; program revenues reduce the cost of the function to be financed from The Office's general revenues.

E. BUDGETS

The Office uses the following budget practices:

Prior to the last month of the fiscal period, the accounting firm submits to The Office a proposed operating budget for the year beginning on the first day of the upcoming fiscal period. The operating budget includes proposed expenditures and the means of financing them. The budget is submitted in summary form.

Formal budgetary integration is employed as a management control device during the year for the General Fund. Appropriations lapse at year end.

The Board members may authorize supplemental appropriations during the year.

F. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, The Office may deposit funds in demand deposits, interest-bearing demand deposits, 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.

G. INVESTMENTS

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955 and The Office investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

H. CAPITAL ASSETS

Capital assets are capitalized at historical cost.. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Office maintains a threshold level of \$500 or more for capitalizing capital assets.

**FIFTH JUDICIAL DISTRICT
OFFICE OF THE PUBLIC DEFENDER
Oak Grove, Louisiana**

Notes to the Financial Statements
For the Year Ended June 30, 2014

Capital assets are recorded in the Statement of Net Assets and Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets are depreciated using the straight-line method over the following useful lives:

<u>Description of Items</u>	<u>Estimated Lives</u>
Equipment	5-10 years

I. COMPENSATED ABSENCES

The Office has one part-time employee. There are no provisions made for compensated absences.

J. RESTRICTED NET ASSETS

For government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are imposed by grantors, contributors, or laws or regulations.

K. FUND EQUITY

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Any designations of fund balance represent tentative management plans that are subject to change.

L. 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.

**FIFTH JUDICIAL DISTRICT
OFFICE OF THE PUBLIC DEFENDER
Oak Grove, Louisiana**

Notes to the Financial Statements
For the Year Ended June 30, 2014

NOTE 2. CASH AND CASH EQUIVALENTS

At June 30, 2014, The Office has cash and cash equivalents (book balances) totaling \$134,668 as follows:

Demand Deposits	\$ 134,668
-----------------	------------

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At June 30, 2014, The Office has \$134,668 (collected bank balances). These deposits are secured from risk by \$250,000 of federal deposit insurance and. (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 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 Office that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 3. INVESTMENTS

Investments are categorized into three categories of credit risk:

1. Insured or registered, or securities held by The Office or its agent in The Office's name
2. Uninsured and unregistered, with securities held by the counter party's trust department or agent in The Office's name.
3. Uninsured and unregistered, with securities held by the counter party, or by its trust department or agent but not in The Office's name.

At fiscal year-end, The Office had no investments.

**FIFTH JUDICIAL DISTRICT
OFFICE OF THE PUBLIC DEFENDER
Oak Grove, Louisiana**

Notes to the Financial Statements
For the Year Ended June 30, 2014

NOTE 4. RECEIVABLES

The receivables of \$28,904 at June 30, 2014 are as follows:

Charges for Services	28,904	28,904
Total	28,904	28,904

The Office has no bad debt policy, since all accounts are current.

NOTE 5. District Funds

The Office received District Funds in the amount of \$113,073 during the year ending June 30, 2014 to assist in providing operating revenues.

NOTE 6. RECONCILIATION

The reconciliation of the items reflected in the funds columns to the Statement of Activities (Statement B) and Statement of Net Assets (Statement A)

Total Fund Balance for Governmental Funds	163,572
Add Capital Assets, Net	130
Total Net Position of Governmental Funds	\$ 163,702

NOTE 7. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2014, is as follows:

Governmental Activities	Begin. Bal	Additions	Accum Deprec	Current Deprec	Balance
Equipment - 7/01/13	11,430	-	11,043	257	130
Total 6/30/14	11,430		11,043	257	130

NOTE 8. PENSION PLAN

There are no provisions made for a pension plan.

**FIFTH JUDICIAL DISTRICT
OFFICE OF THE PUBLIC DEFENDER
Oak Grove, Louisiana**

Notes to the Financial Statements
For the Year Ended June 30, 2014

NOTE 9. OTHER POST-EMPLOYMENT BENEFITS

There are no provisions made for other post-employment benefits.

NOTE 10. ACCOUNTS, SALARIES, AND OTHER PAYABLES

There are no accounts, salaries, and other payables for which this audit must account.

NOTE 11. RISK MANAGEMENT

The Fifth Judicial District Office of Public Defender may have various suits which are brought against the practicing attorneys who are retained to plead the indigent cases before the Fifth Judicial District Court. Insurance which is necessary for the protection of the individual attorneys is purchased and paid by each attorney. Insurance coverage is underwritten by the Continental Casualty Company through the Louisiana State Bar Association. The Fifth Judicial District Office of Public Defender has not paid any malpractice insurance premiums.

NOTE 12. LITIGATION AND CLAIMS

There are no currently pending matters of litigation and claims against The Office.

NOTE 13. SUBSEQUENT EVENTS

Subsequent events were evaluated by management up to and including the issue date of this report, December 15, 2014. There were no subsequent events noted which would affect the financial statements for the year ended June 30, 2014.

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NOTE 14 - GOVERNMENTAL FUND REVENUES AND EXPENDITURES

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

			NOTES
Revenues:			
State Government			
Appropriations - general			
Appropriations - special			
Revenue sharing			
District Assistance Fund	\$	113,073	
On-behalf payments			
Other			
Total			
Local Government			
Appropriations - general			
Appropriations - special			
Grants			
Statutory fines, forfeitures, fees, court costs, and other			
Taxes - millages, sales, special, and other			
Criminal court fund			
On-behalf payments			
Other			
Total			
Federal Government			
Grants - direct			
Grants - indirect (passed-through state)			
Total			
Other Grants and Contributions			
Non-profit organizations			
Private organizations			
Corporate			
Other			
Total			
Charges for Services		326,318	
Investment earnings		99	
Miscellaneous			
Total Revenues	\$	439,488	
Expenditures:			
Personnel Services and Benefits			
Salaries	\$	10,800	
On-behalf payments - salaries			
Retirement contributions			
On-behalf payments - retirement		521	
Insurance			
On-behalf payments - insurance			
Payroll taxes			
Other			
Total		11,321	
Professional Development			
Dues, licenses, and registrations		-	
Travel		180	
Other		-	
Total		180	
Operating Costs			
Library and research			
Contract services - attorney/legal		483,008	
Contract services - other		39,500	
Lease - office			
Lease - autos and other			
Travel - transportation			
Travel - other			
Insurance			
Supplies		12,753	
Repairs and maintenance			
Utilities and telephone			
Other		257	Depreciation
Total		535,518	
Debt Service			
Capital outlay			
Total Expenditures	\$	547,019	

Required Supplementary Information
(Part II)

**Statement of Revenues, Expenditures,
and Changes in Fund Balances
Budget (GAAP Basis) and Actual
General Fund**

For the Year Ended June 30, 2014

	Original Budget	General Fund Actual	Variance Favorable (Unfavorable)
Revenues:			
District Assistance Fund	\$ 110,000	\$ 113,073	\$ 3,073
Charges for Services	327,600	326,316	\$ (1,284)
Interest Revenue	-	99	\$ 99
Total	<u>437,600</u>	<u>439,488</u>	<u>1,888</u>
Expenditures:			
Travel and Professional Development	7,200	7,082	118
Salaries	10,000	10,800	(800)
Payroll Taxes	1,000	1,042	(42)
Audit/Accounting Expenses	8,000	8,183	(183)
Miscellaneous	-	545	(545)
Office Expense	17,000	17,421	(421)
Depreciation Expense	-	257	(257)
Professional Fees	460,000	457,404	2,596
Professional Fees-Other	4,400	4,785	(385)
Professional Fees	39,250	39,500	(250)
Total Expenses	<u>546,850</u>	<u>547,019</u>	<u>(169)</u>
Net change in fund balance	(109,250)	(107,531)	(1,719)
Fund Balance - Beginning of Year	109,979	271,233	(161,254)
Fund Balance - End of Year	<u>\$ 729</u>	<u>\$ 163,702</u>	<u>\$ (162,973)</u>

NOTE:

There were no amendments to the budget during the year ended June 30, 2014

See Independent Auditor's Report

44Jimmie Self, CPA
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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*

Fifth Judicial District Office of Public Defender
Oak Grove, Louisiana

I 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 as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Fifth Judicial District Office of the Public Defender's basic financial statements and have issued my report thereon dated December 15, 2014.

Internal Control over Financial Reporting

In planning and performing my audit of the financial statements, I considered The Office's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of The Office's internal control. Accordingly, I do not express an opinion on the effectiveness of The Office'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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of The Office's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a 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.

My 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 my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified. I did identify certain

deficiencies in internal control, described in the accompanying schedule of findings and responses that I consider to be significant deficiencies in internal control over financial reporting. They are described in the accompanying schedule of findings and responses as items #2014-01.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether The Office's financial statements are free from material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, which are described in the accompanying schedule of findings and responses as items # 2014-01.

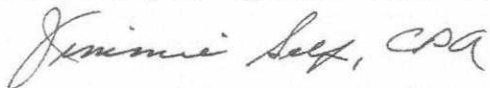
Fifth Judicial District Office of the Public Defender's Response to Findings

The Office's response to the findings identified in my audit is described in the accompanying schedule of findings and responses. The Office's response was not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, I express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Office'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 Office's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the management of The Office, others within The Office, and the Louisiana Legislative Auditor and federal awarding agencies and pass-through entities, where applicable, 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 Legislative Auditor as a public document.



Jimmie Self, CPA
Monroe, Louisiana
December 15, 2014

Supplementary Information

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SCHEDULE OF FINDINGS AND RESPONSES

Fifth Judicial District Office of the Public Defender
Oak Grove, Louisiana

Findings for the Year Ended June 30, 2014

FINDING 2014-1

CRITERIA: Duties should be distributed among several employees

CONDITION: Inadequate segregation of duties

CONTEXT: The PD Office has a small work force in place for handling the duties of the office personnel.

EFFECT OF CONDITION: Internal control is weakened by the limited staff

CAUSE OF CONDITION: The staff consists of only a clerk.

RECOMMENDATION: Hire more employees and redistribute duties.

CLIENT RESPONSE: Management states this cannot be remedied due to lack of funds and duties as they exist at the present time are part-time.

Findings for the Prior Year Ended June 30, 2013

FINDING 2013-1

CRITERIA: Duties should be distributed among several employees

CONDITION: Inadequate segregation of duties

CONTEXT: The PD Office has a small work force in place for handling the duties of the office personnel.

EFFECT OF CONDITION: Internal control is weakened by the limited staff

CAUSE OF CONDITION: The staff consists of only a clerk.

RECOMMENDATION: Hire more employees and redistribute duties.

CLIENT RESPONSE: Management states this cannot be remedied due to lack of funds and duties as they exist at the present time are part-time.

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SUMMARY SCHEDULE OF FINDINGS
Fifth Judicial District Office of the Public Defender
Oak Grove, Louisiana
For the Year Ended June 30, 2014

I have audited the financial statements of Fifth Judicial District Office of the Public Defender as of and for the year ended June 30, 2014 and have issued my report dated December 15, 2014. I conducted my audit in accordance with generally accepted auditing standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My audit of the financial statements as of June 30, 2014 resulted in an unqualified opinion (qualified, adverse, disclaimer).

Section I Summary of Auditor's Reports

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses yes no Internal Control Deficiencies yes no

Compliance

Compliance material to Financial Statements yes no

b. Federal Awards: None

c. Identification of major Programs:

None.