

**DISTRICT ATTORNEY
OF THE
TWENTY-EIGHTH JUDICIAL DISTRICT**

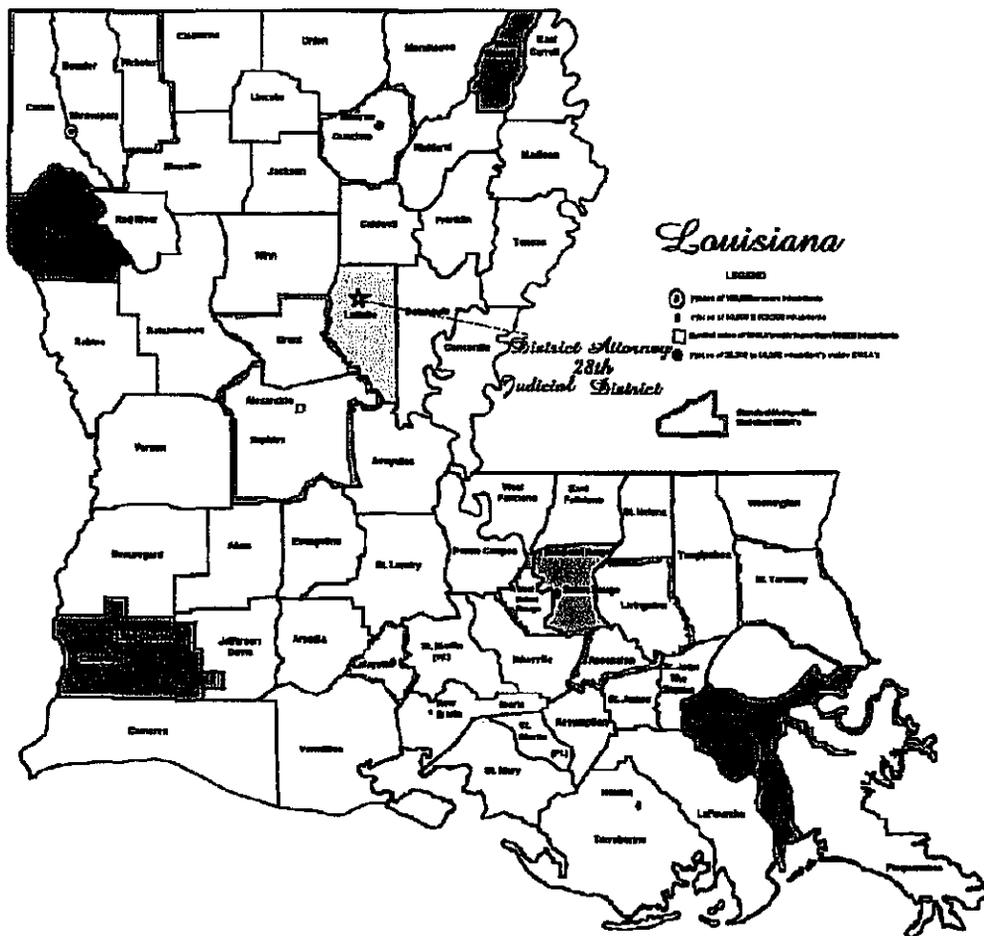
**Financial Statements &
Supplemental Financial Information**

December 31, 2006

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 8-1-07

**DISTRICT ATTORNEY
OF THE
TWENTY-EIGHTH JUDICIAL DISTRICT
PARISH OF LASALLE
STATE OF LOUISIANA**



*** District Attorney of the Twenty-Eighth Judicial District**

The District Attorney has charge of every criminal prosecution by the state in his district and is the legal advisor to the Grand Jury. He performs other duties as provided by law. The qualified electors of the judicial district elect the District Attorney for a term of six years. His jurisdiction covers the Twenty-Eighth Judicial District of the State of Louisiana.

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana**

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December 31, 2006**

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INDEPENDENT AUDITOR'S REPORT

Honorable Reed Walters
District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana

We have audited the accompanying financial statements of the governmental activities of the District Attorney of the Twenty-Eighth Judicial District, Jena, Louisiana, a component unit of the LaSalle Parish Police Jury, as of and for the year ended December 31, 2006 which collectively comprises the District Attorney of the Twenty-Eighth Judicial District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District Attorney of the Twenty-Eighth Judicial District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our 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 we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the District Attorney of the Twenty-Eighth Judicial District as of December 31, 2006 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.

The management's discussion and analysis and budgetary comparison information as listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally 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 *Government Auditing Standards*, we have also issued our report dated May 15, 2007, on our consideration of the District Attorney of the Twenty-Eighth Judicial District's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

John R. Vercher PC

May 15, 2007
Jena, Louisiana

**Management Discussion
& Analysis
(MD&A)**

District Attorney of the Twenty-Eighth Judicial District

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MANAGEMENTS DISCUSSION AND ANALYSIS

As management of the District, we offer readers of the District Attorney of the Twenty-Eighth Judicial District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2006. We encourage readers to consider the information presented here in conjunction with the District's financial statements.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

- The assets of the District's governmental activities exceeded its liabilities at the close of the most recent fiscal year by \$64,097 (*net assets*). Of this amount, \$42,028 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The District had total revenues of \$324,909, which is a \$29,298 decrease from last year.
- The District had total expenditures of \$320,391, which is a \$38,016 decrease from last year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements consist of two components: 1) fund financial statements, and 2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. The District is a special-purpose entity engaged only in governmental activities. Accordingly, only fund financial statements are presented as the basic financial statements.

Effective, January 1, 2004, the District adopted Governmental Accounting Standards (GASB) Statement No. 34, *Basic Financial Statements – Management's Discussion and Analysis – for State and Local Governments*.

FUND FINANCIAL STATEMENTS

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

MD&A

USING THIS ANNUAL REPORT

The District's annual report consists of financial statements that show information about the District's fund, an enterprise fund.

Our auditor has provided assurance in his independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance are being provided by the auditor regarding the other information included in this report. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts of this report.

Table 1
Balance Sheet
Governmental Activities

The following table represents a condensed Comparative Statement of Net Assets as of December 31, 2006:

	<u>2005</u>	<u>2006</u>	<u>% Change</u>
Assets			
Cash & Investments	\$ 30,533	\$ 36,606	19.9%
Receivables	15,140	11,223	-25.9%
Capital Assets, Net of Accumulated Depreciation	48,911	39,730	-18.8%
Total Assets	<u>94,584</u>	<u>87,559</u>	-7.4%
Liabilities & Net Assets			
Accounts, Salaries, & Other Payables	32,136	23,462	-27.0%
Total Liabilities	<u>32,136</u>	<u>23,462</u>	-27.0%
Net Assets			
Invested in Capital Assets, Net of Related Debt	24,938	22,069	-11.5%
Unrestricted	37,510	42,028	12.0%
Total Net Assets	<u>62,448</u>	<u>64,097</u>	2.6%

Table 2
Changes in Fund Balance
Governmental Funds

The following table reflects the condensed Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance for the year ended December 31, 2006:

	<u>2005</u>	<u>2006</u>	<u>% Change</u>
Beginning Fund Balances	\$ 41,710	\$ 37,510	-10.1%
Total Revenues	354,207	324,909	-8.3%
Total Expenditures	(358,407)	(320,391)	-10.6%
Increase (Decrease) in Fund Balances	<u>(4,200)</u>	<u>4,518</u>	207.6%
Ending Fund Balances	<u>\$ 37,510</u>	<u>\$ 42,028</u>	12.0%

MD&A

CAPITAL ASSETS

Capital Assets

At December 31, 2006, the District had \$39,730 invested in capital assets, including furniture and equipment.

Capital Assets at Year-End

Furniture & Equipment	\$ 91,732
Accumulated Depreciation	(52,002)
Total Capital Assets, Net of Depreciation	<u>\$ 39,730</u>

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Reed Walters, District Attorney, at the District Attorney of the Twenty-Eighth Judicial District, PO Box 1940, Jena, Louisiana 71342, telephone number (318) 992-8282.

Basic Financial Statements

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana
Statement of Net Assets
December 31, 2006**

ASSETS	GOVERNMENTAL ACTIVITIES
Cash & Cash Equivalents	\$ 33,148
Investments	3,458
Accounts Receivable	9,979
Due From Supplemental	1,244
Capital Assets, Net of Accumulated Depreciation	39,730
TOTAL ASSETS	<u>87,559</u>
LIABILITIES	
Accounts Payable	5,801
Lease Payable - Current	6,312
Lease Payable - Non Current	11,349
TOTAL LIABILITIES	<u>23,462</u>
NET ASSETS	
Invested in Capital Assets, Net of Related Debt	22,069
Restricted	-0-
Unrestricted	42,028
TOTAL NET ASSETS	<u>\$ 64,097</u>

The accompanying notes are an integral part of this statement.

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana
Statement of Activities
Year Ended December 31, 2006**

<u>FUNCTIONS/PROGRAMS</u>	<u>EXPENSES</u>	<u>CHARGES FOR SERVICES</u>	<u>OPERATING GRANTS & OTHER CONTRIBUTIONS</u>	<u>NET (EXPENSE) REVENUE</u>
Governmental Activities:				
General Government - Judicial	\$ <u>(323,260)</u>	\$ <u>131,156</u>	\$ <u>193,753</u>	\$ <u>1,649</u>
		Change in Net Assets		1,649
		Net Assets – Beginning of Year		<u>62,448</u>
		Net Assets – End of Year		<u>\$ <u>64,097</u></u>

The accompanying notes are an integral part of this statement.

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana
Balance Sheet – Governmental Funds
December 31, 2006**

	GENERAL FUND	PRETRIAL INTERVENTION	IV-D FUND	VICTIM'S ASSISTANCE	DOMESTIC VIOLENCE	TOTAL GOVERNMENT FUNDS
ASSETS						
Cash & Cash Equivalents	\$ 12,873	\$ 15,579	\$ 4,515	\$ 6	\$ 175	\$ 33,148
Investments	3,458	-0-	-0-	-0-	-0-	3,458
Receivables	3,212	-0-	4,684	2,083	-0-	9,979
Due From Supplemental	1,244	-0-	-0-	-0-	-0-	1,244
TOTAL ASSETS	<u>20,787</u>	<u>15,579</u>	<u>9,199</u>	<u>2,089</u>	<u>175</u>	<u>47,829</u>
LIABILITIES & FUND BALANCE						
LIABILITIES						
Accounts Payable	5,801	-0-	-0-	-0-	-0-	5,801
TOTAL LIABILITIES	<u>5,801</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>5,801</u>
FUND BALANCES						
Unreserved - Undesignated	14,986	15,579	9,199	2,089	175	42,028
TOTAL FUND BALANCES	<u>14,986</u>	<u>15,579</u>	<u>9,199</u>	<u>2,089</u>	<u>175</u>	<u>42,028</u>
TOTAL LIABILITIES & FUND BALANCE	<u>\$ 20,787</u>	<u>\$ 15,579</u>	<u>\$ 9,199</u>	<u>\$ 2,089</u>	<u>\$ 175</u>	<u>\$ 47,829</u>

The accompanying notes are an integral part of this statement.

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana
Reconciliation of the Balance Sheet – Governmental Funds
to the Statement of Net Assets
Year Ended December 31, 2006**

Fund balances – total governmental funds \$ 42,028

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 governmental funds.

Capital Assets	\$	91,732	
Less Accumulated Depreciation		<u>(52,002)</u>	
			39,730

Long-term liabilities including notes payable are not due and payable in the current period and therefore are not reported in the governmental funds.

Lease Payable	\$	<u>(17,661)</u>	
			<u>(17,661)</u>

Net assets of governmental activities	\$		<u>64,097</u>
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The accompanying notes are an integral part of this statement.

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana
Statement of Revenues, Expenditures, & Changes in Fund Balance
Year Ended December 31, 2006**

	GENERAL FUND	PRETRIAL INTERVENTION	IV-D FUND	VICTIM'S ASSISTANCE	DOMESTIC VIOLENCE	TOTAL GOVERNMENT FUNDS
REVENUES						
Intergovernmental	\$ -0-	\$ 43,650	\$ 54,769	\$ 27,083	\$ -0-	\$ 125,502
Commissions on Fines	60,430	-0-	-0-	-0-	-0-	60,430
Police Jury	3,750	-0-	-0-	-0-	-0-	3,750
Other Income	4,071	-0-	-0-	-0-	-0-	4,071
Worthless Check Collection	131,156	-0-	-0-	-0-	-0-	131,156
TOTAL REVENUES	199,407	43,650	54,769	27,083	-0-	324,909
EXPENDITURES						
Worthless Checks	45,008	-0-	-0-	-0-	-0-	45,008
Auto Expenditures	3,141	-0-	-0-	-0-	-0-	3,141
Travel	1,982	-0-	-0-	-0-	-0-	1,982
Legal & Accounting	4,652	-0-	-0-	-0-	-0-	4,652
Insurance	2,044	-0-	-0-	-0-	-0-	2,044
Dues & Subscriptions	4,208	-0-	-0-	-0-	-0-	4,208
Equipment	1,899	-0-	-0-	-0-	-0-	1,899
Utilities	1,657	-0-	-0-	-0-	-0-	1,657
Office Expenditures	34,097	433	-0-	-0-	-0-	34,530
Miscellaneous	2,265	540	-0-	-0-	-0-	2,805
Cost of Court	43,769	-0-	-0-	-0-	-0-	43,769
Restitution	1,413	-0-	-0-	-0-	-0-	1,413
Payroll Expenditures	87,127	-0-	54,443	24,050	-0-	165,620
Principal Retirement	6,312	-0-	-0-	-0-	-0-	6,312
Interest Charges	1,351	-0-	-0-	-0-	-0-	1,351
TOTAL EXPENDITURES	240,925	973	54,443	24,050	-0-	320,391
OTHER FINANCING SOURCES (USES)						
Transfers In	40,694	-0-	-0-	-0-	-0-	40,694
Transfer Out	-0-	(39,650)	-0-	(1,044)	-0-	(40,694)
TOTAL OTHER FINANCING SOURCES (USES)	40,694	(39,650)	-0-	(1,044)	-0-	-0-
EXCESS (DEFICIENCY) OF REVENUES & OTHER SOURCES OVER (UNDER) EXPENDITURES & OTHER USES	(824)	3,027	326	1,989	-0-	4,518
FUND BALANCE - BEGINNING OF YEAR	15,810	12,552	8,873	100	175	37,510
FUND BALANCE - END OF YEAR	14,986	15,579	9,199	2,089	175	42,028

The accompanying notes are an integral part of this statement.

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana
Reconciliation of the Statement of Revenues, Expenditures, & Changes in Fund Balances
of Government Funds to the Statement of Activities
Year Ended December 31, 2006**

Net change in fund balances – total governmental funds \$ 4,518

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital Outlay	\$	1,899	
Depreciation Expense		<u>(11,080)</u>	(9,181)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The detail of these differences in the treatment of long-term debt and related items is as follows:

Issuance of New Long Term Debt		-0-	
Principal Payments	\$	<u>6,312</u>	<u>6,312</u>
Change in net assets of governmental activities	\$		<u><u>1,649</u></u>

The accompanying notes are an integral part of this statement.

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana
Statement of Fiduciary Net Assets
December 31, 2006**

	<u>AGENCY FUNDS</u>
ASSETS	
Cash	\$ <u>1,244</u>
TOTAL ASSETS	<u><u>1,244</u></u>
LIABILITIES	
Due to Other Funds	<u>1,244</u>
TOTAL LIABILITIES	<u><u>\$ 1,244</u></u>

The accompanying notes are an integral part of this statement.

**Notes to the Basic
Financial Statements**

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana**

NOTES TO THE BASIC FINANCIAL STATEMENTS

INTRODUCTION

As provided by Article V, Section 26 of the Louisiana Constitution of 1984, the District Attorney has charge of every criminal prosecution by the State in his district, is the representative of the State before the Grand Jury in his district, and is the legal advisor to the Grand Jury. He performs other duties as provided by law. The qualified electors of the judicial district elect the District Attorney for a term of six years. The District Attorney currently employs ten people.

1. SUMMARY OF SIGNIFICANT POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the District Attorney of the 28th Judicial District, a component unit of the LaSalle Parish Police Jury, have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis for State and Local Governments*, issued June 1999.

B. REPORTING ENTITY

The District Attorney is an independent elected official; however, the District Attorney is fiscally dependent on the LaSalle Parish Police Jury. The police jury and councils maintain and operate the parish courthouse in which the District Attorney's office is located and provides funds for payroll and other expenses of the District Attorney's office. In addition, the councils and police jury's financial statements would be incomplete or misleading without inclusion of the District Attorney. For these reasons, the District Attorney was determined to be a component unit of the LaSalle Parish Police Jury, the financial reporting entities of LaSalle Parish.

The accompanying financial statements present information only on the funds maintained by the District Attorney and do not present information on the police jury, the general governmental services provided by those governmental units, or the other governmental units that comprise the financial reporting entities.

C. FUND ACCOUNTING

The District Attorney 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 relating to certain District Attorney functions or activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, and then unrestricted resources as they are needed.

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana**

NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)

Governmental Funds:

General Fund

The General Fund was established in compliance with Louisiana Revised Statute 15:571.11, which provides that 12 percent of the fines collected and bonds forfeited be transmitted to the District Attorney to defray the necessary expenditures of his office.

The Worthless Check Collection Fee Special Revenue Fund consists of fees collected in accordance with Louisiana Revised Statute 16:15, which provides for a specific fee whenever the District Attorney's office collects and processes a worthless check. Expenditures from this fund are at the sole discretion of the District Attorney and may be used to defray the salaries and expenses of the office of the District Attorney, but may not be used to supplement the salary of the District Attorney. Revenues and expenditures of this fund are reported in the General Fund.

Title IV-D Special Revenue Fund

The Title IV-D Special Revenue Fund consists of incentive payments and reimbursement grants from the Louisiana Department of Social Services, authorized by Act 117 of 1975, to establish family and child support programs compatible with Title IV-D of the social security act. The purpose of the fund is to enforce the support obligation owed by absent parents to their families and children, to locate absent parents, to establish paternity, and to obtain family and child support.

Victim Assistance Special Revenue Funds

The Victim Assistance Special Revenue Fund is to account for revenue from the state and expenditures to assist victims and their families through the criminal justice process and to facilitate the delivery of victims' services and rights as provided by law.

Domestic Violence Special Revenue Funds

The domestic violence fund is used to account for revenues and expenditures of the domestic violence task force. The Twenty-Eighth Judicial District Attorney Domestic Violence Task Force is a unit of the Twenty-Eighth Judicial District Attorney's Office designed to assist those victims of domestic violence in LaSalle Parish receive shelter, court assistance and all other forms of assistance available to them through any local or state agency both public and private. The task force receives its funding from a grant by the Federal Government administered through the Red River Delta Law Enforcement Planning Council.

Pre-Trial Intervention Fund Special Revenue Funds

The pre-trial intervention program is a diversion program which is offered to selected offenders as an alternative to prosecution. Individuals who volunteer to participate in the program are assessed a fee and receive coordinated assistance in job placement, educational and vocational referrals, personal and group counseling, and referrals to other community agencies appropriate to their needs. Fees received may be used for any purpose at the sole discretion of the District Attorney.

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana**

NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)

Fiduciary Funds:

Agency Fund

This fund is used to account for payroll and related withholding taxes paid from the office's various funds.

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Government-Wide Financial Statements (GWFS)

The Statement of Net Assets and the Statement of Activities display information about the District Attorney as a whole. These statements include all the financial activities of the District Attorney. Information contained in these statements 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*.

- ***Program Revenues*** – Program revenues included in the Statement of Activities are derived directly from users as a fee for services; program revenues reduce the cost of the function to be financed from the District Attorney's general revenues.

Fund Financial Statements (FFS)

The amounts reflected in the General Fund of the Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance 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 Attorney's operations. (See the reconciliation statements).

The amounts reflected in the General Fund in the FFS 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 District Attorney 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:

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana**

NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)

Revenues

Revenues are recognized when they become both measurable and available to finance expenditures of the current period. "Available" means collectible within the current period or within 60 days after year end. Certain revenues are assessed and collected in such a manner that they can be accrued appropriately.

Commissions on the fines and forfeitures are recorded in the year they are collected by the tax collector, and intermediary collecting government.

Intergovernmental revenues are recorded when the District Attorney is entitled to the funds.

Expenditures

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

Other Financing Sources (Uses)

Transfers between funds, which are not expected to be repaid, and proceeds from the sale of assets are accounted for as other financing sources (uses).

E. BUDGETS

Budgets for the General and Special Revenue Funds are adopted on a basis consistent with U.S. generally accepted accounting principles. The proposed budget, prepared on the modified accrual basis of accounting, for fiscal year December 31, 2006 was completed, published, and made available for public inspection. The public hearing was held at the District Attorney's Office for comments from taxpayers. The budget was legally adopted and amended, as necessary, by the District Attorney following the public hearing. All expenditure appropriations lapse at year end. The District Attorney has sole authority to make changes or amendments within various budget classifications.

F. DEPOSITS & INVESTMENTS

The District'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. State law and the District's investment policy allow the District to invest in collateralized certificate of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

Investments (bank certificate of deposits in excess of 90 days) for the District are reported at fair value.

G. RECEIVABLES & PAYABLES

All trade and other receivables are shown net of an allowance for uncollectables.

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana**

NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)

H. CAPITAL ASSETS

Capital Assets, which include property and equipment, are reported in the applicable columns in the government-wide financial statements. Capital assets are capitalized at historical cost. The District maintains a threshold level of \$500 or more for capitalizing capital assets.

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

All Capital Assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Vehicles	3 years
Equipment	7 years

I. LONG-TERM OBLIGATIONS

The district has an equipment lease-purchase agreement with Ford Motor Credit Company for a 2006 Ford 500. Beginning principal is \$27,124.59; payments due in 48 monthly installments of \$638.59 beginning July 2005 and ending June 2009; interest is at 6.4%.

Debt service requirement, including interest payments, are as follows:

2007	\$	7,663
2008		7,663
2009		<u>3,832</u>
Total	\$	<u>19,158</u>

J. 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 & INVESTMENTS (CD'S IN EXCESS OF 90 DAYS)

At December 31, 2006, the District had cash and investments (bank balances) totaling \$41,328 as follows:

Demand Deposits	\$	37,870
Savings & Certificates of Deposits		<u>3,458</u>
Total	\$	<u>41,328</u>

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana**

NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)

These deposits are stated at cost, which approximated 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 December 31, 2006, the District had \$41,328 in deposits (collected bank balances). These deposits are secured from risk by \$41,328 of federal deposit insurance and \$ -0- of pledged securities held by the custodial bank in the name of the fiscal agent bank.

Cash and investments are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by the District or its agent in the District's name.
2. Uninsured and unregistered, with securities held by the counter party's trust department or agent in the District's name.
3. Uninsured and unregistered, with securities held by the counter party, or by its trust department or agent but not in the District's name.
- 4.

Type of Investment	Category			Fair Market Value
	1	2	3	
FDIC	\$ 41,328	\$ -0-	\$ -0-	\$ 41,328
Securities	-0-	-0-	-0-	-0-
Total	\$ 41,328	\$ -0-	\$ -0-	\$ 41,328

3. RECEIVABLES

The receivables of \$11,223 at December 31, 2006 are as follows:

Accounts Receivable	\$ 9,979
Due From Supplemental	1,244
Total	\$ 11,223

Allowance for doubtful accounts, if any, is considered immaterial and is not presented.

4. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2006, for the primary government is as follows:

	Beginning of Period	Additions	Deletions Transfers	End of Period
<i>Capital assets being depreciated:</i>				
Equipment & furniture	\$ 89,833	\$ 1,899	\$ -0-	\$ 91,732
Total capital assets being depreciated	89,833	1,899	-0-	91,732
Less accumulated depreciation:	(40,922)	(11,080)	-0-	(52,002)
Total assets being depreciated, net	\$ 48,911	\$ (9,181)	\$ -0-	\$ 39,730

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana**

NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)

5. ACCOUNTS, SALARIES & OTHER PAYABLES

The payables of \$23,462 at December 31, 2006 are as follows:

Accounts Payable	\$	5,801
Lease Payable		<u>17,661</u>
Total	\$	<u>23,462</u>

6. CHANGES IN LONG-TERM DEBT

Changes in long-term debt are as follows:

Lease Payable 12/31/2005	\$	23,973
Principal Paid		<u>(6,312)</u>
Lease Payable 12/31/2006	\$	<u>17,661</u>

7. PENSION PLANS

Plan Description. The District Attorney and Assistant District Attorneys are members of the Louisiana District Attorney's Retirement System (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

Assistant District Attorneys who earn, a minimum, the amount paid by the state for assistant district attorneys and are under the age of 60 at the time of original employment and all district attorneys are required to participate in the System. For members who joined the System before July 1, 1990, and who elected not to be covered by the new provisions, the following applies: Any member with 23 or more years of creditable service regardless of age may retire with a 3 per cent benefit reduction for each year below age 55, provided that no reduction is applied if the member has 30 or more years of service. Any member with at least 18 years of service may retire at age 55 with 3 per cent benefit reduction for each year below age 60. In addition, any member with at least 10 years of service may retire at age 60 with 3 per cent benefit reduction for each year retiring below the age of 62. The retirement benefit is equal to 3 per cent of the member's average final compensation multiplied by the number of years of his membership service, not to exceed 100 per cent of his average final compensation.

For members who joined the System after July 1, 1990, or who elected to be covered by the new provisions the following applies: Members are eligible to receive normal retirement benefits if they are age 60 and have 10 years of service credit, are age 55 and have 24 years of service credit, or have 30 years of service credit regardless of age. The normal retirement benefit is equal to 3.5 per cent of the member's final-average compensation multiplied by years of membership service. A member is eligible for early retirement if he is age 55 and has 18 years of service credit. The early retirement benefit is equal to the normal retirement benefit reduced 3 per cent for each year the member retires in advance of normal retirement age. Benefits may not exceed 100 per cent of average final compensation. The System also provides death and disability benefits. Benefits are established by state statute.

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana**

NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana District Attorneys Retirement System, 1645 Nicholson Drive, Baton Rouge, Louisiana 70802-8143 or by calling (225)267-4824.

Funding Policy. Plan members are required by state statute to contribute 7.0 percent of their annual covered salary and the district attorney is required to contribute at an actuarially determined rate. The rate is a percentage of the ad valorem taxes collected throughout the state and revenue sharing funds as appropriated by the legislature. The rate at the beginning of 2006 was 6.0% but changed to 3.5% beginning July 2006. The contribution requirements of plan members and the district attorney are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The District Attorney's contributions to the System for the year ending December 31, 2006 was \$7,625.37, equal to the required contributions for the year.

8. EXPENSES & DEBT SERVICE OF THE DISTRICT ATTORNEY NOT INCLUDED IN THE FINANCIAL STATEMENTS

The accompanying financial statements do not include certain expenses and debt service of the District Attorney paid out of the funds of the criminal court fund of the Police Jury of LaSalle Parish or directly by the State of Louisiana.

9. FEDERAL FINANCIAL ASSISTANCE PROGRAM

The District Attorney participates in the United States of America Department of Health and Human Services Support Enforcement, Title IV-D Program, Catalog of Federal Domestic Assistance Number 13.783. This program is funded by indirect assistance payments, in the form of reimbursements of a portion of certain expenditures, received from the Louisiana Department of Social Services.

The reimbursement payments are restricted by a formal agreement between the District Attorney and Department of Social Services and include a budget of expected expenditures for each fiscal year ending June 30. The District Attorney submits reimbursement requests to the Department of Social Services on a monthly basis.

10. AGENCY FUND

The agency fund of the District Attorney's Office is used to pay payroll due from the various funds of the office. Use of the agency fund allows efficient accounting of payroll, withholding and payment of payroll taxes and benefits. During the year the following transactions accrued in the agency fund:

Receipts	
Transfers from Various Funds	\$ <u>167,726</u>
Disbursements	
Salaries, Taxes and Benefits	\$ <u>166,853</u>

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana**

NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)

11. TRANSFERS

Transfers are made between funds for the operation of the district.

12. DUE FROM/TO OTHER FUNDS

	<u>Due From</u>		<u>Due To</u>		<u>Total</u>
12% Fund	\$ 1,244	\$	-0-	\$	1,244
Agency Fund	-0-		(1,244)		(1,244)
Total	\$ 1,244	\$	(1,244)	\$	-0-

Required Supplementary Information

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana
Governmental Funds
Budgetary Comparison Schedule
Year Ended December 31, 2006**

	<u>BUDGETED AMOUNTS</u>			VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
REVENUES				
Intergovernmental	\$ 96,800	\$ 121,077	\$ 125,502	\$ 4,425
Commissions on Fines	57,000	53,000	60,430	7,430
Police Jury	-0-	-0-	3,750	3,750
Other Income	43,000	7,500	4,071	(3,429)
Worthless Check Collection	110,000	130,000	131,156	1,156
TOTAL REVENUES	<u>306,800</u>	<u>311,577</u>	<u>324,909</u>	<u>13,332</u>
EXPENDITURES				
Worthless Checks	45,000	45,000	45,008	(8)
Auto Expenditures	7,000	3,300	3,141	159
Travel	10,000	3,000	1,982	1,018
Legal & Accounting	3,100	3,500	4,652	(1,152)
Insurance	2,100	2,000	2,044	(44)
Dues & Subscriptions	2,500	-0-	4,208	(4,208)
Equipment	5,000	2,100	1,899	201
Utilities	2,850	1,500	1,657	(157)
Office Expenditures	32,425	35,669	34,530	1,139
Miscellaneous	3,750	5,300	2,805	2,495
Cost of Court	38,000	50,400	43,769	6,631
Restitution	5,000	1,500	1,413	87
Payroll Expenditures	144,650	174,851	165,620	9,231
Principal Retirement	6,500	7,700	6,312	1,388
Interest Charges	-0-	-0-	1,351	(1,351)
TOTAL EXPENDITURES	<u>307,875</u>	<u>335,820</u>	<u>320,391</u>	<u>15,429</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	44,800	49,733	40,694	(9,039)
Transfer Out	(43,900)	(63,000)	(40,694)	22,306
TOTAL OTHER FINANCING SOURCES (USES)	<u>900</u>	<u>(13,267)</u>	<u>-0-</u>	<u>13,267</u>
EXCESS (DEFICIENCY) OF REVENUES & OTHER SOURCES OVER EXPENDITURES & OTHER USES	<u>\$ (175)</u>	<u>\$ (37,510)</u>	<u>4,518</u>	<u>\$ 42,028</u>
FUND BALANCE - BEGINNING OF YEAR			<u>37,510</u>	
FUND BALANCE - END OF YEAR			<u>\$ 42,028</u>	

The accompanying notes are an integral part of this statement.



Other Reports

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

District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana

We have audited the financial statements of the governmental activities of the District Attorney of the Twenty-Eighth Judicial District, Jena, Louisiana, a component unit of the LaSalle Parish Police Jury, as of and for the year ended December 31, 2006, which collectively comprises the District Attorney of the Twenty-Eighth Judicial District's basic financial statements and have issued our report thereon dated May 15, 2007. We conducted our 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District Attorney of the Twenty-Eighth Judicial District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District Attorney of the Twenty-Eighth Judicial District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the District Attorney of the Twenty-Eighth Judicial District's financial statements that is more than inconsequential will not be prevented or detected by the District Attorney of the Twenty-Eighth Judicial District's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the District Attorney of the Twenty-Eighth Judicial District's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance

As part of obtaining reasonable assurance about whether the District Attorney of the Twenty-Eighth Judicial District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management and the Legislative Auditor's Office and is not intended to be and should not be used by anyone other than these specified parties; however, this document is public record and its use is not limited.

John R. Vercher PC

May 15, 2007
Jena, Louisiana

**DISTRICT ATTORNEY OF THE TWENTY-EIGHTH JUDICIAL DISTRICT
JENA, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COST
For the Year Ended December 31, 2006**

We have audited the component unit financial statement of the District Attorney of the Twenty-Eighth Judicial District, LaSalle Parish, Louisiana, as of and for the year ended December 31, 2006 and have issued our report thereon dated May 15, 2007. We conducted our audit in accordance with generally accepted auditing standards 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 of America. Our audit of the financial statements as of December 31, 2006 resulted in an unqualified opinion.

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 Reportable Conditions Yes No

Compliance

Compliance Material to Financial Statements Yes No

b. Federal Awards (Not Applicable)

Internal Control

Material Weaknesses Yes No Reportable Conditions Yes No

Type of Opinion On Compliance Unqualified Qualified
For Major Programs Disclaimer Adverse

Are the finding required to be reported in accordance with Circular A-133, Section .510(a)?

Yes No

c. Identification Of Major Programs:

CFDA Number (s)

Name Of Federal Program (or Cluster)

Dollar threshold used to distinguish between Type A and Type B Programs:

 \$

Is the auditee a 'low-risk' auditee, as defined by OMB Circular A-133?

Yes No

**DISTRICT ATTORNEY OF THE TWENTY-EIGHTH JUDICIAL DISTRICT
JENA, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COST – (CONT.)
For the Year Ended December 31, 2006**

Section II Financial Statement Findings Required To Be Reported In Accordance With GAGAS

No items to report.

Section III – Internal Control

No items to report.

Section IV Federal Awards Findings and Questioned Costs

Not applicable.

**DISTRICT ATTORNEY OF THE TWENTY-EIGHTH JUDICIAL DISTRICT
JENA, LOUISIANA**

December 31, 2006

MANAGEMENT'S CORRECTIVE ACTION FOR CURRENT YEAR AUDIT FINDINGS

There are no current year findings.

**DISTRICT ATTORNEY OF THE TWENTY-EIGHTH JUDICIAL DISTRICT
JENA, LOUISIANA**

**MANAGEMENT'S SUMMARY
OF PRIOR YEAR FINDINGS**

Legislative Auditor
State of Louisiana
Baton Rouge, Louisiana 70804-9397

The management of the District Attorney of the Twenty-Eighth Judicial District, Louisiana has provided the following action summaries relating to audit findings brought to their attention as a result of their financial audit for the year ended December 31, 2005.

PRIOR YEAR FINDINGS

2005-C-1 Budget Variances (Resolved):

Finding: The District Attorney had an unfavorable expenditure variance of \$28,905 or 11.8% in its General Fund and an unfavorable expenditure variance of \$1,771 or 7% in its Victim's Assistance Fund during the year. The Budget Act requires that budgets be amended when the variance exceeds 5% or more.

Corrective Action Taken: The District Attorney began amending its budget when variances exceed 5% or more.

2005-C-2 Documentation of Expenditures (Resolved):

Finding: During a sampling of expenditures the auditor found that a purchase from Wal-Mart in the amount of \$36.01 had no documentation.

Corrective Action Taken: The District Attorney maintained supporting documentation for all expenditures.