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**EIGHTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
WINNFIELD, LOUISIANA**

**ANNUAL FINANCIAL REPORT
DECEMBER 31, 2002**

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Release Date 8/20/03

**EIGHTH JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND
 COMPONENT UNIT OF THE WINN PARISH POLICE JURY
 Winnfield, Louisiana**

**GENERAL PURPOSE FINANCIAL STATEMENTS
 AND INDEPENDENT AUDITORS' REPORTS
 As of and for the Year Ended December 31, 2002**

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**EIGHTH JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND
COMPONENT UNIT OF THE WINN PARISH POLICE JURY
Winnfield, Louisiana**

**GENERAL PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORTS
As of and for the Year Ended December 31, 2002**

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INDEPENDENT AUDITORS' REPORT



SMITH PUGH & COMPANY, LLP
CERTIFIED PUBLIC ACCOUNTANTS

The Honorable Jim W. Wiley, District Judge
Eighth Judicial District
Winnfield, Louisiana

We have audited the accompanying general purpose financial statements of the Eighth Judicial District Court Judicial Expense Fund, Winnfield, Louisiana, a component unit of the Winn Parish Police Jury, as of and for the year ended December 31, 2002, as listed in the table of contents. These general purpose financial statements are the responsibility of the management of the Eighth Judicial District Court Judicial Expense Fund. Our responsibility is to express an opinion on these general purpose 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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Eighth Judicial District Court Judicial Expense Fund as of December 31, 2002, 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 our report dated June 3, 2003, on our consideration of the Eighth Judicial District Court Judicial Expense Fund's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. 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.

Smith, Pugh & Company, LLP

Smith Pugh & Company, LLP

Certified Public Accountants
Shreveport, Louisiana
June 3, 2003

GENERAL PURPOSE FINANCIAL STATEMENTS

**EIGHTH JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND
COMPONENT UNIT OF THE WINN PARISH POLICE JURY**

COMBINED BALANCE SHEET-ALL FUND TYPES AND ACCOUNT GROUP
DECEMBER 31, 2002

ASSETS	GOVERNMENTAL FUND TYPE		ACCOUNT GROUP	TOTALS (MEMORANDUM ONLY)
	GENERAL FUND	SPECIAL REVENUE FUND	GENERAL FIXED ASSETS	
Cash & Cash Equivalents	\$ 34,617	\$ 61,927	\$ -	\$ 96,544
Due from Other Governmental Units	4,968	4,740	-	9,708
Prepaid Insurance	1,255	-	-	1,255
Due from Other Funds	8,544	-	-	8,544
General Fixed Assets	-	-	62,738	62,738
Total Assets	\$ 49,384	\$ 66,667	\$ 62,738	\$ 178,789
LIABILITIES AND FUND EQUITY				
<i>Liabilities:</i>				
Accounts Payable	\$ 1,670	\$ -	\$ -	\$ 1,670
Accrued Salaries Payable	6,695	-	-	6,695
Payroll Taxes Payable	2,978	-	-	2,978
Employee Benefits Payable	2,855	-	-	2,855
Due to Other Funds	-	8,544	-	8,544
Total Liabilities	14,198	8,544	-	22,742
<i>Fund Equity:</i>				
Investment in General Fixed Assets	-	-	62,738	62,738
<i>Fund Balances:</i>				
Unreserved-Undesignated	35,186	58,123	-	93,309
Total Fund Equity	35,186	58,123	62,738	156,047
Total Liabilities and Fund Equity	\$ 49,384	\$ 66,667	\$ 62,738	\$ 178,789

The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

**EIGHTH JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND
COMPONENT UNIT OF THE WINN PARISH POLICE JURY**

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUND</u>	<u>TOTALS (MEMORANDUM ONLY)</u>
REVENUES:			
Intergovernmental Revenues:			
State Grants	\$ -	\$ 54,837	\$ 54,837
Winn Parish Criminal Court Fund	49,090	-	49,090
Fees, Charges, and Commissions for Services:			
Court Costs	5,510	-	5,510
Fines and Forfeitures	<u>62,522</u>	<u>-</u>	<u>62,522</u>
Total Revenues	<u>117,122</u>	<u>54,837</u>	<u>171,959</u>
EXPENDITURES:			
Current:			
Accounting and Audit Services	2,675	75	2,750
Contract Services	357	11,538	11,895
Employee Benefits	11,238	1,151	12,389
Equipment Rent	3,258	-	3,258
Insurance	950	-	950
Library	6,086	-	6,086
Office Costs	10,954	1,151	12,105
Payroll Taxes	1,022	215	1,237
Salaries	50,222	14,850	65,072
Seminars and Conferences	<u>1,625</u>	<u>1,411</u>	<u>3,036</u>
Total current expenditures	<u>88,387</u>	<u>30,391</u>	<u>118,778</u>
Capital Outlay	<u>4,873</u>	<u>1,347</u>	<u>6,220</u>
Total Expenditures	<u>93,260</u>	<u>31,738</u>	<u>124,998</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	23,862	23,099	46,961
FUND BALANCE- Beginning of Year	<u>11,324</u>	<u>35,024</u>	<u>46,348</u>
FUND BALANCE- End of Year	<u>\$ 35,186</u>	<u>\$ 58,123</u>	<u>\$ 93,309</u>

The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

NOTES TO THE FINANCIAL STATEMENTS

**EIGHTH JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND
COMPONENT UNIT OF THE WINN PARISH POLICE JURY**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002**

INTRODUCTION

The accounting methods and procedures adopted by the Eighth Judicial District Court Judicial Expense Fund, Winnfield, Louisiana (the "Judicial Expense Fund") conform to generally accepted accounting principles (GAAP) as applied to governmental entities. The Judicial Expense Fund applies all relevant Government Accounting Standards Board (GASB) pronouncements. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting standards. GAAP, as applicable to governments, also conforms to the requirements of Louisiana R.S. 24:517 and the guides set forth in the industry guide, *Audits of State and Local Government Units*, published by the American Institute of Certified Public Accountants. The following notes to the financial statements are an integral part of the Judicial Expense Fund's General Purpose Financial Statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Eighth Judicial District Court Judicial Expense Fund was established by Act 916 of the 1985 Session of the Louisiana Legislature to be effective January 1, 1986. The Act provides for the collection of fees in the form of court costs and fines. The Winn Parish Clerk of Court places all sums collected or received under this Act in a separate account over which the judge of the Eighth Judicial District controls all disbursements made therefrom. The Act provides that these monies may be used to pay salaries for court reporters and such secretarial, clerical, research , administrative, or other personnel as are deemed necessary to expedite the business and function of the court. In addition, the judge may utilize these monies of the Judicial Expense Fund to pay all or any part of the cost of establishing or maintaining a law library for the court, or for buying or maintaining any type of equipment, supplies, or other items consistent with or germane to the efficient operation of the court , except for the payment of judge's salary.

The following is a summary of the significant accounting policies:

A. Reporting Entity

As the governing authority of the parish, for reporting purposes, the Winn Parish Police Jury is the financial reporting entity for Winn Parish. The financial reporting entity consists of (a) the primary government (Police Jury), (b) organizations for which the primary government is financially responsible, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

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

**EIGHTH JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND
COMPONENT UNIT OF THE WINN PARISH POLICE JURY**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.
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 Judicial Expense Fund is a part of the district court system. Because the district court system is fiscally dependent on the police jury, and the police jury is legally responsible, for funding the operation of the district court and for provision of office space and courtrooms, the Judicial Expense Fund was determined to be a component unit of the Winn Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Eighth Judicial District Court Judicial Expense Fund and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

B. Basis of Presentation – fund accounting

The accounts of the Judicial Expense Fund are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. Each fund is accounted for by a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. The individual funds account for the governmental resources allocated to them for the purpose of carrying on specific activities in accordance with laws, regulations, or other restrictions. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

The funds are grouped into one fund type and two generic funds as described below:

Governmental Fund Type - Governmental funds are used to account for a government's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term obligations. The funds included in this category are as follows:

**EIGHTH JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND
COMPONENT UNIT OF THE WINN PARISH POLICE JURY**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

General Fund: The General Fund is the principle fund of the Judicial Expense Fund. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Fund (Hearing Officer Fund): Special revenue funds are used to account for the proceeds of specific revenue resources that are legally restricted to expenditure for specific purposes. The Hearing Officer Fund accounts for a five per cent (5%) fee assessed in non-support cases that are processed through the state's Child Support Enforcement Program. These fees are used to pay the salary of the hearing officer appointed by the judge of the Eighth Judicial District to hear support related matters as well as to fund other expenditures incurred in connection with this function.

Account Groups: An account group is a financial reporting device designed to provide accountability for certain assets and liabilities 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.

General Fixed Assets: This is not a fund but an account group used to account for fixed assets acquired principally for general purposes. General fixed assets provided to the district court system by the police jury are not recorded in the general fixed assets account group.

C. Basis of Accounting and Measurement Focus

The basis of accounting determines when transactions and economic events are reflected in the financial statements, and measurement focus identifies which transactions and events should be recorded.

The accounting and 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 of 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 records of the Judicial Expense Fund are maintained on the cash basis of accounting. However, the governmental funds reported in the accompanying financial statements have been converted to the modified accrual basis of accounting.

**EIGHTH JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND
COMPONENT UNIT OF THE WINN PARISH POLICE JURY**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 in the form of court costs and fines are recorded as revenue in the year in which such fees are earned. Grants, entitlements, and shared revenues are recorded when they are susceptible to accrual. Expenditures, if measurable, are recorded when they have been used or are expected to use current expendable financial resources, except unmatured interest on general long-term debt is recorded when due.

Any other types of transactions are accounted for as other financing sources. Other financing sources include proceeds from the sale of fixed assets, the issuance of long-term debt, et cetera. Other financing sources are recognized at the time the underlying event occurs.

D. Budgetary Practices

As required by Louisiana Revised Statutes, the Judicial Expense Fund prepared and legally adopted a budget for the General Fund and the Special Revenue Fund for the year ended December 31, 2002. The budget was prepared using generally accepted accounting principles, which is consistent with the basis of accounting used in the preparation of the accompanying financial statements. The budget was made available for public inspection on December 10, 2001. All budget appropriations lapse at year-end.

Formal budget integration within the accounting records is not employed as a management control device. The Judicial Expense Fund does not use encumbrance accounting. Budgeted amounts included in the financial statement include the original adopted budget and all subsequent amendments.

E. Cash and cash equivalents

Cash and cash equivalents include amounts in demand deposits and interest bearing demand deposits. Under state law, the Judicial Expense Fund may deposit funds in demand deposits or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

F. Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Uncollectible amounts are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the receivable. At December 31, 2002, no amounts were deemed to be uncollectible.

**EIGHTH JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND
COMPONENT UNIT OF THE WINN PARISH POLICE JURY**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Due from other funds

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which the transactions are executed.

H. Property, plant, and equipment

Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Account Group and are not depreciated. Property, plant, and equipment are stated at historical cost. Assets acquired by gift are recorded at their fair market value at the date of transfer.

I. Total Column

The Combined Financial Statements include total columns that are described as "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund transactions have not been eliminated from the total column of each statement.

J. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires 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 and expenditures during the reporting period. Actual results could differ from those estimates.

2. CASH AND CASH EQUIVALENTS

At December 31, 2002, the Judicial Expense Fund's carrying amount for deposits with financial institutions was \$96,544 with a collected bank balance of \$97,857. The bank balances were fully secured by federal deposit insurance.

**EIGHTH JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND
COMPONENT UNIT OF THE WINN PARISH POLICE JURY**

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

3. DUE FROM OTHER GOVERNMENT UNITS

Due from other governments at December 31, 2002, consisted of court costs and fees, which were earned during December 2002 but not remitted by the collecting agency until after year-end.

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>
Winn Parish Clerk of Court- Civil Fees	\$ 340	\$ -	\$ 340
Winn Parish Clerk of Court- Criminal Fees	780	-	780
Winn Parish Sheriff- Fines and Forfeitures	3,848	-	3,848
State of Louisiana- Office of Family Support	-	4,740	4,740
	<u>\$ 4,968</u>	<u>\$ 4,740</u>	<u>\$ 9,708</u>

4. INTERFUND RECEIVABLES, PAYABLES

A summary of interfund receivables and payables is as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 8,544	\$ -
Special Revenue Fund	-	8,544
Total	<u>\$ 8,544</u>	<u>\$ 8,544</u>

5. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in General Fixed Assets is as follows:

	<u>Balance January 1,</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31,</u>
Office Furniture	\$ 7,168	\$ -	\$ -	\$ 7,168
Office Equipment	49,348	6,222	-	55,570
Totals	<u>\$ 56,516</u>	<u>\$ 6,222</u>	<u>\$ -</u>	<u>\$ 62,738</u>

**EIGHTH JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND
COMPONENT UNIT OF THE WINN PARISH POLICE JURY**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002**

6. COMPENSATED ABSENCES

The Judicial Expense Fund has the following policy relating to vacation, sick and personal leave:

Personal leave is earned at the rate of one day per month and is cumulative to a maximum of six (6) days.

Sick leave is earned at the rate of one day per month and is cumulative to a maximum of twenty-four (24) days.

Vacation leave is earned as follows:

- Six months to ten years of employment – two (2) weeks.
- Over ten years to eighteen years of employment – three (3) weeks.
- Over eighteen years of employment – four (4) weeks.

No more than two (2) weeks of vacation time can be accumulated. Any accumulated vacation leave in excess of two (2) weeks, which is not taken by the employee's anniversary date, will be forfeited.

Prior to July 2001, the Winnfield Parish Police Jury paid salaries and related employee benefits for all employees of the Eighth Judicial District Court. Subsequent to that date, the salaries and related taxes and employee benefits for the secretary and receptionist of the judge's office have been paid through the Judicial Expense Fund.

At December 31, 2002 the secretary and receptionist of the Eighth Judicial District Court have accumulated and vested \$2,529 of employee leave benefits, computed in accordance with GASB Codification Section C60. This amount is recorded as an obligation of the General Fund.

7. PENSION PLAN

Plan Description. The secretary and receptionist of the Eighth Judicial District Court are members of the Parochial Employee's Retirement System of Louisiana (Plan A), a cost sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All employees working at least 28 hours per week and all elected parish officials are eligible to participate. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final-average salary for each year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. The System also provides death and disability benefits. Benefits are established or amended by state statute.

**EIGHTH JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND
COMPONENT UNIT OF THE WINN PARISH POLICE JURY**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002**

7. PENSION PLAN (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 Parochial Employee's Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (225) 928-1361.

Funding Policy. Under Plan A, members are required by state statute to contribute 9.5% of their annual covered salary and the employer is required to contribute at an actuarially determined rate. The current rate is 7.75% of annual covered payroll. Contributions to the retirement system also include one-fourth of 1% (except Orleans and East Baton Rouge parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contributions of the Eighth Judicial District Court Judicial Expense Fund to the retirement system under Plan A for the years ended December 31, 2002 and 2001 were \$5,065 and \$2,614, respectively, equal to the required contributions.

8. RELATED PARTY TRANSACTIONS

Procedures, observations, and inquiries did not disclose any material related party transactions for the fiscal year ended December 31, 2002.

**INDEPENDENT AUDITORS' REPORT REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

The following independent auditors' report on compliance and internal control over financial reporting is presented in compliance with requirements of *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.



SMITH PUGH & COMPANY, LLP
CERTIFIED PUBLIC ACCOUNTANTS

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

The Honorable Jim W. Wiley, District Judge
Eighth Judicial District
Winnfield, Louisiana

We have audited the general purpose financial statements of the Eighth Judicial District Court Judicial Expense Fund, Winnfield, Louisiana, as of and for the year ended December 31, 2002, and have issued our report thereon dated June 3, 2003. 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.

Compliance

As part of obtaining reasonable assurance about whether the Eighth Judicial District Court Judicial Expense Fund's general purpose 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*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Eighth Judicial District Court Judicial Expense Fund's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the use of management, and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Smith Pugh & Company, LLP

Smith, Pugh & Company, LLP
Certified Public Accountants
Shreveport, Louisiana
June 3, 2003

EIGHTH JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND
COMPONENT UNIT OF THE WINN PARISH POLICE JURY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended December 31, 2002

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued	<u>Unqualified</u>		
Internal control over financial reporting:			
Material weakness(es) identified?	<u> </u> Yes	<u> X </u> No	
Reportable condition(s) identified not considered to be material weaknesses?	<u> </u> Yes	<u> X </u> No	
Noncompliance material to the financial statements noted?	<u> </u> Yes	<u> X </u> No	

Section II - Financial Statement Findings

See Summary Schedule of Audit Findings

**EIGHTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
COMPONENT UNIT OF THE WINN PARISH POLICE JURY**

SCHEDULE OF AUDIT FINDINGS

For the Year Ended December 31, 2002

FINDINGS RELATED TO COMPLIANCE

None

FINDINGS RELATED TO INTERNAL CONTROL

None

**EIGHTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
COMPONENT UNIT OF THE WINN PARISH POLICE JURY**

SCHEDULE OF PRIOR AUDIT FINDINGS

For the Year Ended December 31, 2002

PRIOR AUDIT FINDINGS RELATED TO COMPLIANCE

None

PRIOR AUDIT FINDINGS RELATED TO INTERNAL CONTROL

None