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DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT

LAFOURCHE PARISH, LOUISIANA

FINANCIAL REPORT,
INTERNAL CONTROL AND COMPLIANCE REPORTS

DECEMBER 31, 1995

under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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 7-31-96



STAGNI & COMPANY, LLC, CPAs

ACCOUNTANTS & CONSULTANTS

**DISTRICT ATTORNEY OF THE
SEVENTEENTH JUDICIAL DISTRICT
LAFOURCHE PARISH, LOUISIANA**

**FINANCIAL REPORT,
INTERNAL CONTROL AND COMPLIANCE REPORTS**

DECEMBER 31, 1995



***DISTRICT ATTORNEY OF THE SEVENTEENTH
JUDICIAL DISTRICT
Lafourche Parish, Louisiana***

**FINANCIAL REPORT,
INTERNAL CONTROL AND COMPLIANCE REPORTS**

As of and for the year ended December 31, 1995

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***DISTRICT ATTORNEY OF THE SEVENTEENTH
JUDICIAL DISTRICT
Lafourche Parish, Louisiana***

**FINANCIAL REPORT,
INTERNAL CONTROL AND COMPLIANCE REPORTS**

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***DISTRICT ATTORNEY OF THE SEVENTEENTH
JUDICIAL DISTRICT
Lafourche Parish, Louisiana***

**FINANCIAL REPORT,
INTERNAL CONTROL AND COMPLIANCE REPORTS**

As of and for the year ended December 31, 1995

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FINANCIAL SECTION





STAGNI & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS
CONSULTANTS

INDEPENDENT AUDITOR'S REPORT

Honorable Walter Naquin, Jr.
District Attorney of the Seventeenth Judicial District
Lafourche Parish, Louisiana

We have audited the accompanying general purpose financial statements of the District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana, a component unit of the Lafourche Parish Council, as of and for the year ended December 31, 1995, as listed in the table of contents. These financial statements are the responsibility of the District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards; *Government Auditing Standards*, issued by the Comptroller General of the United States; and the provisions of Office of Management and Budget Circular A-128, *Audits of State and Local Governments*. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana, as of December 31, 1995, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

Honorable Walter Naquin, Jr.
District Attorney of the Seventeenth Judicial District
Lafourche Parish, Louisiana
Page 2

In accordance with *Government Auditing Standards*, we have also issued a report dated February 2, 1996, on our consideration of the District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana's internal control structure and a report dated February 2, 1996, on its compliance with laws and regulations.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund and account group financial statements listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

Stagni & Company

Thibodaux, Louisiana
February 2, 1996



Statement A

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
LAFOURCHE PARISH, LOUISIANA

Combined Balance Sheet - All Fund Types and Account Group

December 31, 1995

| | Governmental Fund Types | | Account Group | Totals (Memorandum Only) |
|--|-------------------------|-----------------------------|----------------------------|--------------------------------|
| | General Fund | Special Revenue Funds | General Fixed Assets | |
| <u>ASSETS</u> | | | | |
| Cash and Cash Equivalents | \$145,057 | \$376,873 | | \$521,930 |
| Due from Other Funds | 477 | 17,113 | | 17,590 |
| Grant Receivable | | 14,177 | | 14,177 |
| Prepaid Expenditures | | 439 | | 439 |
| Fixed Assets | | | \$107,794 | 107,794 |
| TOTAL ASSETS | \$145,534 | \$408,602 | \$107,794 | \$661,930 |
| <u>LIABILITIES, EQUITY, AND OTHER CREDITS</u> | | | | |
| Liabilities: | | | | |
| Accrued Benefits | | \$559 | | \$559 |
| Deferred Revenue | | 30,000 | | 30,000 |
| Due to Lafourche Parish Council | | 6,974 | | 6,974 |
| Due to Other Funds | | 17,590 | | 17,590 |
| Total liabilities | | 55,123 | | 55,123 |
| Equity and other credits: | | | | |
| Investment in General Fixed Assets | | | \$107,794 | 107,794 |
| Fund Balance - unreserved - - undesignated | \$145,534 | 353,479 | | 499,013 |
| Total equity and other credits | 145,534 | 353,479 | 107,794 | 606,807 |
| TOTAL LIABILITIES, EQUITY AND OTHER CREDITS | \$145,534 | \$408,602 | \$107,794 | \$661,930 |

See notes to financial statements.

**DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
LAFOURCHE PARISH, LOUISIANA**

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -
All Governmental Fund Types

For the year ended December 31, 1995

| | <u>General Fund</u> | <u>Special Revenue Funds</u> | <u>Total (Memorandum Only)</u> |
|---|-------------------------|--------------------------------------|--|
| <u>REVENUES</u> | | | |
| Commissions | \$71,696 | \$188,569 | \$260,265 |
| Grant income | | 216,682 | 216,682 |
| Interest | 3,631 | 6,770 | 10,401 |
| Miscellaneous | 88 | 808 | 896 |
| Total Revenues | <u>75,415</u> | <u>412,829</u> | <u>488,244</u> |
| <u>EXPENDITURES</u> | | | |
| Current: | | | |
| General government - judicial | | | |
| Personnel services | | 175,762 | 175,762 |
| Travel and conventions | 23,640 | 573 | 24,213 |
| Office operations | 39,462 | 4,200 | 43,662 |
| Dues and subscriptions | 11,368 | | 11,368 |
| Postage | 1,040 | 7,500 | 8,540 |
| Pension benefits | | 10,420 | 10,420 |
| Insurance | 58,511 | 2,252 | 60,763 |
| IV-D program expenditures | | 80,084 | 80,084 |
| Total current expenditures | <u>134,021</u> | <u>280,791</u> | <u>414,812</u> |
| Capital Outlay | <u>8,863</u> | | <u>8,863</u> |
| Total Expenditures | <u>142,884</u> | <u>280,791</u> | <u>423,675</u> |
| Excess (Deficiency) of Revenues Over Expenditures | (67,469) | 132,038 | 64,569 |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | |
| Operating transfers in (out) | <u>70,000</u> | <u>(70,000)</u> | <u>0</u> |
| EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES | 2,531 | 62,038 | 64,569 |
| FUND BALANCES, Beginning of year | <u>143,003</u> | <u>291,441</u> | <u>434,444</u> |
| FUND BALANCES, End of year | <u>\$145,534</u> | <u>\$353,479</u> | <u>\$499,013</u> |

See notes to financial statements.

**DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
LAFOURCHE PARISH, LOUISIANA**

Statement of Revenues, Expenditures, and Changes in Cash Balances -
Budget (Non-GAAP) and Actual - General Fund

For the year ended December 31, 1995

| <u>REVENUES</u> | <u>Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|------------------|------------------|---|
| Commissions | \$72,200 | \$71,696 | (\$504) |
| Interest | 1,300 | 1,049 | (251) |
| Miscellaneous | 0 | 88 | 88 |
| Total Revenues | <u>73,500</u> | <u>72,833</u> | <u>(667)</u> |
| | | | |
| <u>EXPENDITURES</u> | | | |
| Current: | | | |
| General government - judicial | | | |
| Travel and conventions | 21,100 | 23,640 | (2,540) |
| Office operations | 45,500 | 39,462 | 6,038 |
| Dues and subscriptions | 10,000 | 11,368 | (1,368) |
| Postage | 700 | 1,040 | (340) |
| Insurance | 69,400 | 58,988 | 10,412 |
| Total current expenditures | <u>146,700</u> | <u>134,498</u> | <u>12,202</u> |
| Capital Outlay | <u>10,000</u> | <u>8,863</u> | <u>1,137</u> |
| Total Expenditures | <u>156,700</u> | <u>143,361</u> | <u>13,339</u> |
| Excess (Deficiency) of Revenues Over Expenditures | (83,200) | (70,528) | 12,672 |
| | | | |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | |
| Operating transfers in (out) | <u>80,000</u> | <u>70,000</u> | <u>(10,000)</u> |
| | | | |
| EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES | (3,200) | (528) | 2,672 |
| CASH BALANCES, Beginning of year | <u>143,161</u> | <u>140,629</u> | <u>(2,532)</u> |
| CASH BALANCES, End of year | <u>\$139,961</u> | <u>\$140,101</u> | <u>\$140</u> |

See notes to financial statements.

**DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
LAFOURCHE PARISH, LOUISIANA**

Combined Statement of Revenues, Expenditures, and Changes in Cash Balances -
Budget (Non-GAAP) and Actual - Special Revenue Funds

For the year ended December 31, 1995

| <u>REVENUES</u> | <u>Budget</u> | <u>Actual</u> | <u>Favorable (Unfavorable)</u> |
|---|------------------|------------------|------------------------------------|
| Commissions | \$193,000 | \$188,569 | (\$4,431) |
| Grant Income | 115,000 | 217,851 | 102,851 |
| Interest | 3,100 | 7,050 | 3,950 |
| Miscellaneous | 0 | 885 | 885 |
| Total Revenues | <u>311,100</u> | <u>414,355</u> | <u>103,255</u> |
| <u>EXPENDITURES</u> | | | |
| Current: | | | |
| General government - judicial | | | |
| Personnel services | 162,530 | 177,704 | (15,174) |
| Travel and conventions | 0 | 573 | (573) |
| Office operations | 9,050 | 4,398 | 4,652 |
| Postage | 9,000 | 7,500 | 1,500 |
| Pension benefits | 0 | 10,152 | (10,152) |
| Insurance | 2,700 | 2,252 | 448 |
| IV-D program expenditures | 0 | 91,346 | (91,346) |
| Total current expenditures | <u>183,280</u> | <u>293,925</u> | <u>(110,645)</u> |
| Excess (Deficiency) of Revenues Over Expenditures | 127,820 | 120,430 | (7,390) |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | |
| Operating transfers in (out) | <u>(72,200)</u> | <u>(70,000)</u> | <u>2,200</u> |
| EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES | 55,620 | 50,430 | (5,190) |
| CASH BALANCES, Beginning of year | <u>326,441</u> | <u>326,443</u> | <u>2</u> |
| CASH BALANCES, End of year | <u>\$382,061</u> | <u>\$376,873</u> | <u>(\$5,188)</u> |

See notes to financial statements

***DISTRICT ATTORNEY OF THE SEVENTEENTH
JUDICIAL DISTRICT
Lafourche Parish, Louisiana***

Notes to the Financial Statements

Note 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Article V, Section 26 of the Louisiana Constitution of 1974, the District Attorney has charge of every criminal prosecution by the state in his district, is the representative of the state before the grand jury in his district, and is the legal advisor to the grand jury. He performs other duties as provided by law. The District Attorney is elected by the qualified electors of the judicial district for a term of six years. The judicial district encompasses Lafourche Parish, Louisiana.

The financial statements of the District Attorney of the Seventeenth Judicial District (District Attorney), Lafourche Parish, Louisiana have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the District Attorney are described below:

A. Reporting Entity

For financial reporting purposes, in conformance with GASB Codification Section 2100, the District Attorney is a part of the district court system of the State of Louisiana. The District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana is a component unit of the Lafourche Parish Council as defined by GASB 14. District Attorneys are independently elected officials and are legally separate from their respective parish councils. The District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana is fiscally dependent on the Lafourche Parish Council for office space and some operating expenditures. The substance of the relationship between the District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana and the Lafourche Parish Council is that the Lafourche Parish Council has approval authority over its capital budget.

**DISTRICT ATTORNEY OF THE SEVENTEENTH
JUDICIAL DISTRICT
Lafourche Parish, Louisiana**

Notes to the Financial Statements (Continued)

Note 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)**

B. Fund Accounting

The District Attorney uses funds and account groups 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 related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, 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.

Funds are classified into three categories: governmental, proprietary, and fiduciary. Furthermore, each category is divided into separate "fund types." The funds which the District Attorney uses are governmental funds. The operations of the District Attorney's office require only the use of two types of governmental funds. The collection and disbursement of earmarked monies are accounted for as special revenue funds. The general fund is used to account for all activities of the general government not accounted for in these special revenue funds.

C. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e. revenues and other financing uses) and decreases (i.e. expenditures and other financing uses) in net current assets.

**DISTRICT ATTORNEY OF THE SEVENTEENTH
JUDICIAL DISTRICT
Lafourche Parish, Louisiana**

Notes to the Financial Statements (Continued)

Note 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)**

C. Basis of Accounting, (Continued)

The modified accrual basis of accounting is used by all governmental fund types. 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 the amount is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred.

Those revenues susceptible to accrual include grant revenues that have not yet been received. Interest earned is recorded when credited to the District Attorney's account. A fee for collecting worthless checks is recorded when collected by the District Attorney's office.

D. Operating Budgetary Data

Budgets are adopted on a cash basis which is not consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the general fund and special revenue funds. All annual appropriations lapse at fiscal year end. Formal budgetary integration is employed as part of the accounting system, and the budget is amended by supplemental appropriations as needed to comply with state law.

Encumbrances represent commitments related to unperformed contracts for goods or services. The District Attorney's office does not use an encumbrance system.

E. Cash and Cash Equivalents

Cash and cash equivalents include demand deposits of the District Attorney of the Seventeenth Judicial District.

***DISTRICT ATTORNEY OF THE SEVENTEENTH
JUDICIAL DISTRICT
Lafourche Parish, Louisiana***

Notes to the Financial Statements (Continued)

Note 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

F. Receivables

The receivable amounts are made up of amounts due on reimbursement and formula grants. No reserve for uncollectables is considered necessary for these receivables.

G. Fixed Assets

General fixed assets are not capitalized in the governmental funds used to acquire them. Instead, capital acquisition is reflected as an expenditure in the governmental funds, and the related assets are reported in the General Fixed Asset Account Group. All purchased fixed assets by the District Attorney are valued at acquisition cost. All other fixed assets used in the District Attorney's office are provided by the Lafourche Parish Council and are accounted for in the General Fixed Asset Account Group of the Council.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Assets in the General Fixed Asset Account Group are not depreciated.

H. Compensated Absences

All individuals who work at the District Attorney's Office are primarily employees of the Lafourche Parish Council; therefore, no liability for compensated absences is recorded in the District Attorney's financial statements. Vacation and sick leave do not accumulate.

**DISTRICT ATTORNEY OF THE SEVENTEENTH
JUDICIAL DISTRICT
Lafourche Parish, Louisiana**

Notes to the Financial Statements (Continued)

Note 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)**

I. Interfund Transactions

Quasi-external transactions are accounted for as revenues or expenditures. Interfund transactions on the other hand are reported as transfers. Non-recurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

J. Memorandum Only - Total Columns

The total column on the financial statements is captioned Memorandum Only (overview) 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. Interfund eliminations have not been made in the aggregation of this data.

Note 2 **DEPOSITS**

Under state law, the District Attorney may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. Furthermore, the District Attorney may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

State law also requires that deposits be fully collateralized at all times. Acceptable collateralization includes the \$100,000 FDIC/FSLIC insurance and the market value of securities purchased and pledged. Obligations of the United States, the State of Louisiana and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the District Attorney or with an unaffiliated bank or trust company for the account of the District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana.

**DISTRICT ATTORNEY OF THE SEVENTEENTH
JUDICIAL DISTRICT
Lafourche Parish, Louisiana**

Notes to the Financial Statements (Continued)

Note 2 **DEPOSITS, (Continued)**

Under the provision of GASB, pledged securities which are not in the name of the governmental unit are considered uncollateralized.

A summary of cash and cash equivalents and the security pledged to them are listed as follows:

| | |
|--|-------------------|
| Cash and Cash equivalents - carrying amount | \$ 521,930 |
| Bank balance of deposits | 535,868 |
| Portion of insured by FDIC/FSLIC | 100,000 |
| Balance unsecured and uncollateralized under GAAP provision | 435,868 |
| Pledged securities under Louisiana law | 499,248 |
| Amount unsecured under Louisiana law | \$ 0 |

Note 3 **FIXED ASSETS**

Changes in the general fixed asset account group during the year are summarized as follows:

| | |
|-----------------------------------|------------------|
| Balance, January 1, 1995 | \$112,186 |
| Additions | 8,863 |
| Deletions and Adjustments | (13,255) |
| Balance, December 31, 1995 | \$107,794 |

An adjustment was made to the beginning balance of general fixed assets for assets erroneously recorded on the District Attorney's records that were assets belonging to the Lafourche Parish Council.

**DISTRICT ATTORNEY OF THE SEVENTEENTH
JUDICIAL DISTRICT
Lafourche Parish, Louisiana**

Notes to the Financial Statements (Continued)

Note 4 **POST-EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS**

The District Attorney currently pays the employee portion of health care and life insurance benefits and the parish council pays the employer portion. There is no formal policy concerning retiree benefits, but the District Attorney will continue to pay the retiree's portion upon request. The District Attorney paid \$2,367 in post retirement benefits for health insurance for one retiree at December 31, 1995.

Note 5 **LITIGATION AND CLAIMS**

At December 31, 1995, there is no litigation pending against the District Attorney that is susceptible to accrual in accordance with statements of Financial Accounting Standards No. 5.

Note 6 **PENSION PLANS**

All individuals who work at the District Attorney's offices are paid by the Lafourche Parish Council and are consequently members of the Lafourche Parish Employees Retirement System. The District Attorney and assistant District Attorneys are members of the Louisiana District Attorneys Retirement System. GASB requires certain disclosure for employers who maintain retirement plans for their employees. All individuals at the District Attorney's office are compensated by others who disclose the required retirement plan information in their separately issued financial statements. Both retirement plans mentioned above are administered and controlled by separate boards of trustees.

Note 7 **EXPENDITURES OF THE DISTRICT ATTORNEY
NOT INCLUDED IN THE FINANCIAL STATEMENTS**

The accompanying financial statements do not include certain expenditures of the District Attorney paid out of the funds of the criminal court, the Lafourche Parish Council or directly by the state. The salaries of the District Attorney and the assistant District Attorneys are paid by the state and the Lafourche Parish Council. The salaries of the office staff are paid by the Lafourche Parish Council.

**DISTRICT ATTORNEY OF THE SEVENTEENTH
JUDICIAL DISTRICT
Lafourche Parish, Louisiana**

Notes to the Financial Statements (Continued)

Note 8 **BUDGETARY REPORTING**

The accompanying Statements of Revenues, Expenditures and Changes in Cash Balances - Budget (Non-GAAP Basis) and Actual, presents comparisons of the District Attorney's adopted budget (more fully described in note 1) with actual data on a budgetary basis. The budget is prepared on a cash basis which is not GAAP.

The revenues and expenditures shown on the Combined Statements of Revenues, Expenditures and Changes in Fund Balances are reconciled with amounts reflected on the budget comparisons as follows:

| | General Fund | Special Revenue Funds |
|---|--------------|-----------------------|
| Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses (GAAP Basis) | \$ 2,531 | \$ 62,038 |
| (Increase) decrease in revenues and receivables | (3,059) | 1,527 |
| Increase (decrease) in notes payable, accounts payable and accrued liabilities | 0 | (13,135) |
| Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses (Budgetary Basis) | \$ (528) | \$ 50,430 |

**DISTRICT ATTORNEY OF THE SEVENTEENTH
JUDICIAL DISTRICT
Lafourche Parish, Louisiana**

Notes to the Financial Statements (Continued)

Note 9 **EXPENDITURES - EXCESS OF ACTUAL OVER BUDGETED**

Individual funds had actual expenditures over budgeted expenditures for the year ended December 31, 1995 as described below:

| Fund | Budget | Actual | Unfavorable Variance |
|---|------------|------------|-------------------------|
| Special Revenue Funds: Assessment Fund | \$ 111,000 | \$ 135,373 | \$ (24,373) |
| Child Support Incentive | \$ 36,030 | \$ 125,438 | \$ (89,408) |
| Intervention | \$ 24,000 | \$ 24,030 | \$ (30) |

Note 10 **DEFERRED COMPENSATION PLAN**

In 1993, employees of the District Attorney's Office, through the Parish, began to participate in a deferred compensation program. The District Attorney's office contributes \$20 per pay period or \$520 per year, per employee, regardless of whether the employee participates in the program. The District Attorney contributed \$9,125 for the year ending December 31, 1995.

The practice of the District Attorney's office contributing to the deferred compensation plan was discontinued during this fiscal year; however, employees are still able to contribute through payroll deductions.

The District Attorney's Office has the responsibility for withholding and remitting contributions to the Parish for participants to the plan. The Louisiana Deferred Compensation Plan serves as administrator and has the responsibility for maintaining a deferred account with respect to each participant's account in accordance with the participant's investment specification.

SUPPLEMENTAL INFORMATION
SECTION



DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
LAFOURCHE PARISH, LOUISIANA

Combining Balance Sheet - Special Revenue Funds

December 31, 1995

| | Assessment Fund | Worthless Check Collection Fund | Child Support Incentive Fund | Intervention Fund | Asset Forfeiture Fund | Bond Forfeiture Fund | Total |
|--|-----------------|---------------------------------|------------------------------|-------------------|-----------------------|----------------------|------------------|
| <u>ASSETS</u> | | | | | | | |
| Cash and Cash Equivalents | \$93,835 | \$96,453 | \$120,160 | \$32,223 | \$10,587 | \$23,615 | \$376,873 |
| Due from Other Funds | 2,113 | | 14,177 | 15,000 | | | 17,113 |
| Grant Receivable | | | 439 | | | | 14,177 |
| Prepaid Expenditures | | | | | | | 439 |
| TOTAL ASSETS | <u>\$95,948</u> | <u>\$96,453</u> | <u>\$134,776</u> | <u>\$47,223</u> | <u>\$10,587</u> | <u>\$23,615</u> | <u>\$408,602</u> |
| <u>LIABILITIES, EQUITY, AND OTHER CREDITS</u> | | | | | | | |
| Liabilities: | | | | | | | |
| Accrued Benefits | \$559 | | | | | | \$559 |
| Deferred Revenue | 15,000 | | | \$15,000 | | | 30,000 |
| Due to Lafourche Parish Council | | | \$6,974 | | | | 6,974 |
| Due to Other Funds | 15,000 | | 2,590 | | | | 17,590 |
| Total liabilities | <u>30,559</u> | | <u>9,564</u> | <u>15,000</u> | | | <u>55,123</u> |
| Equity and other credits: | | | | | | | |
| Fund Balance - unreserved - undesignated | 65,389 | \$96,453 | 125,212 | 32,223 | \$10,587 | \$23,615 | 353,479 |
| TOTAL LIABILITIES, EQUITY AND OTHER CREDITS | <u>\$95,948</u> | <u>\$96,453</u> | <u>\$134,776</u> | <u>\$47,223</u> | <u>\$10,587</u> | <u>\$23,615</u> | <u>\$408,602</u> |

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
LAFOURCHE PARISH, LOUISIANA

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Special Revenue Funds

For the year ended December 31, 1995

| | Assessment Fund | Worthless Check Collection Fund | Child Support Incentive Fund | Intervention Fund | Asset Forfeiture Fund | Bond Forfeiture Fund | Total |
|---|-----------------|---------------------------------|------------------------------|-------------------|-----------------------|----------------------|------------------|
| REVENUES | | | | | | | |
| Commissions | \$91,145 | \$60,908 | | \$9,840 | | \$26,676 | \$188,569 |
| Grant income | 20,000 | | \$175,849 | 15,000 | \$5,833 | | 216,682 |
| Interest | 2,971 | 1,222 | 1,648 | 443 | 158 | 328 | 6,770 |
| Miscellaneous | | | | | 808 | | 808 |
| Total Revenues | <u>114,116</u> | <u>62,130</u> | <u>177,497</u> | <u>25,283</u> | <u>6,799</u> | <u>27,004</u> | <u>412,829</u> |
| EXPENDITURES | | | | | | | |
| Current: | | | | | | | |
| General government - judicial | | | | | | | |
| Personnel services | 121,757 | | 30,230 | 23,775 | | | 175,762 |
| Travel and conventions | | | 317 | 256 | | | 573 |
| Office operations | 47 | 42 | 2,569 | | 1,542 | | 4,200 |
| Postage | | 7,500 | | | | | 7,500 |
| Pension benefits | 9,902 | | 518 | | | | 10,420 |
| Insurance | 2,252 | | | | | | 2,252 |
| IV-D program expenditures | | | 80,084 | | | | 80,084 |
| Total Current Expenditures | <u>133,958</u> | <u>7,542</u> | <u>113,718</u> | <u>24,031</u> | <u>1,542</u> | | <u>280,791</u> |
| Excess (Deficiency) of Revenues Over Expenditures | (19,842) | 54,588 | 63,779 | 1,252 | 5,257 | 27,004 | 132,038 |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| Operating transfers in (out) | (3,900) | (55,000) | (15,000) | 20,000 | (900) | (15,200) | (70,000) |
| EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES | (23,742) | (412) | 48,779 | 21,252 | 4,357 | 11,804 | 62,038 |
| FUND BALANCES, Beginning of year | 89,131 | 96,865 | 76,433 | 10,971 | 6,230 | 11,811 | 291,441 |
| FUND BALANCES, End of year | <u>\$65,389</u> | <u>\$96,453</u> | <u>\$125,212</u> | <u>\$32,223</u> | <u>\$10,587</u> | <u>\$23,615</u> | <u>\$353,479</u> |

***INTERNAL CONTROL
AND
COMPLIANCE SECTION***





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CONSULTANTS

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

Honorable Walter Naquin, Jr.
District Attorney of the Seventeenth Judicial District
Lafourche Parish, Louisiana

We have audited the general purpose financial statements of the District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana, a component unit of the Lafourche Parish Council, as of and for the year ended December 31, 1995 and have issued our report thereon dated February 2, 1996.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

Honorable Walter Naquin, Jr.
District Attorney of the Seventeenth Judicial District
Lafourche Parish, Louisiana
Page 2

In planning and performing our audit of the general purpose financial statements of the District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana, for the year ended December 31, 1995, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the internal control structure. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors and irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

This report is intended for the information of management and all applicable federal and state agencies. However, this report is a matter of public record and its distribution is not limited.

Thibodaux, Louisiana
February 2, 1996

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
BASED ON AN AUDIT OF GENERAL PURPOSE
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Honorable Walter Naquin, Jr.
District Attorney of the Seventeenth Judicial District
Lafourche Parish, Louisiana

We have audited the general purpose financial statements of the District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana, a component unit of the Lafourche Parish Council, as of and for the year ended December 31, 1995, and have issued our report thereon dated February 2, 1996.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

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

The results of our tests disclosed the following instances of noncompliance that are required to be reported herein under *Government Auditing Standards* for which the ultimate resolution cannot presently be determined. Accordingly, no provision for any liability that may result has been recognized in the District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana's 1995 financial statements.

Honorable Walter Naquin, Jr.
District Attorney of the Seventeenth Judicial District
Lafourche Parish, Louisiana
Page 2

Finding:

The Louisiana Local Government Budget Act provides for a 5% unfavorable variance for revenues, expenditures, or fund balance, if the fund balance is used to balance the budget. Any excess over 5% requires a budget amendment.

Actual revenues collected were less than projected at the beginning of the year in three of the District Attorney of the Seventeenth Judicial District's Special Revenue Funds. The Worthless Check Collection Fund collected 7% less than budgeted revenues. The Intervention Fund collected 51% less than budgeted revenues. The Bond Forfeiture Fund collected 16% less than budgeted revenues. Actual expenditures were greater than anticipated by the budgeting process in two of the District Attorney of the Seventeenth Judicial District's Special Revenue Funds. The Assessment Fund included 22% more expenditures than budgeted and the Child Support Incentive Fund included actual expenditures approximately 2 ½ times more than budgeted expenditures.

Management's Response:

With reference to the Intervention Fund collecting 51% less than budgeted revenue, this was due to the termination of a Federal grant which had provided revenue for the last three (3) years for the Intervention Program.

There were 22% more expenditures than budgeted in the Assessment Fund. This resulted from the granting of a pay raise to the clerical staff in July of 1995, which had not been budgeted at the beginning of the year.



Honorable Walter Naquin, Jr.
District Attorney of the Seventeenth Judicial District
Lafourche Parish, Louisiana
Page 3

Management's Response (Continued):

With regard to the fact that the Support Incentive Fund included actual expenditures 2 ½ times more than budgeted expenditures, this is simply not the case. This account results from combining grant money and incentive money, all associated with the child support office, into one operating account. The grant money was not budgeted in the District Attorney's budget. It was budgeted in the application for the grant. The State reviewed the budget and there was no variance or non-compliance. However, when this grant money was received, it was merely transferred to other agencies as reimbursement. If the two accounts had been separate, there would be no actual variance nor would there be any excess expenditures from either account. To eliminate this bookkeeping problem, the grant money and the incentive money will be maintained in separate accounts under separate budgeted items.

I re-emphasize that the grant money was properly budgeted with the State and Federal authorities and we were in total compliance. We did not budget this grant money in the District Attorney's budget because it was simply reimbursed to other agencies.

We considered these instances of noncompliance in forming our opinion on whether the District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana's 1995 financial statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles, and this report does not affect our report dated February 2, 1996, on those financial statements.

This report is intended for the information of management and all applicable federal and state agencies. However, this report is a matter of public record and its distribution is not limited.

Thibodaux, Louisiana
February 2, 1996

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SUPPLEMENTARY REPORTS
ON
FEDERAL FINANCIAL ASSISTANCE



STAGNI & COMPANY, LLC, CPAs

ACCOUNTANTS & CONSULTANTS



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INDEPENDENT AUDITOR'S REPORT ON SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

Honorable Walter Naquin, Jr.
District Attorney of the Seventeenth Judicial District
Lafourche Parish, Louisiana

We have audited the general purpose financial statements of the District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana, a component unit of the Lafourche Parish Council, for the year ended December 31, 1995, and have issued our report thereon dated February 2, 1996. These general purpose financial statements are the responsibility of the District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards; *Government Auditing Standards*, issued by the Comptroller General of the United States; and the provisions of Office of Management and Budget Circular A-128, *Audits of State and Local Governments*. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements of the District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana, taken as a whole. The accompanying Schedule of Federal Financial Assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements.

Honorable Walter Naquin, Jr.
District Attorney of the Seventeenth Judicial District
Lafourche Parish, Louisiana
Page 2

The information in that schedule has been subjected to the auditing procedures applied in the audit of the component unit financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

Thibodaux, Louisiana
February 2, 1996

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**DISTRICT ATTORNEY OF THE SEVENTEENTH DISTRICT
LAFOURCHE PARISH, LOUISIANA**

Schedule of Federal Financial Assistance

For the year ended December 31, 1995

| <u>Federal Grantor/ Program Title</u> | <u>Grant Number</u> | <u>CFDA Number</u> | <u>Revenue Recognized</u> | <u>Expenditures</u> |
|--|---------------------|------------------------|-------------------------------|---------------------|
| <u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u> | | | | |
| Passed through State of Louisiana - Department of Social Services - Office of Family Support | | | | |
| Child Support Enforcement- Title IV-D | Reimbursement | 13.783 | \$86,722 | \$82,971 |
| Child Support Enforcement- Title IV-D | Incentive | 13.783 | <u>89,127</u> | <u>45,748</u> |
| Total U.S. Department of Health and Human Services | | | <u>175,849</u> | <u>128,719</u> |
| Total Federal Financial Assistance Activity | | | <u>\$175,849</u> | <u>\$128,719</u> |

See notes to Schedule of Federal Financial Assistance.

***DISTRICT ATTORNEY OF THE SEVENTEENTH
JUDICIAL DISTRICT
LAFOURCHE PARISH, LOUISIANA***

NOTES TO SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
December 31, 1995

*Note 1 - SCOPE OF AUDIT PURSUANT TO OMB CIRCULAR A-128 AND SINGLE
AUDIT ACT OF 1984*

All Federal grant awards activity of the District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana are included in the scope of the OMB Circular A-128 and Single Audit Act of 1984.

Note 2 - BASIS OF ACCOUNTING

The accompanying Schedule of Federal Financial Assistance has been prepared on the modified accrual basis of accounting. Accrued revenue at year end represents entitlement not yet received.

Note 3 - DEFINITION OF MAJOR PROGRAMS

The Single Audit Act of 1984 defines a major federal financial assistance program based on the total federal financial assistance during the year. Based on the total expenditures as listed on the Schedule of Federal Financial Assistance major programs are those with expenditures in excess of \$300,000. The District Attorney of the Seventeenth Judicial District has no major programs.

*Note 4 - FEDERAL CATALOGUE OF FEDERAL DOMESTIC ASSISTANCE
(CFDA) NUMBERS*

The CFDA numbers included in this report were determined based on the program name, review of grant contract information and the OMB's Catalogue of Federal Domestic Assistance.



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE GENERAL REQUIREMENTS APPLICABLE TO FEDERAL FINANCIAL ASSISTANCE PROGRAMS

Honorable Walter Naquin, Jr.
District Attorney of the Seventeenth Judicial District
Lafourche Parish, Louisiana

We have audited the general purpose financial statements of the District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana, a component unit of the Lafourche Parish Council, as of and for the year ended December 31, 1995, and have issued our report thereon dated February 2, 1996.

We have applied procedures to test the District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana's compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the Schedule of Federal Financial Assistance, for the year ended December 31, 1995: political activity, civil rights, cash management, federal financial reports, allowable costs/cost principles, Drug-Free Workplace Act, and administrative requirements.

Our procedures were limited to applicable procedures described in the Office of Management and Budget's *Compliance Supplement for Single Audits of State and Local Governments*. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana's compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that the District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana had not complied, in all material respects, with those requirements.

Honorable Walter Naquin, Jr.
District Attorney of the Seventeenth Judicial District
Lafourche Parish, Louisiana
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This report is intended for the information of management, all applicable federal and state agencies, and those other governments from which federal financial assistance was received. However, this report is a matter of public record and its distribution is not limited.

Thibodaux, Louisiana
February 2, 1996

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH SPECIFIC REQUIREMENTS APPLICABLE TO NONMAJOR
FEDERAL FINANCIAL ASSISTANCE PROGRAM TRANSACTIONS**

Honorable Walter Naquin, Jr.
District Attorney of the Seventeenth Judicial District
Lafourche Parish, Louisiana

We have audited the general purpose financial statements of the District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana, a component unit of the Lafourche Parish Council, as of and for the year ended December 31, 1995, and have issued our report thereon dated February 2, 1996.

In connection with our audit of the general purpose financial statements of the District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana, and with our consideration of the District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana's control structure used to administer federal financial assistance programs, as required by Office of Management and Budget Circular A-128, *Audits of State and Local Governments*, we selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended December 31, 1995. As required by OMB Circular A-128, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed; and eligibility that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested nothing came to our attention that caused us to believe that the District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana had not complied, in all material respects, with those requirements.

Honorable Walter Naquin, Jr.
District Attorney of the Seventeenth Judicial District
Lafourche Parish, Louisiana
Page 2

This report is intended for the information of management, all applicable federal and state agencies, and those other governments from which federal financial assistance was received. However, this report is a matter of public record and its distribution is not limited.

Thibodaux, Louisiana
February 2, 1996

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INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL CONTROL STRUCTURE USED IN ADMINISTERING FEDERAL FINANCIAL ASSISTANCE PROGRAMS

Honorable Walter Naquin, Jr.
District Attorney of the Seventeenth Judicial District
Lafourche Parish, Louisiana

We have audited the general purpose financial statements of the District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana, a component unit of the Lafourche Parish Council, as of and for the year ended December 31, 1995, and have issued our report thereon dated February 2, 1996.

We conducted our audit in accordance with generally accepted auditing standards; *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-128, *Audits of State and Local Governments*. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

In planning and performing our audit for the year ended December 31, 1995, we considered the internal control structure of the District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana, in order to determine our auditing procedures for the purpose of expressing our opinion on the District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana's general purpose financial statements and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audit of the general purpose financial statements in a separate report dated February 2, 1996.

Honorable Walter Naquin, Jr.
District Attorney of the Seventeenth Judicial District
Lafourche Parish, Louisiana
Page 2

The management of the District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, we have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs in the following categories:

INTERNAL ACCOUNTING CONTROLS:

- Budgeting and Revisions
- Cash Receipts
- Cash Disbursements
- Intergovernmental Revenues and Receivables
- Purchasing and Accounts Payable
- Payroll
- Property and Equipment
- Investments



CONTROLS OVER FEDERAL ASSISTANCE PROGRAMS:

General Requirements:

- Political activity
- Civil rights
- Cash management
- Federal financial reports
- Allowable cost/cost principles
- Drug-free Workplace Act
- Administrative requirements

Specific Requirements:

- Types of services allowed or not allowed
- Eligibility

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

During the year ended December 31, 1995, the District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana, had no major federal financial assistance programs and expended 100% of its total federal financial assistance under the nonmajor federal financial assistance programs as follows:

- Child Support Enforcement Title IV-D Reimbursement Grant
- Child Support Enforcement Title IV-D Incentive Grant

We performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we have considered relevant to preventing or detecting material noncompliance with specific requirements, *general requirements, and requirements governing claims for advances and reimbursements, and amounts claimed or used for matching* that are applicable to the aforementioned nonmajor programs.



Honorable Walter Naquin, Jr.
District Attorney of the Seventeenth Judicial District
Lafourche Parish, Louisiana
Page 4

Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure policies and procedures used in administering federal financial assistance would not necessarily disclose all matters in the internal control structure that might constitute material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal financial assistance program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

This report is intended for the information of the management, all applicable federal and state agencies, and those other governments from which federal financial assistance was received. However, this report is a matter of public record and its distribution is not limited.

Thibodaux, Louisiana
February 2, 1996

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