

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

Annual Financial Statements
As of and for the Eighteen Month Period Ended
June 30, 2010

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 2/23/11

Jimmie Self, CPA
A Professional Accounting Corporation
2908 Cameron Street, Suite C
Monroe, Louisiana 71201
Phone 318/323-4656 • FAX 318/388-0724

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

Annual Financial Statements
As of and for the Eighteen Month Period Ended
June 30, 2010

Jimmie Self, CPA
A Professional Accounting Corporation
2908 Cameron Street, Suite C
Monroe, Louisiana 71201
Phone 318/323-4656 • FAX 318/388-0724

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

Financial Statements
As of and for the Eighteen Month Period Ended June 30, 2010

CONTENTS

	Statement	Page
Independent Auditor's Report		1-2
Required Supplemental Information – Part I:		
Management Discussion and Analysis		4-6
Basic Financial Statements:		
Governmental Funds Balance Sheet/ Statement of Net Assets	A	8
Statement of Governmental Funds Revenues, Expenditures and Changes in Fund Balances/ Statement of Activities	B	9
Notes to the Financial Statements		11-20
	Schedule	Page
Required Supplemental Information - Part II:		
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual - General Fund	1	22
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards		23-24
Supplemental Information Schedules:		
Schedule of Findings and Responses		26
Summary Schedule of Findings		27

Jimmie Self, CPA
A Professional Accounting Corporation
2908 Cameron Street, Suite C
Monroe, Louisiana 71201
Phone 318-323-4656 Fax 318-388-0724

Independent Auditor's Report

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

I have audited the accompanying financial statements of the governmental activities of the Fifth Judicial District Office of Public Defender (The Office) of Oak Grove, Louisiana as of and for the eighteen-month period ended June 30, 2010, as listed in the table of contents. These financial statements are the responsibility of The Office's management. My responsibility is to express opinions on these financial statements, based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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*. I believe that my audit provides a reasonable basis for my opinions.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of The Office, as of June 30, 2010, and the respective changes in financial position thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued my report dated December 28, 2010, on my consideration of The Office's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in

accordance with Governmental Auditing Standards and should be considered in assessing the results of my audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 through 6 and 22 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Fifth Judicial District Office's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, are presented for purposes of additional analysis and are not a required part of the financial statements and accordingly, I express no opinion or provide any assurance on it.



Jimmie Self, CPA
Monroe, Louisiana
December 28, 2010

Required Supplementary Information
(Part I)

Management Discussion and Analysis

**FIFTH JUDICIAL DISTRICT OFFICE OF PUBLIC DEFENDER
MANAGEMENT DISCUSSION AND ANALYSIS
As of and for the Year Ended June 30, 2010**

Our Management Discussion and Analysis (MD&A) of the Fifth Judicial District Office of Public Defender (The Office) provides an overview of the activities for the eighteen month period ended June 30, 2010.

The MD&A is a format for reporting the information required by the Governmental Accounting Standards Board Statement Number 34 (known as GASB 34) which is now required for reporting the financial activities of all state and local governmental units.

It is only a part of the financial report as presented in the annual financial audit for the eighteen month period ended June 30, 2010, and should be read and considered with the financial statements, notes to the financial statements, and the audit report as a whole.

Financial Highlights

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

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

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

THIS PORTION OF THIS PAGE WAS INTENTIONALLY LEFT BLANK.

**FIFTH JUDICIAL DISTRICT OFFICE OF PUBLIC DEFENDER
MANAGEMENT DISCUSSION AND ANALYSIS
As of and for the Year Ended June 30, 2010**

Summary of the Statement of Net Assets
June 30, 2010

TABLE I – TOTAL NET ASSETS	2008	6/30/2010
Current Assets	\$ 174,003	\$ 227,194
Investments	153,647	0
Receivables	13,472	18,748
Capital Assets, net	<u>2,657</u>	<u>654</u>
Total Assets	<u>\$ 343,779</u>	<u>\$ 246,596</u>
Current Liabilities	0	0
Net Assets:		
Invested in Capital Assets (See Note 6)	\$ 2,657	\$ 654
Restricted	22,801	10,086
Unrestricted	318,321	235,856
Total Net Assets	<u>\$ 343,779</u>	<u>\$ 246,596</u>

Summary of the Statement of Activities
For the Year ended June 30, 2010

TABLE 2 – CHANGE IN NET ASSETS	2008	6/30/2010
Revenues:		
Charges for Services	\$ 167,106	\$ 306,708
State Grants	339,730	233,427
Other	7,214	3,167
Total Revenues	<u>\$ 514,050</u>	<u>\$ 543,302</u>
Expenditures		
Personal Services	\$ 373,022	\$ 637,661
Travel and Professional Development	2,770	821
Operating Services	14,413	2,003
Capital Outlay	0	0
Total Expenditures	<u>\$ 330,205</u>	<u>\$ 640,485</u>

Governmental Activities

For the prior year ended December 31, 2008, The Office's assets exceeded its liabilities by \$341,122 (Net Assets). This was an increase of \$111,216 over the prior year.

The Office's assets exceeded its liabilities by \$245,942 (Net Assets) for the eighteen months ended June 30, 2010. This was a decrease of (95,180).

**FIFTH JUDICIAL DISTRICT OFFICE OF PUBLIC DEFENDER
MANAGEMENT DISCUSSION AND ANALYSIS
As of and for the Year Ended June 30, 2010**

Unrestricted Net Assets \$235,856 represent the portion available to maintain The Office's obligation to both citizens and creditors at the close of the eighteen month period ended June 30, 2010. This is a decrease of 82,465 over the prior one year period.

General Fund Budgetary Highlights

The Office amended its General Fund Budget during the year.

Capital Assets

Capital Outlay (additions to capital assets) during the prior one year period ending December 31, 2008 was 0. There were no capital outlays for the eighteen month period ended 6/30/2010.

Economic Factors and Next Year's Budget

The Office has prepared its 2010 budget for the General Fund on the assumption that revenues and expenditures will remain fairly constant. However, the budget has been prepared for an eighteen month period to cause the fiscal period to end on June 30 this year and each subsequent year so that the fiscal periods for all Judicial Districts across the State of Louisiana will end on June 30 this year and each subsequent year.

Contacting The Office's Financial Management

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

Basic Financial Statements

**FIFTH JUDICIAL DISTRICT OFFICE OF PUBLIC DEFENDER
 Oak Grove, Louisiana
 Governmental Funds Balance Sheet/Statement of Net Assets
 June 30, 2010**

Statement A

	General Fund	Adjustments	Statement of Net Assets
ASSETS			
Cash and cash equivalents	\$ 227,194	-	\$ 227,194
Investments	-	-	-
Receivables	18,748	-	18,748
Total Assets	<u>\$ 245,942</u>	<u>-</u>	<u>\$ 245,942</u>
LIABILITIES			
Liabilities:			
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
FUND BALANCES/NET ASSETS			
Fund balances:			
Reserved for Private Investigator	10,086	-	10,086
Unrestricted Funds	235,856	-	235,856
Total Fund Balances	<u>245,942</u>	<u>-</u>	<u>245,942</u>
Total Liabilities and Fund Balances-General Fund	<u>\$ 245,942</u>	<u>\$ -</u>	<u>\$ 245,942</u>
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	<u>\$ -</u>	<u>\$ 654</u>	<u>\$ 654</u>
Total Net Assets	<u>\$ 245,942</u>	<u>\$ 654</u>	<u>\$ 246,596</u>

The accompanying notes are an integral part of this statement.

Statement of Governmental Fund Revenues,
 Expenditures, and Changes in Fund Balances/
 Statement of Activities
 For the Eighteen Month Period Ended June 30, 2010

	Judicial Expense Fund	Adjustments *	Statement of Activities
EXPENDITURES/EXPENSES			
Judiciary:			
Personal services	\$ 637,661	\$ -	\$ 637,661
Travel and professional development	821	-	821
Operating services	-	-	-
Capital Outlay	-	-	-
Depreciation	-	2,003	2,003
Total Expenditures/Expenses	<u>638,482</u>	<u>2,003</u>	<u>640,485</u>
PROGRAM REVENUES			
Charges for Services	<u>306,708</u>	-	<u>306,708</u>
Net Program Expense	<u>(331,774)</u>	<u>(2,003)</u>	<u>(333,777)</u>
GENERAL REVENUES			
State Grants	233,427	-	223,427
Investment Earnings	3,167	-	3,167
Total General Revenues	<u>236,594</u>	<u>-</u>	<u>236,594</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(95,180)	(2,003)	(97,183)
FUND BALANCE/NET ASSETS:			
Beginning of the Year	<u>341,122</u>	<u>2,657</u>	<u>343,779</u>
End of Year	<u>\$ 245,942</u>	<u>\$ 654</u>	<u>\$ 246,596</u>

* Adjustments
 Capital Assets, including accumulated depreciation, are recorded on the
 Statement of Net Assets, but not in the fund statements of the Judicial
 Expense Fund.

The accompanying notes are an integral part of this statement.

Notes to the Financial Statements

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

Notes to the Financial Statements
As of and for the Eighteen Month Period Ended June 30, 2010

INTRODUCTION

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

Accounting Standards

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

Fiscal Period

This report for The Office is for an eighteen month period. The prior period ended on December 31, 2008. This period ended on June 30, 2010 so that all Judicial District Offices of the Public Defender will have the same fiscal period ending on June 30 each year.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying basic financial statements of the Fifth Judicial District Office of Public Defender have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for

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

Notes to the Financial Statements
As of and for the Eighteen Month Period Ended June 30, 2010

establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis— for State and Local Governments*, issued in June 1999.

B. REPORTING ENTITY

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

C. FUND ACCOUNTING

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

Governmental Funds

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

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

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

Notes to the Financial Statements
As of and for the Eighteen Month Period Ended June 30, 2010

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Fund Financial Statements (FFS)

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

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

Revenues

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

Expenditures

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

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

Notes to the Financial Statements
As of and for the Eighteen Month Period Ended June 30, 2010

Government Wide Financial Statements (GWFS)

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

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

E. BUDGETS

The Office uses the following budget practices:

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

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

The Board members may authorize supplemental appropriations during the year.

F. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, The Office may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

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

Notes to the Financial Statements
As of and for the Eighteen Month Period Ended June 30, 2010

G. INVESTMENTS

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

H. CAPITAL ASSETS

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

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

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

I. COMPENSATED ABSENCES

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

J. RESTRICTED NET ASSETS

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

K. FUND EQUITY

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

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

Notes to the Financial Statements
As of and for the Eighteen Month Period Ended June 30, 2010

L. ESTIMATES

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

NOTE 2. CASH AND CASH EQUIVALENTS

At June 30, 2010, The Office has cash and cash equivalents (book balances) totaling \$227,194 as follows:

Demand Deposits	\$ 227,194
-----------------	------------

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

At June 30, 2010, The Office has \$227,194 in deposits (collected bank balances). These deposits are secured from risk by \$250,000 of federal deposit insurance and \$153,042 (market value) of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by The Office that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 3. INVESTMENTS

Investments are categorized into three categories of credit risk:

1. Insured or registered, or securities held by The Office or its agent in The Office's name

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

Notes to the Financial Statements
As of and for the Eighteen Month Period Ended June 30, 2010

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

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

NOTE 4. RECEIVABLES

The receivables of \$18,748 at June 30, 2010 are as follows:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Total</u>
Charges for Services	<u>18,748</u>	<u>18,748</u>
Total	<u>18,748</u>	<u>18,748</u>

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

NOTE 5. GRANT REVENUES

The Office received grants in the amount of \$233,427 during the eighteen month period ending June 30, 2010 to assist in providing operating revenues.

NOTE 6. RECONCILIATION

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

Total Fund Balance for Governmental Funds	\$ 245,942
Add Capital Assets, Net	<u>654</u>
Total Net Assets of Governmental Funds	<u>246,596</u>

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

Notes to the Financial Statements
As of and for the Eighteen Month Period Ended June 30, 2010

NOTE 7. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2008, is as follows:

<u>Governmental Activities</u>	Beginning Balance 12/31/2008	Additions	Accum Deprec	Current Deprec	Balance 6/30/2008
Equipment	10,572	-	7,915	2,003	654
Additions 2008	-	-	-	-	-
Total 6/30/10	<u>10,572</u>	<u>-</u>	<u>7,915</u>	<u>2,003</u>	<u>654</u>
Capital Assets Being Depreciated	10,572				

NOTE 8. PENSION PLAN

There are no provisions made for a pension plan.

NOTE 9. OTHER POST-EMPLOYMENT BENEFITS

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

NOTE 10. ACCOUNTS, SALARIES, AND OTHER PAYABLES

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

NOTE 11. RISK MANAGEMENT

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

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

Notes to the Financial Statements
As of and for the Eighteen Month Period Ended June 30, 2010

NOTE 12. LITIGATION AND CLAIMS

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

NOTE 13. SUBSEQUENT EVENTS

Subsequent events were evaluated by management up to and including the issue date of this report, December 28, 2010. There were no subsequent events noted which would affect the financial statements for the eighteen month period ended June 30, 2010.

NOTE 14. BUDGETARY INFORMATION

The budgetary comparison schedule shows two budgets prepared by management for the eighteen month period covered by this audit. Each of the two reports is for one year; the first for January 1, 2009 – December 31, 2009, and the second for July 1, 2009 – June 30, 2010. These budgets overlap for the period of July – December, 2009. Both budgets were included on the budgetary comparison schedule as received from management.

James M. Miller, Chief Public Defender, Fifth Judicial District, has stated that he was not required to prepare an eighteen month budget by the Louisiana State Board of Public Defenders.

THIS PORTION OF THIS PAGE IS INTENTIONALLY LEFT BLANK

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

Notes to the Financial Statements
As of and for the Eighteen Month Period Ended June 30, 2010

**NOTE 14. UNIFORM AUDIT REPORT FORMAT FOR THE OFFICE OF
PUBLIC DEFENDER**

The following is the uniform report required by Louisiana Revised Statute (R. S.) 24:515.1 as prescribed by the Louisiana Legislative Auditor's office for reporting revenues and expenditures of the local Office of Public Defender.

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

For the eighteen month period ended June 30, 2010, the major sources of governmental fund revenues and expenditures were as follows:

Revenues:		
State Government		
Grants	<u>\$233,427</u>	
Total	<u>233,427</u>	
Charges for Services	306,708	
Investment earnings	<u>3,167</u>	
Total Revenues		<u><u>\$543,302</u></u>
Expenditures:		
Professional Development		
Travel	<u>821</u>	
Total		<u>821</u>
Operating Costs		
Contract services - attorney/legal	599,798	
Contract services - other	<u>39,866</u>	
Total		<u><u>\$639,664</u></u>
Debt Service	-	-
Capital outlay	-	<u>-</u>
Total Expenditures		<u><u>\$640,485</u></u>

Required Supplementary Information
(Part II)

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

For the Eighteen Month period Ended June 30, 2008

	Budget 1/01/2009 to 12/31/2009	Budget 7/01/2009 to 6/30/2010	General Fund Actual	Variance Favorable (Unfavorable)
Revenues:				
State Revenue	\$ 313,050	\$ 92,030	\$ 233,427	
Court Fees/Costs Assessed	150,000	175,000		
Bond Fees and Forfeitures	5,000	3,000		
Interest Revenue	1,000	1,500	3,167	
Transfer from 5th PDO Cash Reserve	-	195,283		
Charges for Services			306,708	
Total	\$ 469,050	\$ 466,813	\$ 543,302	
Expenditures:				
Personal Services	\$ -	\$ -	\$ 637,661	
Travel and Professional Development			821	
Salaries	411,000	8,400	-	
Payroll Taxes	450	643	-	
Audit/Accounting Expenses	7,100	8,600	-	
Expert Witness	3,000	-	-	
Investigators	24,000	30,000	-	
Conflict	10,000	-	-	
Contract Attorneys	-	402,200	-	
IT/Technical Support	2,000	-	-	
Telephone/Utilities/Postage/Internet	6,000	5,970	-	
Travel/Lodging	5,000	10,000	-	
Miscellaneous	500	1,000	-	
Depreciation Expense			2,003	
Total	469,050	466,813	640,485	
Net change in fund balance			(97,183)	
Fund Balance - Beginning of Year			343,779	
Fund Balance - End of Year			\$ 246,596	

Note: Two Budgets were prepared for the eighteen month period being reported. The first budget was for the year January 1, 2009 - December 31, 2009. The second budget was for July 1, 2009 - June 30, 2010. These two budgets overlap. A separate eighteen month budget was not required by the board for the period in question. This information per James H. Miller, Chief Public Defender, Fifth Judicial District. (See Note 14)

See Independent Accountant's Report

Jimmie Self, CPA
A Professional Accounting Corporation
2908 Cameron St, Suite C
Monroe, LA 71201
Phone (318)-323-4656 • Fax (318)388-0724

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

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

I have audited the financial statements of the governmental activities of the Fifth Judicial District Office of the Public Defender, Oak Grove, Louisiana (The Office) as of and for the eighteen month period ended June 30, 2010, which collectively comprise The Office's basic financial statements and have issued my report thereon dated December 28, 2010. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered The Office's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of The Office's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of The Office's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or its employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of control deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. I did not identify any deficiencies in

internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether The Office's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other such matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the management of The Office, others within the entity, and the Louisiana Legislative Auditor and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Jimmie Self, CPA
Monroe, Louisiana
December 28, 2010

Supplementary Information

JIMMIE SELF, CPA
A Professional Accounting Corporation
2908 Cameron Street, Suite C
Monroe, Louisiana 71201
Phone (318) 323-4656 • Fax (318) 388-0724

SCHEDULE OF FINDINGS AND RESPONSES
Fifth Judicial District Office of the Public Defender
Oak Grove, Louisiana

Findings for the Current Eighteen Month Period Ended June 30, 2010

There are no findings for the current period.

Findings for the Prior Year Ended December 31, 2008

There were no findings for the prior year period

Jimmie Self, CPA
A Professional Accounting Corporation
2908 Cameron Street, Suite C
Monroe, Louisiana 71201
Phone (318) 323-4656 Fax (318) 388-0724

SUMMARY SCHEDULE OF FINDINGS
Fifth Judicial District Office of the Public Defender
Oak Grove, Louisiana
For the Eighteen Month Period Ended June 30, 2010

I have audited the financial statements of Fifth Judicial District Office of the Public Defender as of and for the eighteen month period ended June 30, 2010 and have issued my report dated December 28, 2010. I conducted my audit in accordance with generally accepted auditing standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My audit of the financial statements as of June 30, 2010 resulted in an unqualified opinion (qualified, adverse, disclaimer).

Section I Summary of Auditor's Reports

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

Internal Control

Material Weaknesses yes no Internal Control Deficiencies yes no

Compliance

Compliance material to Financial Statements yes no

b. Federal Awards: None

c. Identification of major Programs:

None.