

**JUDICIAL CLERK'S FUND OF THE
THIRTY-FOURTH JUDICIAL DISTRICT COURT
CHALMETTE, LOUISIANA**

REPORT ON REVIEW OF ANNUAL FINANCIAL STATEMENTS AND

REPORT ON APPLYING AGREED-UPON PROCEDURES

INCLUDING THE LOUISIANA ATTESTATION QUESTIONNAIRE

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009

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

Release Date

7/28/10

Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court
Chalmette, Louisiana
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For The Year Ended December 31, 2009

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June 30, 2010

Accountant's Review Report

The Honorable Kirk A. Vaughn
and Honorable Judges
Thirty-Fourth Judicial District Court
Chalmette, Louisiana

We have reviewed the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court, Chalmette, Louisiana, a component unit of the St. Bernard Parish Council, as of and for the year ended December 31, 2009, which collectively comprise the Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court's basic financial statements as listed in the table of contents, in accordance with Statements for Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of the Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court.

The review consists principally of inquiries of Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

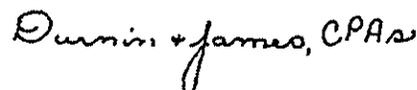
Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

The Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court has not presented the management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

The budgetary comparison schedules on pages 16 through 18 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consist primarily of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, we have issued a report dated June 30, 2010, on the results of our agreed-upon procedures.

Respectfully submitted,



Durnin & James, CPAs
(A Professional Corporation)

Basic Financial Statements

Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court
Chalmette, Louisiana
Statement of Net Assets
December 31, 2009

Exhibit A

	Governmental Activities
Assets	
Cash and Cash Equivalents	\$ 317,202
Investments	51,447
Receivables	-
Due from Other Governments (Net of Allowances for Uncollectibles)	46,513
Due from Other Funds	-
Capital Assets, Net of Accumulated Depreciation (Note 6)	12,421
Total Assets	\$ 427,583
Liabilities	
Accounts Payable	\$ 20,488
Due to Other Funds	-
Total Liabilities	\$ 20,488
Net Assets	
Investment in Capital Assets, Net of Related Debt	\$ 12,421
Unrestricted	394,674
Total Net Assets	\$ 407,095

See accompanying notes and accountant's review report.

Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court
Chalmette, Louisiana
Statement of Activities
For the Year Ended December 31, 2009

Exhibit B

		Program Revenues		Net Revenue (Expense) and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants	Governmental Activities
Governmental Activities:				
General Government	\$ 382,218	\$ 201,676	\$ 235,909	\$ 55,367
Depreciation	6,969	-	-	(6,969)
Total Governmental Activities	\$ 389,187	\$ 201,676	\$ 235,909	48,398
 General Revenues:				
Other Income				1,763
Total General Revenues				1,763
Change in Net Assets				50,161
Net Assets - Beginning of the Year				356,934
Net Assets - End of the Year				\$ 407,095

See accompanying notes and accountant's review report.

**Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court
Chalmette, Louisiana**

Exhibit C

Governmental Funds – Balance Sheet
December 31, 2009

	<u>General Fund</u>	<u>Juvenile Probation</u>	<u>FINS Fund</u>	<u>Total</u>
Assets				
Cash and Cash Equivalents	\$ 285,726	\$ 2,743	\$ 28,733	\$ 317,202
Investments	51,447	-	-	51,447
Receivables	-	-	-	-
Due from Other Governments (Net of Allowances for Uncollectibles)	44,448	-	2,065	46,513
Due from Other Funds	-	-	-	-
Total Assets	<u>\$ 381,621</u>	<u>\$ 2,743</u>	<u>\$ 30,798</u>	<u>\$ 415,162</u>
Liabilities and Fund Balances				
Liabilities:				
Accounts Payable	\$ 20,488	\$ -	\$ -	\$ 20,488
Due to Other Funds	-	-	-	-
Total Liabilities	<u>20,488</u>	<u>-</u>	<u>-</u>	<u>20,488</u>
Fund Balances:				
Unreserved, Undesignated	<u>361,133</u>	<u>2,743</u>	<u>30,798</u>	<u>394,674</u>
Total Fund Balances	<u>361,133</u>	<u>2,743</u>	<u>30,798</u>	<u>394,674</u>
Total Liabilities and Fund Balances	<u>\$ 381,621</u>	<u>\$ 2,743</u>	<u>\$ 30,798</u>	<u>\$ 415,162</u>

See accompanying notes and accountant's review report.

**Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court
Chalmette, Louisiana**

Exhibit D

**Reconciliation of the Governmental Funds Balance Sheet to the
Government-Wide Statement of Net Assets
For the Year Ended December 31, 2009**

Total Fund Balances, Governmental Funds (Exhibit C) \$ 394,674

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Governmental Capital Assets, Net of Depreciation 12,421

Net Assets of Governmental Activities (Exhibit A) \$ 407,095

See accompanying notes and accountant's review report.

**Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court
Chalmette, Louisiana**

Exhibit E

**Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 2009**

	<u>General Fund</u>	<u>Juvenile Probation</u>	<u>FINS Fund</u>	<u>Total</u>
Revenues:				
Court Costs	\$ 198,406	\$ -	\$ -	\$ 198,406
Probation Supervision Fees	-	3,270	-	3,270
Intergovernmental Grants	-	-	26,371	26,371
State Drug Court Grants	209,538	-	-	209,538
Other Revenues	<u>1,718</u>	<u>7</u>	<u>38</u>	<u>1,763</u>
Total Revenues	409,662	3,277	26,409	439,348
Expenditures:				
General Government	4,444	2,522	4,343	11,309
Salaries & Related Benefits	124,176	-	5,810	129,986
Legal & Professional	12,025	555	18,805	31,385
Transfers to Drug Court Corporations	209,538	-	-	209,538
Supplies	-	-	-	-
Capital Outlay	<u>-</u>	<u>501</u>	<u>-</u>	<u>501</u>
Total Expenditures	350,183	3,578	28,958	382,719
Excess (Deficiency) of Revenues Over Expenditures	59,479	(301)	(2,549)	56,629
Fund Balance:				
Beginning of the Year	<u>301,654</u>	<u>3,044</u>	<u>33,347</u>	<u>338,045</u>
End of the Year	<u>\$ 361,133</u>	<u>\$ 2,743</u>	<u>\$ 30,798</u>	<u>\$ 394,674</u>

See accompanying notes and accountant's review report.

Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court
Chalmette, Louisiana
Notes to Financial Statements
For The Year Ended December 31, 2009

Introduction

The Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court (the "District Court") was created by Act No. 47, Regular Session, 1986, R.S. 13:996.48.

The Act provides for the collection of fees or costs in addition to all other fees or costs now or hereafter provided by law. The Clerk of Court of the Thirty-Fourth Judicial District Court shall collect from every person filing any type of civil suit or proceeding and who is not otherwise exempted by law from the payment of court costs, a sum to be determined by Judges of said district, sitting en banc, which sum shall not exceed thirty dollars, subject; however, to the provisions of Louisiana Code of Civil Procedure, Article 5181, et seq.; and, in all criminal cases in St. Bernard Parish, there shall be taxed as costs against every defendant who is convicted after trial or after he pleads guilty or who forfeits his bond, a sum likewise determined, but which shall not exceed twenty-five dollars, which shall be in addition to all other fines, costs or forfeitures lawfully imposed, and which shall be transmitted to the said court for further disposition in accordance herewith.

The judges, en banc, may appoint such law clerks, secretarial, clerical, research, administrative, or other personnel as they deem necessary to expedite the business and function of the court and fix and pay all or any part of the salaries or reasonable expenses of such personnel out of the moneys in the District Court. In like manner, the judges, en banc, may utilize the moneys in the District Court to pay all or any part of the cost of establishing or maintaining a law library for the court or for buying, leasing, or maintaining any type of equipment, supplies, or other items consistent with or germane to the efficient operation of the court, or to pay for actual expenses incurred, including travel, lodging, tuition, and fees, by any judge or clerk in attending any seminar or conference germane to the proper operation of the court.

The accounting and reporting policies of the District Court conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Revised Statute 24:517 and to the industry audit guide, Audits of State and Local Governmental Units.

1. Summary of Significant Accounting Policies

A. Basis of Presentation

The accompanying financial statements 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: Omnibus*.

B. Financial Reporting Entity

As the governing authority of the parish, for reporting purposes, the St. Bernard Parish Council is the financial reporting entity for the parish. The financial reporting entity consists of (a) primary government (parish government), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Because the Parish Council provides for office space, courtrooms, and approval authority over its capital budget and therefore is fiscally dependent on the council, the District

**Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court
Chalmette, Louisiana**

Notes to Financial Statements (Continued)
For The Year Ended December 31, 2009

Court was determined to be a component unit of the St. Bernard Parish Council, the financial reporting entity.

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

GASB Statement No. 14 established criteria for determining which component units should be considered part of the District Court for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the District Court to impose its will on that organization and / or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the District Court.
2. Organizations for which the District Court does not appoint a voting majority but are fiscally dependent on the District Court.
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the District Court has determined that the St. Bernard Parish Adult Drug Court, Inc. and the St. Bernard Parish Juvenile Drug Court, Inc. are part of the reporting entity. These component units are not included in the accompanying financial statements. Their financial statements may be obtained by request to the District Court at (504) 278-4433.

C. Fund Accounting

The District Court uses fund accounting to maintain its financial records and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain District Court 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 of the District Court'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 that may be used to finance future period programs or operations of the District Court. The following are the District Court's governmental funds:

**Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court
Chalmette, Louisiana**

Notes to Financial Statements (Continued)
For The Year Ended December 31, 2009

General Fund – the primary operating fund of the District Court, which accounts for all of the operations of the District. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to District Court policy.

Juvenile Probation Supervision Fee Special Revenue Fund – accounts for the receipt and disbursement of funds collected for juvenile probation supervision fees.

Families in Need of Services (FINS) Special Revenue Fund – accounts for the receipt and disbursement of funds collected for reducing the number of children who enter the juvenile justice system or the foster care system.

D. Basis of Accounting

The amounts reflected in the governmental funds of Exhibits 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 then reconciled, through adjustment, to a government-wide view of the District Court's office-wide operations.

The amounts reflected in the governmental funds of Exhibits 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 with the current period or soon enough thereafter to pay liabilities of the current period. The District Court 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 are generally recognized when they become measurable and available as net current assets. Court costs, intergovernmental grants and interest revenue are recorded when due. Substantially all other revenues are recorded when received.

Expenditures – Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

E. Governmental-Wide Financial Statements

The columns labeled statement of net assets (Exhibit A) and statement of activities (Exhibit B) display information about the District Court as a whole. These statements include all the financial activities of the District Court. 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 nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

**Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court
Chalmette, Louisiana**

Notes to Financial Statements (Continued)
For The Year Ended December 31, 2009

F. Budgets and Budgetary Accounting

Budgetary procedures applicable to the District Court are defined in state law, Revised Statutes 39:1301-14. The major requirements of the Local Government Budget Act are summarized as follows:

1. The District Court adopts a budget each year for the general fund and special revenue funds. The budget for these funds are adopted on the cash basis of accounting which is a comprehensive basis of accounting other than generally accepted accounting principles (GAAP).
2. The Chief Judge prepares a proposed budget and submits it to the Judges of the District Court for their review.
3. A meeting is then held to review the proposed budget and formal adoption is made by majority vote of the Judges of the District Court.
4. Copies of the adopted budget are kept on file for public inspection.
5. Budgetary amendments due to increase or decrease in revenues or expenditures over amounts estimated require the approval of the Judges of the District Court. The general fund budget for the year ended December 31, 2009 was amended.
6. All budgetary appropriations lapse at the end of each year.
7. Formal budgetary integration is not employed. Budgeted amounts included in the accompanying financial statements include the originally adopted budget amounts. The amounts are reconciled to the amounts reflected on the budget comparison statements as follows:

	General Fund	Juvenile Probation	FINS Fund
Excess (Deficiency) of Revenues			
Over Expenditures (Exhibit E)	\$ 59,479	\$ (301)	\$ (2,549)
Add:			
Prior Year Receivables	36,880	-	-
Current Year Payables	20,488	-	-
Less:			
Current Year Receivables	44,448	-	2,065
Prior Year Payables	14,320	-	947
Excess (Deficiency) of Revenues			
Over Expenditures - Cash Basis	<u>\$ 58,079</u>	<u>\$ (301)</u>	<u>\$ (5,561)</u>

G. Cash and Cash Equivalents

The District Court's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Under state law, the District Court may deposit funds in demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal

**Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court
Chalmette, Louisiana**

Notes to Financial Statements (Continued)
For The Year Ended December 31, 2009

offices in Louisiana. In addition, the District Court may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities are 90 days or less; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

Investments for the District Court are stated at cost.

H. Inventories

Inventories for supplies are immaterial and are recorded as expenditures / expenses when purchased.

I. Capital Assets

Capital assets are capitalized at historical cost or estimated cost (the extent to which fixed asset costs have been estimated and the methods of estimation should be disclosed) if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District Court maintains a threshold level of \$100 or more for capitalizing assets.

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, other than land, are depreciated using the straight-line method over the useful life of the asset. Capital assets in this report are comprised of equipment which has an estimated useful life of 5 years.

J. Compensated Absences

There is no written policy for compensated absences. All full-time employees earn one week of annual leave. This leave is taken when the judges take their leave. Sick leave and annual leave is non-cumulative. In governmental funds, the cost of sick leave and annual leave is recognized when payments are made to employees.

K. 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.

2. Cash, Cash Equivalents, and Investments

At December 31, 2009, the carrying amount of the District Court's cash deposits was \$317,202 and the bank balance was \$322,631, of which \$250,000 was insured from loss by federal deposit insurance and \$72,631 was uninsured and uncollateralized. The District Court did not comply with all provisions of state law which require that bank balances not insured from loss through federal deposit insurance be secured from loss at all time through the pledge of bank securities.

**Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court
Chalmette, Louisiana**

Notes to Financial Statements (Continued)
For The Year Ended December 31, 2009

3. Due From Other Governmental Units

Due from other governmental units represent amounts collected in 2009 and received in 2010.

St. Bernard Parish Clerk of Court	\$	3,570
St. Bernard Parish Sheriff		21,190
Louisiana Supreme Court - Adult Drug Court		10,182
Louisiana Supreme Court - Juvenile Drug Court		9,506
Louisiana Supreme Court - FINS Intergovernmental Grant		<u>2,065</u>
Total	<u>\$</u>	<u>46,513</u>

No allowance for uncollectible receivables is required at December 31, 2009.

4. Accounts Payable

Accounts payable at December 31, 2009, including payroll withholding taxes, accrued payroll taxes, amounts due to the St. Bernard Parish Juvenile Drug Court, Inc. and the St. Bernard Parish Adult Drug Court, Inc., totaled \$20,488.

5. Litigation

There is no litigation pending against the District Court at December 31, 2009.

6. Capital Assets

Capital assets and depreciation activity as of and for the year ended December 31, 2009 are as follows:

	Balance 12/31/08	Increases	Decreases	Balance 12/31/09
Capital Assets:				
Equipment	\$ 47,212	\$ 501	\$ -	\$ 47,713
Total Capital Assets	47,212	501	-	47,713
Less Accumulated Depreciation:				
Equipment	28,323	6,969	-	35,292
Total Accumulated Depreciation	28,323	6,969	-	35,292
Totals	<u>\$ 18,889</u>	<u>\$ (6,468)</u>	<u>\$ -</u>	<u>\$ 12,421</u>

Required Supplemental Information (Part II)

Budgetary Comparison Schedule

**Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court
Chalmette, Louisiana**

Schedule 1

General Fund – Statement of Revenues, Expenditures, and Changes in Fund Balances –
Budget (Non-GAAP Basis) and Actual
For the Year Ended December 31, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts - Budgetary Basis</u>	<u>Variance with Final Budget Favorable / (Unfavorable)</u>
Revenues:				
Court Cost	\$ 174,990	\$ 199,765	\$ 196,603	\$ (3,162)
State Drug Court Grants	273,520	209,665	203,773	(5,892)
Intergovernmental Grants	-	-	-	-
Other	<u>1,600</u>	<u>1,463</u>	<u>882</u>	<u>(581)</u>
Total Revenues	450,110	410,893	401,258	(9,635)
Expenditures:				
General Office Expenditures	500	300	286	14
Insurance	8,500	2,772	4,158	(1,386)
Legal & Professional	11,000	12,025	12,025	-
Supplies	-	-	-	-
Capital Outlay	-	-	-	-
Transfers to Drug Court Corporations	273,520	209,665	203,773	(5,892)
Salaries & Related Benefits	<u>118,000</u>	<u>124,378</u>	<u>123,773</u>	<u>605</u>
Total Expenditures	411,520	349,140	344,015	5,125
Excess (Deficiency) of Revenues Over Expenditures	38,590	61,753	57,243	(4,510)
Cash - Beginning of the Year	<u>228,483</u>	<u>228,483</u>	<u>228,483</u>	<u>-</u>
Cash - End of the Year	<u>\$ 267,073</u>	<u>\$ 290,236</u>	<u>\$ 285,726</u>	<u>\$ (4,510)</u>

See accountant's review report.

**Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court
Chalmette, Louisiana**

Schedule 2

**Juvenile Probation Fund – Statement of Revenues, Expenditures, and Changes in Fund Balances –
Budget (Non-GAAP Basis) and Actual
For the Year Ended December 31, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts - Budgetary Basis</u>	<u>Variance with Final Budget Favorable / (Unfavorable)</u>
Revenues:				
Probation Supervision Fees	\$ 4,650	\$ 3,340	\$ 3,270	\$ (70)
Other	<u>10</u>	<u>8</u>	<u>7</u>	<u>(1)</u>
Total Revenues	4,660	3,348	3,277	(71)
Expenditures:				
General Office Expenditures	900	1,445	380	1,065
Utilities & Telephone	2,230	2,134	2,142	(8)
Legal & Professional	-	-	555	(555)
Restitution Payments	400	-	-	-
Capital Outlay	<u>-</u>	<u>-</u>	<u>501</u>	<u>(501)</u>
Total Expenditures	3,530	3,579	3,578	1
Excess (Deficiency) of Revenues Over Expenditures	1,130	(231)	(301)	(70)
Cash - Beginning of the Year	<u>3,044</u>	<u>3,044</u>	<u>3,044</u>	<u>-</u>
Cash - End of the Year	<u>\$ 4,174</u>	<u>\$ 2,813</u>	<u>\$ 2,743</u>	<u>\$ (70)</u>

See accountant's review report.

**Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court
Chalmette, Louisiana**

Schedule 3

FINS Fund – Statement of Revenues, Expenditures, and Changes in Fund Balances –
Budget (Non-GAAP Basis) and Actual
For the Year Ended December 31, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts - Budgetary Basis</u>	<u>Variance with Final Budget Favorable / (Unfavorable)</u>
Revenues:				
Intergovernmental Grant	\$ 27,500	\$ 28,283	\$ 24,306	\$ (3,977)
Other Revenues	-	26	38	12
Total Revenues	<u>27,500</u>	<u>28,309</u>	<u>24,344</u>	<u>(3,965)</u>
Expenditures:				
General Office Expenditures	4,100	4,185	1,805	2,380
Salaries & Related Benefits	9,955	5,860	6,757	(897)
Capital Outlay	-	-	-	-
Legal & Professional	19,100	18,805	18,805	-
Telephone	-	-	2,538	(2,538)
Total Expenditures	<u>33,155</u>	<u>28,850</u>	<u>29,905</u>	<u>(1,055)</u>
Excess (Deficiency) of Revenues Over Expenditures	(5,655)	(541)	(5,561)	(5,020)
Cash - Beginning of the Year	<u>34,294</u>	<u>34,294</u>	<u>34,294</u>	-
Cash - End of the Year	<u>\$ 28,639</u>	<u>\$ 33,753</u>	<u>\$ 28,733</u>	<u>\$ (5,020)</u>

See accountant's review report.

**Independent Accountant's Report on
Applying Agreed-Upon Procedures**

Durnin & James

CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL CORPORATION
HAMMOND, LA

John N. Durnin, CPA
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AICPA Private Companies Practice Section

June 30, 2010

Independent Accountant's Report on Applying Agreed-Upon Procedures

The Honorable Kirk A. Vaughn
and Honorable Judges
Thirty-Fourth Judicial District Court
Chalmette, Louisiana

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of the Thirty-Fourth Judicial District Court and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the District Court's compliance with certain laws and regulations during the year ended December 31, 2009, included in the accompanying *Louisiana Attestation Questionnaire*. The Thirty-Fourth Judicial District Court's management is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Governmental Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representations regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$20,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with R.S. 38:2211-2251 (public bid law).

There were no expenditures made during the year for materials and supplies exceeding \$20,000 and no expenditures were made for public works exceeding \$100,000. Therefore the District Court was in compliance with the provisions of R.S. 38:2211-2251.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by R.S. 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list, including the noted information.

The Honorable Kirk Vaughn
and Honorable Judges
Thirty-Fourth Judicial District Court
Chalmette, Louisiana

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list of employees.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

We determined that the list of District Court employees paid during the year did not include any immediate family members of board members.

Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.

Management provided us with copies of the original budgets for the Clerk's Salary (General) Fund, for the FINS Fund, and for the Juvenile Probation Fund.

The budgets for the Clerk's Salary (General) Fund, the FINS Fund, and the Juvenile Probation Fund were amended during the year. Copies of the amended budgets were provided to us.

6. Trace the budget adoption and amendments to the minute book.

We traced the adoption of the original budgets to the minutes of the Judges' Meetings, which indicated the adoption of annual budgets. We traced the adoption of the amended budgets to the minutes of the Judges' Meetings, which indicated the adoption of the amended budgets.

7. Compare the revenues and expenditures of the final budgets to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceed budgeted amounts by 5% or more.

We compared the revenues and expenditures for the final budgets to actual revenues and expenditures. Total actual revenues were within 5% percent of the total budgeted revenues. Total actual expenditures were within 5% of total budgeted expenditures.

Accounting and Reporting

8. Randomly select six disbursements made during the period under examination and:
 - a. Trace payments to supporting documentation as to proper amount and payee.

We examined supporting documentation for each of the six selected disbursements and found that in all transactions, payment was for the proper amount and made to the correct payee.

The Honorable Kirk Vaughn
and Honorable Judges
Thirty-Fourth Judicial District Court
Chalmette, Louisiana

- b. Determine if payments were properly coded to the correct fund and general ledger account.

All of the payments tested were properly coded to the correct fund and general ledger account.

- c. Determine whether payments received approval from proper authorities.

Only one of the six disbursements selected indicated the written approval of an authorized check signer prior to the preparation of the check. All checks, however, are reviewed and signed by Judge Kirk Vaughn, Senior Judge, prior to distribution. We recommend that internal control procedures be developed to require that the authorized check signer signify his approval of each expenditure by initialing the face of each invoice prior to payment.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by R.S. 42:1 through 42:12 (the open meetings law).

R.S. 42:6.1(B) states "The provisions of R.S. 42:1 through R.S. 42:12 shall not apply to judicial proceedings."

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We inspected copies of all bank deposit slips for the period under examination and noted no deposit which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees, which may constitute bonuses, advances, or gifts.

We determined that payroll was correctly recorded and no bonuses, advances, or gifts were evident.

Prior Comments and Recommendations

12. Review any prior year suggestions, and / or comments to determine the extent to which such matters have been resolved.

See the Summary of Prior Year Findings for an update to the prior year findings.

The Honorable Kirk Vaughn
and Honorable Judges
Thirty-Fourth Judicial District Court
Chalmette, Louisiana

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Thirty-Fourth Judicial District Court, the Legislative Auditor, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Respectfully submitted,

Durnin & James, CPAs

Durnin & James, CPAs
(A Professional Corporation)

Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court
Chalmette, Louisiana
Current Year Findings
For the Year Ended December 31, 2009

09-01 – Failure to Comply with Fiscal Agency and Cash Management Laws

During our audit and testing of cash, we noted that the Thirty-Fourth Judicial District Court failed to comply with certain provisions of the fiscal agency and cash management requirements of state law, (R.S. 39:1211-45). The requirements of the fiscal agency and cash management laws and the manner in which the District Court failed to comply are as follows:

Finding:

State law, (R.S. 39:1211-45), requires the District Court to fully collateralize at all times the its cash balances with the fiscal agent bank through FDIC insurance and, if necessary, by requiring the fiscal agent bank to pledge securities for the benefit of the District Court sufficient to cover any uninsured cash balances in the fiscal agent bank. As of December 31, 2009, the uninsured cash balances in the District Court's fiscal agent bank exceeded the amount of FDIC insurance by \$72,631 in violation of state law.

Recommendation:

We recommend the District Court contact the fiscal agent to pledge securities for the benefit of the District Court sufficient to cover the uninsured cash balances in the fiscal agent bank.

Management's Response:

In management's response dated June 30, 2010, the District Court indicated that it will contact the fiscal agent bank to pledge additional securities for the benefit of the District Court sufficient to cover the uninsured cash balances in the fiscal agent bank.

Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court

Chalmette, Louisiana

Summary Schedule of Prior Year Findings

For the Year Ended December 31, 2009

<u>Ref.#</u>	<u>Fiscal Year Findings Initially Occurred</u>	<u>Description of Findings</u>	<u>Corrective Action Taken</u>	<u>Plan Corrective Action - Partial Corrective Action Taken</u>
08-01	December 31, 2008	Adoption of original budget	Yes	Adopt original budget on all funds
08-02	December 31, 2008	Approval of Invoices	No	Require written approval of invoices prior to payment
07-02	December 31, 2005	Failure to comply with Local Government Budget Act	Yes	Original budget for General Fund not adopted. Budgets for Juvenile Fund and FINS Fund adopted.

Note: This schedule has been prepared by the management of the Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court.

Louisiana Attestation Questionnaire

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government Entities)
June 2, 2009 (Date Transmitted)

Durnin & James, CPAs
(A Professional Corporation)
Post Office Drawer 369
Hammond, LA 70441-0369

In connection with your review of our financial statements as of December 31, 2009, and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of January 15, 2010.

PUBLIC BID LAW

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes No N/A

CODE OF ETHICS LAW FOR PUBLIC OFFICIALS AND PUBLIC EMPLOYEES

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.

Yes No N/A

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.

Yes No N/A

BUDGETING

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-16), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes No N/A

ACCOUNTING AND REPORTING

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Yes No N/A

We have filed our annual financial statements in accordance with R.S. 24:514 and 33:463 where applicable.
Yes No N/A

We have had our financial statements reviewed in accordance with R.S. 24:513.
Yes No N/A

MEETINGS

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:1 through 42:13.
Yes No N/A

DEBT

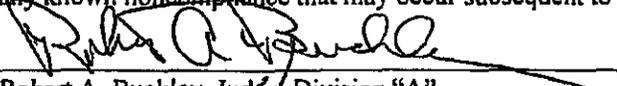
It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.
Yes No N/A

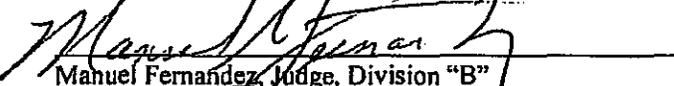
ADVANCES AND BONUSES

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.
Yes No N/A

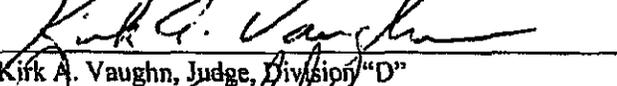
We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

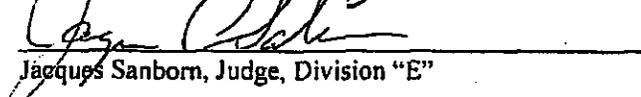
We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance that may occur subsequent to the issuance of your report.


Robert A. Buckley, Judge, Division "A" Date 2-11-10


Manuel Fernandez, Judge, Division "B" Date 2-11-10


Robert Klees, Judge, Division "C" Date 2-11-10


Kirk A. Vaughn, Judge, Division "D" Date 2-11-10


Jacques Sanborn, Judge, Division "E" Date 2-11-10