

**THIRTY-SEVENTH JUDICIAL DISTRICT  
INDIGENT DEFENDER FUND  
Columbia, Louisiana**

**General Purpose Financial Statements  
With Accountant's Compilation Report  
As of and for the Eighteen Months Ended  
June 30, 2010  
With Supplemental Information Schedules**

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 3/2/11

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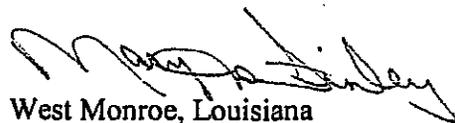
**Accountant's Compilation Report**

THIRTY-SEVENTH JUDICIAL DISTRICT  
INDIGENT DEFENDER FUND  
Columbia, Louisiana

I have compiled the general purpose financial statements and supplemental information schedules, as listed in the foregoing table of contents, of the Thirty-Seventh Judicial District Indigent Defender Fund, a component unit of the Caldwell Parish Police Jury, as of June 30, 2010, and for the eighteen months then ended, in accordance with standards established by *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements and schedules information that is the representation of management. I have not audited or reviewed the accompanying financial statements and schedules and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Thirty-Seventh Judicial District Indigent Defender Fund financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.



West Monroe, Louisiana  
September 30, 2010

**GENERAL PURPOSE FINANCIAL STATEMENTS  
(OVERVIEW)**

THIRTY-SEVENTH JUDICIAL DISTRICT  
INDIGENT DEFENDER FUND  
Columbia, Louisiana  
ALL FUND TYPES

Balance Sheet, June 30, 2010

	<u>GOVERNMENTAL FUND TYPE - GENERAL FUND</u>
<b>ASSETS</b>	
Cash	\$60,965
Receivables - court costs	<u>4,931</u>
<b>TOTAL ASSETS</b>	<u><u>\$65,896</u></u>
<b>LIABILITIES AND FUND EQUITY</b>	
Liabilities - contract attorney payable	<u>\$7,700</u>
<b>TOTAL LIABILITIES</b>	<u>7,700</u>
Fund Equity - fund balances - unreserved - undesignated	<u>58,196</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u><u>\$65,896</u></u>

See accompanying notes and accountant's compilation report.

**THIRTY-SEVENTH JUDICIAL DISTRICT  
INDIGENT DEFENDER FUND  
Columbia, Louisiana  
GOVERNMENTAL FUND TYPE - GENERAL FUND**

Statement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget  
(GAAP Basis) and Actual  
For the Eighteen Months Ended June 30, 2010

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES</b>			
State Government			
Appropriations - general	70,469	77,566	7,097
Local Government			
Statutory fines, forfeitures, fees, court costs and other	50,289	58,094	7,805
Total revenues	<u>120,758</u>	<u>135,660</u>	<u>14,902</u>
<b>EXPENDITURES</b>			
Personal services and benefits			
Salaries	43,000	32,620	10,380
Operating costs			
Library and research		500	(500)
Contract services - attorney/legal	195,000	147,313	47,687
Contract services - other	30,000	28,057	1,943
Travel - other	5,000	5,430	(430)
Supplies	1,000	165	835
Other	1,000	670	330
Total operating costs	<u>232,000</u>	<u>182,135</u>	<u>49,865</u>
Total expenditures	<u>275,000</u>	<u>214,755</u>	<u>60,245</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<u>(154,242)</u>	<u>(79,095)</u>	<u>75,147</u>
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>163,069</u>	<u>137,291</u>	<u>(25,778)</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$8,827</u>	<u>\$58,196</u>	<u>\$49,369</u>

See accompanying notes and accountant's compilation report.

**THIRTY-SEVENTH JUDICIAL DISTRICT  
INDIGENT DEFENDER FUND  
Columbia, Louisiana**

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Thirty-Seventh Judicial District Public Defender Fund was created by the Louisiana Public Defender Board, as authorized by Louisiana Revised Statute 15:146-149 to provide and compensate counsel appointed to represent indigents in criminal and quasi-criminal cases on the district court level. The judicial district encompasses the parish of Caldwell, Louisiana. The district public defender is appointed by the Louisiana Public Defender Board.

**A. REPORTING ENTITY**

As the governing authority of the parish, for reporting purposes, the Caldwell Parish Police Jury is the financial reporting entity for Caldwell Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which 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.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria determining which component units should be considered part of the Caldwell Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial responsibility. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the police jury 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 police jury.

See accountant's compilation report.

THIRTY-SEVENTH JUDICIAL DISTRICT  
INDIGENT DEFENDER FUND  
Columbia, Louisiana  
Notes to the Financial Statements (Continued)

2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

The district public defender is appointed by the Louisiana Public Defender Board. However, the police jury is ultimately responsible for the fiscal operations of the Thirty-Seventh Judicial District Court system, which includes the Public Defender Fund. Further, because of this relationship, the police jury's primary government financial statements would be misleading without inclusion of the public defender fund's financial statements. Therefore, the public defender fund is considered a component unit of the parish reporting entity.

#### **B. FUND ACCOUNTING**

The Thirty-Seventh Judicial Public Defender Fund 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 that comprises its assets, liabilities, fund equity, revenues, and expenditures. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities (general fixed assets and general long-term obligations) that are not recorded in the "funds" because they do not directly affect net expendable available financial resources. They are concerned only with the measurement of financial position, not with the measurement of results of operations.

Funds are classified into three categories; governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types." Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The fund's current operations require only the use of governmental funds (General Fund). The General Fund is the general operating fund of the public defender fund and accounts for all of its financial resources.

See accountant's compilation report.

THIRTY-SEVENTH JUDICIAL DISTRICT  
 INDIGENT DEFENDER FUND  
 Columbia, Louisiana  
 Notes to the Financial Statements (Continued)

**C. FIXED ASSETS AND LONG-TERM DEBT**

A summary of changes in office furnishings and equipment follows:

Balance, January 1, 2009	\$3,832
Additions	NONE
Deletions	<u>NONE</u>
Balance, June 30, 2010	<u>\$3,832</u>

The Thirty-Seventh Judicial District Indigent Defender Fund has no outstanding debt at June 30, 2010.

**D. BASIS OF ACCOUNTING**

The 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 current liabilities generally are included on the balance sheet. Operating statements for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for reporting 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 collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The public defender fund uses the following practices in recognizing and reporting revenues and expenditures:

**Revenues**

Court costs on fines and forfeitures imposed by the district are recorded in the year they are collected by the tax collector. Based on that criteria, court costs on fines and forfeitures are treated as susceptible to accrual.

**Expenditures**

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

See accountant's compilation report.

THIRTY-SEVENTH JUDICIAL DISTRICT  
INDIGENT DEFENDER FUND  
Columbia, Louisiana  
Notes to the Financial Statements (Continued)

**E. BUDGET PRACTICES**

A preliminary budget for the ensuing year is prepared by the public defender fund's contract accountant prior to December 31 of each year and is made available for public inspection at least fifteen days prior to the beginning of each fiscal year. The proposed budget is prepared on the modified accrual basis of accounting. The budget is established and controlled by the chief public defender at the object level of expenditure. Encumbrance accounting is not used by the public defender fund. Appropriations lapse at year-end and must be reappropriated for the following year to be expended. All changes in the budget must be approved by the chief public defender.

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments.

**F. CASH AND CASH EQUIVALENTS**

Under state law, the public defender fund 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 public defender fund may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2010, the public defender fund has cash and cash equivalents (book balances) totaling \$60,965.

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. All deposits are fully secured by federal deposit insurance at June 30, 2010.

**2. LITIGATION**

At June 30, 2010, the public defender fund is not involved in any litigation nor is it aware of any unasserted claims.

See accountant's compilation report.

THIRTY-SEVENTH JUDICIAL DISTRICT  
INDIGENT DEFENDER FUND  
Columbia, Louisiana

Summary Schedule of Prior Compilation Findings  
For the Eighteen Months Ended June 30, 2010

**08-1 Finding:** One of the contract attorneys of the Thirty-Seventh Judicial District Indigent Defender Fund was paid in excess of their approved wages.

**Recommendation:** I recommend that the Thirty-seventh Judicial District Indigent Defender Fund comply with all requirements of Article VII, Section 14 of the Louisiana Constitution, the attorney general's opinion, and rulings of the court.

**Status:** This finding has been corrected

**08-2 Finding:** The Thirty-seventh Judicial District Indigent Defender Fund has an internal control weakness by making payments to several attorneys, an investigator, and an employee with no contracts.

**Recommendation:** I recommend that the Thirty-Seventh Judicial District Indigent Defender Fund immediately get signed contracts with anyone that they pay for contract labor.

**Status:** This finding has been corrected.