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**INDEPENDENT AUDITORS' REPORT ON
BASIC FINANCIAL STATEMENTS, COMPLIANCE,
AND INTERNAL CONTROLS OF
TWENTY-FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND**

FOR THE PARISH OF JEFFERSON, LOUISIANA

December 31, 2009

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

Release Date 8/11/10

**TWENTY -FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND**

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INDEPENDENT AUDITORS' REPORT

To the Judges of the
Twenty-Fourth Judicial District Court
Gretna, Louisiana

We have audited the accompanying financial statements of the Judicial Expense Fund of the Twenty-Fourth Judicial District Court (the Fund) as of and for the year ended December 31, 2009, as listed in the table of contents. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion 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 basic 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 opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Fund as of December 31, 2009 and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 22, 2010, on our consideration of the Fund's internal control over financial reporting and on our test 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 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 read in conjunction with this report in considering the results of our 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 3 through 7 and 20 through 21 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. We 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 our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Judicial Expense Fund of the Twenty-Fourth Judicial District Court's financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Kushner LaGraize, L.L.C.

Metairie, Louisiana
June 22, 2010

TWENTY-FOURTH JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND

*Management's Discussion and Analysis
December 31, 2009*

The Management's Discussion and Analysis (MD&A) of the Twenty-Fourth Judicial District Court Judicial Expense Fund's (the Fund's) annual financial report provides important background information and management's analysis of the Fund's financial performance during the fiscal year that ended on December 31, 2009. Please read this section in conjunction with the financial statements and the notes to the financial statements beginning on page 15 of this report.

The MD&A is an element of the Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 - *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* issued in June 1999. Certain comparative information between the current year (2009) and the prior year (2008) is required to be presented in the MD&A.

The Statement of Assets and Statement of Activities provide information about the activities of the Judicial Expense Fund as a whole. The Fund's financial statements present how activities were financed throughout the year as well as what remains for the future. The Fund, using an accrual basis of accounting, recognizes all revenues and expenses within the current year when those revenues and expenses are recorded or identifiable regardless of when cash is actually received or paid.

FINANCIAL HIGHLIGHTS

The net assets of the Fund at the close of 2009 were \$1,217,402 of which \$179,110 is invested in capital assets. The remainder is considered unrestricted and may be used for any lawful purpose.

The Fund's total net assets decreased by \$288,927 in 2009 because total expenses exceeded total revenues by that amount.

The total cost of the Fund's programs increased by \$356,279 primarily due to an increase in the expenditures for non-inventory equipment. Non-inventory equipment increased primarily due to a payment to the Parish of Jefferson of \$275,153 for the installation of a multimedia evidence presentation system in all sixteen courtrooms of the Twenty-Fourth Judicial District Court. Office Furniture and Equipment increased by \$58,925 with the purchase of new computers for each division as well as a color printer for each multimedia evidence presentation system and portable video conferencing equipment to allow for remote testimony. Also, in 2009 the Court obtained a group professional liability insurance policy which covered all sixteen Judges, three Commissioners and four Hearing Officers. The cost increase for the liability insurance was \$28,449.

The Fund's operating revenues increased by \$8,275 primarily due to the closeout and reimbursement of \$10,098 from a 2006 JAG grant from the Jefferson Parish Sheriff's Office.

TWENTY-FOURTH JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND

*Management's Discussion and Analysis - Continued
December 31, 2009*

OVERVIEW OF THE FINANCIAL STATEMENTS

This financial report consists of the following basic parts: management's discussion and analysis (this section), the basic financial statements, the notes to the financial statements and supplementary information.

The basic financial statements contained in this report are presented using Governmental Accounting Standards Board (GASB) accounting principles. These financial statements provide overall information about the Fund's financial activities on both a short-term and long-term basis. The statement of net assets presents information about its assets (resources) and liabilities (the amounts obligated to its creditors). The statement of activities presents information about the current years' revenues and expenses. This statement can be used to measure operating improvements or deterioration. The statement also provides useful information for determining whether the Fund's revenues were sufficient to allow the Fund to recover all its costs. The notes to financial statements are also an integral part of this report.

FINANCIAL ANALYSIS OF THE FUND

The statement of net assets and the statement of revenues, expenses and changes in net assets report information about the Fund's activities. These two statements report the net assets of the Fund and changes in them. Increases or decreases in the Fund's net assets are one of a number of indicators of whether its overall financial health is improving or deteriorating. However, other non-financial factors such as the number of cases filed with the Clerk of Court's office, the number of criminal bonds issued, and the economic condition of the State and Parish should also be considered.

**TWENTY-FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND**

*Management's Discussion and Analysis - Continued
December 31, 2009*

Net Assets

A summary of the Fund's statements of net assets is presented in Table I below.

TABLE I

**Condensed Statements of Net Assets
as of December 31, 2009 and 2008**

	<u>2009</u>	<u>2008</u>	<u>Change</u>
Current assets	\$ 1,048,500	\$ 1,330,174	\$ (281,674)
Non-Current assets:			
Capital assets (net of accumulated depreciation)	<u>179,110</u>	<u>183,937</u>	<u>(4,827)</u>
Total Assets	<u>1,227,610</u>	<u>1,514,111</u>	<u>(286,501)</u>
Current liabilities	10,208	7,782	2,426
Total Liabilities	<u>10,208</u>	<u>7,782</u>	<u>2,426</u>
Net assets:			
Invested in capital assets	179,110	183,937	(4,827)
Unrestricted	<u>1,038,292</u>	<u>1,322,392</u>	<u>(284,100)</u>
Total net assets	<u>\$ 1,217,402</u>	<u>\$ 1,506,329</u>	<u>\$ (288,927)</u>

As shown in Table I, total assets decreased by \$286,501 from \$1,514,111 in 2008 to \$1,227,610 at December 31, 2009. Liabilities increased by \$2,426 from \$7,782 in 2008 to \$10,208 at December 31, 2009.

**TWENTY-FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND**

*Management's Discussion and Analysis - Continued
December 31, 2009*

Changes in Net Assets

The Fund's net assets decreased \$288,927 to \$1,217,402 in fiscal year 2009, from \$1,506,329 at the end of fiscal year 2008. The change resulted primarily from an increase in operating expenses as a result of a payment made to the Parish of Jefferson of \$275,153 for the installation of a multimedia evidence presentation system in all sixteen courtrooms of the Twenty-Fourth Judicial District Court.

Summary of Revenues, Expenses and Changes in Net Assets

The following table presents a summary of the Fund's historical revenues and expenses for the fiscal years ended December 31, 2009 and 2008.

TABLE 2

Condensed Statement of Revenues, Expenses and Changes in Net Assets
For the Years Ended December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>	<u>Change</u>
Operating revenues	\$ 430,641	\$ 422,366	\$ 8,275
Operating expenses	<u>730,722</u>	<u>374,443</u>	<u>356,279</u>
Operating income (loss)	<u>(300,081)</u>	<u>47,923</u>	<u>(348,004)</u>
Nonoperating revenues			
Interest	973	40,630	(39,657)
Intergovernmental	9,600	37,049	(27,449)
Miscellaneous	<u>581</u>	<u>204</u>	<u>377</u>
	<u>11,154</u>	<u>77,883</u>	<u>(66,729)</u>
Change in net assets	(288,927)	125,806	(414,733)
Total net assets, beginning of year	<u>1,506,329</u>	<u>1,380,523</u>	<u>125,806</u>
Total net assets, end of year	<u>\$ 1,217,402</u>	<u>\$ 1,506,329</u>	<u>\$ (288,927)</u>

TWENTY-FOURTH JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND

*Management's Discussion and Analysis - Continued
December 31, 2009*

Operating income decreased by \$348,004 in 2009. This resulted from an increase in operating expenses. Operating expenses increased by \$356,279 primarily due to a payment to the Parish of Jefferson of \$275,153 for the installation of a multimedia evidence presentation system in all sixteen courtrooms of the Twenty-Fourth Judicial District Court and an increase in equipment purchases of \$58,925. Non-operating revenues decreased \$66,729 in 2009 primarily due to a decrease of \$39,657 in interest resulting from the national financial crisis which decreased interest rates and a decrease in intergovernmental revenues of \$27,449 due to the transfer of funds in 2008 back to the Twenty-Fourth Judicial District Court with the transfer of notarial operations to the Secretary of State's office for the State of Louisiana. Total net assets were \$1,217,402 and \$1,506,329 at the end of 2009 and 2008, respectively. The \$288,927 decrease in net assets is due to the factors noted above.

Contacting the Fund's Financial Management

This financial report is designed to provide all interested parties with a general overview of the Fund's finances and to demonstrate the Fund's accountability for money it receives. If you have questions about this report or need additional financial information, contact the Judicial Administrator's Office at (504) 364-3990.

**TWENTY-FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND**

STATEMENT OF NET ASSETS

December 31, 2009

	<u>Governmental Activities</u>
ASSETS	
Cash	\$ 989,657
Due from Jefferson Parish Sheriff's Office	8,857
Due from Clerk of Court	15,803
Accounts receivable – other	800
Prepaid expenses	33,383
Capital assets (net of accumulated depreciation)	<u>179,110</u>
TOTAL ASSETS	<u>1,227,610</u>
LIABILITIES	
Accounts payable	<u>10,208</u>
TOTAL LIABILITIES	<u>10,208</u>
NET ASSETS	
Invested in capital assets	179,110
Unrestricted	<u>1,038,292</u>
TOTAL NET ASSETS	<u>\$ 1,217,402</u>

The accompanying notes are an integral part of this statement.

**TWENTY-FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND**

STATEMENT OF ACTIVITIES

December 31, 2009

<u>Functions/Programs</u>	<u>Program Revenues</u>			Net (Expense) and Changes in Net Assets
Governmental Activities:	<u>Expenses</u>	<u>Charges for Services</u>	<u>Capital Grants</u>	
Judicial Expense Fund	\$ 730,722	\$ 420,543	\$ 10,098	(300,081)
Total Governmental Activities	<u>\$ 730,722</u>	<u>\$ 420,543</u>	<u>\$ 10,098</u>	
General revenues:				
Interest				973
Intergovernmental				9,600
Miscellaneous				<u>581</u>
Total general revenues				<u>11,154</u>
Decrease in net assets				(288,927)
Net assets – January 1, 2009				<u>1,506,329</u>
Net assets – December 31, 2009				<u>\$ 1,217,402</u>

The accompanying notes are an integral part of this statement.

**TWENTY-FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND**

GOVERNMENTAL FUND BALANCE SHEET

December 31, 2009

	<u>Governmental Fund Type</u>
	<u>General Fund</u>
ASSETS	
Cash	\$ 989,657
Due from Jefferson Parish Sheriff's Office	8,857
Due from Clerk of Court	15,803
Accounts receivable – other	800
Prepaid expenses	<u>33,383</u>
TOTAL ASSETS	<u>\$ 1,048,500</u>
LIABILITIES AND FUND EQUITY	
LIABILITIES	
Accounts payable	\$ 10,208
FUND EQUITY	
Unreserved:	
Designated – divisional expenditures	381,777
Undesignated	<u>656,515</u>
TOTAL FUND EQUITY	<u>1,038,292</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 1,048,500</u>

The accompanying notes are an integral part of this statement.

**TWENTY-FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND**

**RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET ASSETS**

December 31, 2009

Total fund balance at December 31, 2009		
Governmental fund		\$ 1,038,292
Cost of capital assets at December 31, 2009	\$ 797,917	
Less accumulated depreciation as of December 31, 2009	<u>618,807</u>	<u>179,110</u>
Net Assets at December 31, 2009		<u>\$ 1,217,402</u>

The accompanying notes are an integral part of this statement.

**TWENTY-FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - GOVERNMENTAL FUND TYPE**

Year Ended December 31, 2009

	<u>General Fund</u>
Revenues	
Charges for services	
Clerk of Court fees	\$ 201,600
Bond fees	211,393
Contempt of Court fines	7,550
Other Revenues	
Federal grants	10,098
Interest income	973
Intergovernmental	9,600
Miscellaneous	581
Total Revenues	441,795
Expenditures	
Current	
General government	
Auditing	11,870
Bad debts	360
Computer software	541
Consulting	6,890
Dues and subscriptions	66,218
Equipment repairs and maintenance	72,159
Equipment rental	288
Insurance	34,798
Meetings	12,706
Miscellaneous	12,268
Mobile phones	32,157
Noninventory equipment	285,000
Office supplies	39,162
Postage	91

The accompanying notes are an integral part of this statement.

**TWENTY-FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - GOVERNMENTAL FUND TYPE- *Continued***

Year Ended December 31, 2009

	<u>General Fund</u>
Secretary expense	3,000
Seminars	55,292
Storage	15,822
Capital outlay	<u>77,273</u>
Total Expenditures	725,895
Excess (Deficiency) of Revenues over Expenditures	(284,100)
Fund Balance Beginning of Year	<u>1,322,392</u>
End of Year	<u>\$ 1,038,292</u>

The accompanying notes are an integral part of this statement.

**TWENTY-FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND**

**RECONCILIATION OF THE GOVERNMENTAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES**

December 31, 2009

Total net decrease in fund balance-governmental fund		\$ (284,100)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Capital outlay	77,273	
Depreciation expense	(81,927)	
Loss on disposal of asset	<u>(173)</u>	<u>(4,827)</u>
Decrease in net assets of governmental activities		<u>\$ (288,927)</u>

TWENTY-FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Twenty-Fourth Judicial District Court Judicial Expense Fund (the Fund) conform to U.S. generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

Reporting Entity

As provided by Revised Statutes 13:994,995, the Fund was created for the purpose or purposes related to the proper administration or function of the Twenty-Fourth Judicial District Court or the offices of the individual judges of the Twenty-Fourth Judicial District Court.

As required by U. S. generally accepted accounting principles, the financial statements of the reporting entity present the primary government and its component units. The accompanying financial statements present the Fund as the primary government. No other organization was determined to be a component unit of the Fund. Therefore, no blended or discretely presented component units are presented in the accompanying financial statements.

Basis of Presentation

The accompanying financial statements of the Fund have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The financial report has been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, issued in June 1999.

Basis of Accounting

Government-Wide Financial Statements

The Statement of Net Assets and Statement of Activities display information about the reporting government as a whole. Activities are presented using the economic resources method. The accounting objective of this measurement focus is the determination of operating income, changes in net assets and financial position. All assets and liabilities (whether current or noncurrent) associated with the government's activities are reported. Fund equity is classified as net assets. Government activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, the Statement of Net Assets and Statement of Activities present revenues, expenses and capital asset acquisitions as follows:

TWENTY-FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2009

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Basis of Accounting - Continued

Government-Wide Financial Statements (continued)

Revenues - Revenues are recognized in the accounting period in which they are earned.

Grants - Grants are recognized as soon as all eligibility requirements imposed by the provider have been met.

Expenses - Expenses are recorded when the liability is incurred or economic asset used.

Capital Assets - All capital assets are valued at historical cost, except for donated capital assets which are recorded at their estimated fair value at the date of donation.

Program revenues include 1) fines and fees which are directly used for proper administration or functions of the court, its offices, or the individual judges 2) grants that are restricted to meeting the operational or capital requirements of the court, its offices, or individual judges. Other items not included among program revenues are reported instead as general revenues.

Fund Financial Statements

The Fund uses funds 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. Funds are typically classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types."

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental funds are accounted for using a current financial resource measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet.

Operating statements of these funds present increases (i.e., revenues and grants) and decreases (i.e., expenditures) in net current assets.

TWENTY-FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2009

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Basis of Accounting - Continued

The modified accrual basis of accounting is used by governmental funds. 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. Fees collected and held by intermediary collecting governments at year-end on behalf of the Fund are considered susceptible to accrual and are recognized as revenues.

Budgetary Accounting

The administration of the Fund prepares an annual budget for the General Fund. The budget is legally enacted and amended through an en banc meeting of the judges. The budget is prepared primarily on the modified accrual basis of accounting, except that losses resulting from claims and litigation are recorded when paid instead of when the liability arises.

The accompanying Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Fund Type - Budget (Budgetary Basis) and Actual presents comparisons of the legally adopted budget with actual data on the budgetary basis. Budgeted amounts are as originally adopted or as finally amended by the judges.

Cash

All of the Fund's deposits, including demand deposits, are carried at cost. At year-end, the carrying amount of these deposits were \$989,657.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Fund's deposits may not be returned to it. The Fund does not have a deposit policy for custodial credit risk. As of December 31, 2009, the bank balance was \$990,786. Of this balance, \$250,000 was covered by federal depository insurance, which was not exposed to custodial credit risk. The remaining \$740,786, which was exposed to custodial credit risk, was collateralized with securities held by the pledging financial institutions agent in the Fund's name.

Use of Estimates

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

TWENTY-FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Capital Assets and Depreciation

For the government-wide financial statements, capital assets are recorded at historical cost in the Statement of Net Assets. Donated assets are valued at their estimated fair market value on the date received. The Fund does not have any infrastructure assets. Depreciation is computed using the straight line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Furniture and Equipment	5 - 7 years

For fund financial statements, capital acquisitions are reflected as expenditures in the governmental fund at the time purchased.

Equity Classifications

In the government-wide financial statements, equity is classified as net assets and displayed in two components:

- a. Invested in capital assets - consists of capital assets including restricted assets, net of accumulated depreciation.
- b. Unrestricted net assets - consist of all other net assets that do not meet the definition of "invested in capital assets."

In the fund financial statements, the designation of fund balance represents amounts intended to be used for divisional expenditures by the Judges of the Twenty-Fourth Judicial District Court.

NOTE 2 - ACCOUNTS RECEIVABLE

These amounts consist mainly of the fines and fees due from Jefferson Parish Clerk of Court and the Jefferson Parish Sheriff's Office for collections made through December 31, 2009 and not yet remitted to the Judicial Expense Fund.

NOTE 3 - RISK MANAGEMENT

The Fund is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Fund has obtained liability insurance for the judges and hearing officers and other supporting staff, as well as for employee dishonesty. Losses associated with the destruction or damage to assets are covered through the Twenty-Fourth Judicial District Court.

TWENTY-FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
 NOTES TO FINANCIAL STATEMENTS - CONTINUED
 December 31, 2009

NOTE 4 - CAPITAL ASSETS

A summary of changes in Capital Assets during the year is as follows:

	Balance 01/01/09	Additions	Retirements	Balance 12/31/09
Furniture and equipment	\$ 742,734	\$ 77,273	\$ (22,090)	\$ 797,917
Total at historical cost	742,734	77,273	(22,090)	797,917
Total accumulated depreciation	558,797	81,927	(21,917)	618,807
Capital Assets, net	\$ 183,937	\$ (4,654)	\$ (173)	\$ 179,110

NOTE 5 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

The statutes which created the Fund place certain limitations and restrictions on the collections and disbursements of the Fund. The Fund is in compliance with all significant limitations and restrictions for 2009.

NOTE 6 - SUBSEQUENT EVENTS

Subsequent events were evaluated through June 22, 2010, which is the date the financial statements were available to be issued.

**TWENTY-FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL**

Year Ended December 31, 2009

	<u>BUDGETED AMOUNTS</u>			Variance with Final Budget- Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>General Fund</u>	
Revenues				
Charges for services				
Clerk of Court fees	\$ 200,000	\$ 200,000	\$ 201,600	\$ 1,600
Bond fees	215,000	215,000	211,393	(3,607)
Contempt of Court fines	2,000	7,000	7,550	550
Other Revenues				
Federal grants	-	-	10,098	10,098
Interest income	35,000	1,100	973	(127)
Intergovernmental	9,500	9,500	9,600	100
Miscellaneous	-	-	581	581
Total Revenues	461,500	432,600	441,795	9,195
Expenditures				
Current				
General government				
Auditing	10,000	12,000	11,870	130
Bad debts	-	-	360	(360)
Banking	150	150	-	150
Computer software	10,000	3,000	541	2,459
Consulting	20,000	6,000	6,890	(890)
Dues and subscriptions	70,000	65,000	66,218	(1,218)
Equipment repairs & maintenance	25,000	70,000	72,159	(2,159)
Equipment rental	800	500	288	212
Insurance	35,000	35,000	34,798	202
Meetings	9,000	11,000	12,706	(1,706)
Miscellaneous	8,000	10,000	12,268	(2,268)
Mobile phones	30,000	35,000	32,157	2,843
Noninventory equipment	12,000	285,000	285,000	-
Office supplies	35,000	35,000	39,162	(4,162)
Postage	1,000	200	91	109

**TWENTY-FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL – CONTINUED

Year Ended December 31, 2009

	<u>BUDGETED AMOUNTS</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>General Fund</u>	Variance with Final Budget- Positive (Negative)
Secretary expense	3,000	3,000	3,000	-
Seminars	50,000	50,000	55,292	(5,292)
Storage	18,000	18,000	15,822	2,178
Capital outlay	<u>305,000</u>	<u>43,000</u>	<u>77,273</u>	<u>(34,273)</u>
Total Expenditures	<u>641,950</u>	<u>681,850</u>	<u>725,895</u>	<u>(44,045)</u>
 Excess (Deficiency) of Revenues over Expenditures	 (180,450)	 (249,250)	 (284,100)	 (34,850)
 Fund Balance				
Beginning of Year	<u>1,322,392</u>	<u>1,322,392</u>	<u>1,322,392</u>	<u>-</u>
End of Year	<u>\$ 1,141,942</u>	<u>\$ 1,073,142</u>	<u>\$ 1,038,292</u>	<u>\$ (34,850)</u>

**TWENTY-FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended December 31, 2009

<u>Federal Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Grant Award Number</u>	<u>Expenditures</u>
United States Department of Justice Passed through Jefferson Parish Sheriff's Office: Edward Byrne Memorial Justice Assistance Grant Program	16.738	06-JAG-822	\$ <u>10,098</u>
Total Federal Awards Expended			\$ <u>10,098</u>

**TWENTY-FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2009**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying *Schedule of Expenditures of Federal Awards* includes the federal grant activity of the Twenty-Fourth Judicial District Court – Judicial Expense Fund (the Fund) and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Kushner LaGraize, L.L.C.

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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

To the Judges of the
Twenty-Fourth Judicial District Court
Gretna, Louisiana

We have audited the financial statements of the Twenty-Fourth Judicial District Court Judicial Expense Fund (the Fund) as of and for the year ended December 31, 2009, and have issued our report thereon dated June 22, 2010. 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 Fund'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 Fund's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Fund'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 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 combination of 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.

Our 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. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fund's financial statements are free of material misstatement, we 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 our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Twenty-Fourth Judicial District Court Judges, the Judicial Administrator and the Legislative Auditor of the State of Louisiana and is not intended to be and should not be used by anyone other than those specific parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kushner LaGraize, L.L.C.

Metairie, Louisiana
June 22, 2010

SCHEDULE OF FINDINGS

**TWENTY-FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND**

SCHEDULE OF FINDINGS
For The Year Ended December 31, 2009

SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unqualified opinion on the basic financial statements of the Twenty-Fourth Judicial District Court Judicial Expense Fund (the Fund).
2. No deficiencies in internal control over financial reporting that we consider material weaknesses are reported in the *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*.
3. No instance of noncompliance or other matters material to the financial statements of the Fund are reported in the *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*.