SEVENTEENTH JUDICIAL DISTRICT
OFFICE OF INDIGENT DEFENDERS

LAFOURCHE PARISH, LOUISIANA

FINANCIAL REPORT

For the Year Ended June 30, 2013

SEVENTEENTH JUDICIAL DISTRICT
OFFICE OF INDIGENT DEFENDERS
FINANCIAL REPORT

For the Year Ended June 30, 2013

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SEVENTEENTH JUDICIAL DISTRICT
OFFICE OF THE INDIGENT DEFENDERS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2013

Our discussion and analysis of the Seventeenth Judicial District Office of the Indigent Defenders' (The Office's) financial performance provides a narrative overview of the financial activities for the year. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

This report consists of a series of financial statements. The Government-Wide Financial Statements (GWFS) - The Statement of Net Position and the Statement of Activities provide information about the financial activities as a whole and present a longer-term view of the finances. Fund Financial Statements (FFS) – The Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances tell how these services were financed in the short term as well as what remains for future spending. Fund Financial Statements also report the operations in more detail than the Government-Wide Statements by providing information about the most significant funds.

Our auditor has provided assurance in his independent auditor's report, located immediately following this MD&A, that the Basic Financial Statements are fairly stated. The auditor regarding the Required Supplemental Information is providing varying degrees of assurance. 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 in the Annual Report.

Government-Wide Financial Statements

One of the most important questions asked about the Office's finances is, "Is the Office as a whole better off or worse off as a result of the period's activities?" The Statement of Net Assets Position and the Statement of Activities report information about the Office as a whole and about its activities in a way that helps answer this question. These statements include all assets and deferred outflows of resources and liabilities and deferred inflow of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current period's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the net position of the entity and its change. You can think of the net position—the difference between assets and deferred outflows and liabilities and deferred inflows —as one way to measure the financial health, or financial position. Over

time, increases or decreases in the net position is one indicator of whether its financial health is improving or deteriorating.

Fund Financial Statements

The Fund Financial Statements provide detailed information about the most significant funds—not the Office's operations as a whole. Some funds are required to be established by State laws. Other funds are established to help control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money.

The Office utilizes only the governmental type of fund with the following accounting approach. Most of the basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at the period-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliations at the bottom and following the fund financial statements.

FINANCIAL HIGHLIGHTS

Our financial statements provide these insights into the results of this period's operations:

- Net position of our governmental funds increased by $22,028 or approximately 13.0%.
- During the year expenses of $812,835 were $22,028 less than the $834,863 generated in fees and other revenues for governmental programs.
- The governmental funds reported total ending fund balance (all considered unassigned) of $170,273. Fund balance for governmental activities increased by $25,409 from the prior period - $144,864.

The Statement of Net Position and the Statement of Activities reports governmental activities. All of the basic judicial services are reported as this type. Fines and fees charged to the public finance most of these activities.

SEVENTEENTH JUDICIAL DISTRICT
OFFICE OF THE INDIGENT DEFENDERS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2013

FINANCIAL ANALYSIS OF THE OFFICE AS A WHOLE (GWFS)

The net position totaled $191,628 at the end of the current fiscal year, which was a 13.0% increase from the prior fiscal year. Following is a summary of the government-wide Statement of Net Position:

Condensed Statement of Net Position

	2013	2012	Dollar Change	Total Percent Change
Current and Other Assets	$ 183,043	$ 159,147	$ 23,896	15.0%
Capital Assets	8,585	13,234	(4,649)	-35.1%
Total Assets	191,628	172,381	19,247	11.2%
Current liabilities	-	2,781.0	(2,781)	100.0%
Total Liabilities	-	2,781.0	(2,781)	100.0%
Net Invested in Capital Assets	8,585	13,234	(4,649)	-35.1%
Unassigned	183,043	156,366	26,677	17.1%
Total Net Position	$ 191,628	$ 169,600	$ 22,028	13.0%

Unrestricted/Unassigned net position—the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements—absorbed the majority of the change for the period under audit. The balance in net position - $191,628 represents the accumulated results of all past periods' operations.

As a result of this year's operations, net position increased by $22,028, an indication that its financial position improved slightly during the year. Following is a summary of the government-wide Statement of Activities:

Condensed Statement of Activities

	2013	2012	Dollar Change	Total Percent Change
Total program expenses	$ (812,835)	$ (848,996)	$ 36,161	4.3%
Total program revenues	830,598	709,983	120,615	17.0%
Net program income	17,763	(139,013)	156,776	21.2%
General revenues	4,265	2,027	2,238	110.4%
Change in Net Position	22,028	(136,986)	159,014	131.7%
Net Position:				
Beginning of the year	169,600	306,586	(136,986)	-44.7%
End of the year	$ 191,628	$ 169,600	$ 22,028	13.0%

The increase was mainly due to program revenue exceeding program expenses. The entity received an operating grant from the state of $307,614 which was $90,500 more than it had received in the previous year which caused the program revenues to increase by 17.0% over last year.

The total revenues for the year in governmental activities were $834,863 ($522,984 in charges for services; $307,614 in operating grants and contributions; and $4,265 in investment earnings and other revenues).

The total cost of all judicial programs and services was $812,835 which was a 4.3% decrease from last fiscal year ($484,996).

FINANCIAL ANALYSIS OF THE OFFICE'S FUNDS (FFS)

The Office utilizes funds to control and manage money for particular purposes. Reviewing individual funds provides the information to determine if an entity is being accountable for the resources provided and may also give you more insight into the overall financial health.

The general fund reported an ending fund balance of $170,273 – all considered unassigned. This reflects a increase of $25,409 from the last period. This increase is primarily due to the same results described within the analysis of the governmental activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

The original budget for the General Fund was not revised during the year. Estimated revenues were 6.88% more than actually received because there was not as much collected as anticipated for court cost of fines and forfeitures.

CAPITAL ASSETS

The Office investment in capital assets, net of accumulated depreciation, for governmental activities was $8,585.

This year there was no additions and no dispositions in capital assets. Depreciation expense of $4,649 was charged to the governmental fund. More detailed information about the Office's capital assets is presented in Note 6 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Among the factors considered in compiling the 2014 budget were:

1. any changes in rates and fees for the next fiscal year
2. personnel and benefit changes
3. any new laws and regulations enacted that would apply to the upcoming year
4. any new revenue sources or expenditures not previously encountered.

Highlights of next year's adopted budget for the general fund include:

Projected Beginning Balance	$170,273
Anticipated Income for 2014	843,504
Anticipated Expenditures for 2014	980,324
Excess Expenditures over Revenues	**(136,820)**
Projected Ending Balance	$33,453

CONTACTING THE OFFICE 'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Office's finances and to show the Office's accountability for the money it receives. If you have questions about this report or need additional financial information, contact:

Lawrence Autin, Office Manager
Seventeenth Judicial District Office of the Indigent Defenders
204 Green Street
Thibodaux, LA 70301

BASIC FINANCIAL STATEMENTS

STAGNI & COMPANY, LLC
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT AUDITOR'S REPORT

Seventeenth Judicial District
Office of the Indigent Defenders
Lafourche Parish, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Seventeenth Judicial District Office of the Indigent Defenders, State of Louisiana, a component unit of the Louisiana Public Defender Board as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these basic 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error.

207 LAFAYE AVENUE • THIBODAUX, LA 70301 (985) 447-7226 FIRMWIDE FAX (985) 446-3032
1401 HUDSON LANE • SUITE 201 • MONROE, LA 71201 (318) 322-2870 EMAIL: STAGNI@STAGNI.COM
13110 HWY. 90 (P.O. BOX 524) • BOUTTE, LA 70039 (985) 785-2928 MEMBERS: AICPA • LCPA

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting polices used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of the Seventeenth Judicial District Office of the Indigent Defenders as of June 30, 2013, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Required Supplementary Information section 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated December 2, 2013, on our consideration of the Seventeenth Judicial District Office of the Indigent Defenders' internal control over financial reporting and our tests 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 internal control over financial reporting or on compliance. That report is an integral part of an audit in accordance with *Government Auditing Standards* in considering the office's internal control over financial reporting and compliance.

Stagni & Company

Thibodaux, Louisiana
December 2, 2013

SEVENTEENTH JUDICIAL DISTRICT
OFFICE OF THE INDIGENT DEFENDERS

Statement of Net Position
June 30, 2013

		Governmental Activities
ASSETS		
Current assets:		
Cash and cash equivalents	$	129,897
Due from other governments		40,376
Prepaid items		12,770
Total current assets		183,043
Noncurrent assets:		
Capital assets, net of depreciation		8,585
Total assets	$	191,628
LIABILITIES		
Accounts payable	$	-
Total liabilities		-
NET POSITION		
Net invested in capital assets		8,585
Unrestricted		183,043
Total net position	$	191,628

See notes to financial statements.

SEVENTEENTH JUDICIAL DISTRICT
OFFICE OF THE INDIGENT DEFENDERS

Statement of Activities
For the Year Ended June 30, 2013

Expenses:	
Governmental activities:	
General government - Judicial:	
Personnel services	$ 397,685
Related benefits	70,104
Panel attorneys and witness fees	234,565
Law library	15,280
Legal and accounting	3,575
Attorney & Investigation expense - Major felonies & Capital cases	28,676
Insurance	10,982
Office supplies	9,045
Repair & Maintenance	1,552
Dues and subscriptions	-
Expert & professional testimony	417
Travel, conventions, and training	2,399
Investigator expense	2,240
Rent	24,000
Telephone	7,666
Depreciation	4,649
Total program expenses	812,835
Program revenues:	
Charges for services	522,984
Operating grants and contributions	307,614
Total program revenue	830,598
Net program revenue	17,763
General revenues:	
Unrestricted investment earnings	2,427
Other	1,838
Total general revenues	4,265
Increase (Decrease) in net position	22,028
Net position:	
Beginning of the year	169,600
End of the year	$ 191,628

See notes to financial statements.

SEVENTEENTH JUDICIAL DISTRICT
OFFICE OF THE INDIGENT DEFENDERS

Balance Sheet - Governmental Fund
June 30, 2013

	General Fund
ASSETS	
Cash and cash equivalents	$ 129,897
Due from other governments	40,376
TOTAL ASSETS	$ 170,273
LIABILITIES AND FUND EQUITY	
Accounts Payable	$ -
Total liabilities	-
Equity:	
Fund balances - unassigned	170,273
TOTAL LIABILITIES AND FUND EQUITY	$ 170,273

RECONCILIATION TO STATEMENT OF NET ASSETS:	
Amounts reported for *governmental activities* in the Statement of Net Assets are different because Captial assets used in governmental activities are not financial resources	8,585
Prepaid expenses (assets) consumed in governmental activities are not financial resources when reported as expenditures in the funds	
Prepaid Insurance/rent/fees	12,770
Net assets of governmental activities	$ 191,628

See notes to financial statements.

SEVENTEENTH JUDICIAL DISTRICT
OFFICE OF THE INDIGENT DEFENDERS

Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Fund
For the Year Ended June 30, 2013

REVENUES	
Court cost on fines and forfeitures	$ 507,897
Restitution	15,087
Intergovernmental	307,614
Interest Income	2,427
Other	1,838
TOTAL REVENUES	834,863
EXPENDITURES - JUDICIAL:	
Current:	
Salaries and related benefits	397,685
Related benefits	70,104
Panel attorneys and expert witness fees	234,565
Law library	15,280
Legal and accounting	3,780
Attorney & Investigation expense - Major felonies & Capital cases	28,676
Insurance	12,045
Office supplies	9,045
Repairs and maintenance	1,552
Dues and subscriptions	-
Expert & professional testimony	417
Travel, conventions, and training	2,399
Investigator expense	2,240
Rent	24,000
Telephone and utilities	7,666
Total current expenditures	809,454
Capital outlay	-
TOTAL EXPENDITURES	809,454
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	25,409
FUND BALANCE:	
Beginning of year	144,864
End of year	$ 170,273

See notes to the financial statements.

SEVENTEENTH JUDICIAL DISTRICT
OFFICE OF THE INDIGENT DEFENDERS

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2013

Net change in fund balances - governmental fund (FFS)		$ 25,409
Amounts reported for *governmental activities* in the statement of activities (GWFS) are different because:		
Governmental funds report capital outlays as expenditures in the individual fund. Governmental activities report depreciation expense to allocate the cost of those capital assets over the estimated useful lives of the asset.		
Capital outlay	-	
Depreciation expense	(4,649)	
		(4,649)
Prepaid expenses (assets) consumed in governmental activities are not financial resources when reported as expenditures in the funds		
Increase in Prepaids		1,268
Change in net assets of governmental activities (GWFS)		$ 22,028

See notes to financial statements.

SEVENTEENTH JUDICIAL DISTRICT
OFFICE OF INDIGENT DEFENDERS
Notes to the Financial Statements
For the Year Ended June 30, 2013

INTRODUCTION

The Seventeenth Judicial District Office of Indigent Defenders (the Office) was established in compliance with Louisiana Revised Statutes 15:144-149. Pursuant to the passage of Act 307, district indigent defender boards throughout the State of Louisiana were dissolved and district offices of public defender were created, all serving under the direction of the Louisiana Public Defender board headquartered in Baton Rouge. This change went into effect August 15, 2007. This local office now functions as the Seventeenth Judicial District Office of Indigent Defenders under the supervision of a District Director (domiciled with the Seventeenth District) in charge of day to day operations, serving the Seventeenth Judicial District. Its purpose is to provide and compensate legal counsel appointed to represent indigents in criminal and quasi-criminal cases before the Seventeenth Judicial District Courts and the City Court of Thibodaux. The judicial district encompasses the Parish of Lafourche.

Revenues to finance the Office's operations are provided primarily from court cost, fines and forfeitures of bonds imposed by the courts. During the period audited 4,115 cases were opened. The Office employed ten employees who include the chief district defender, five assistant indigent defenders, an office manager, and three secretaries.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying basic financial statements 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.

Governmental Accounting Standards Board Statement No. 14 "The Financial Reporting Entity", sets forth the standards for defining and presenting the reporting entity in financial statements. To fairly present the financial position and results of operations of the financial reporting entity, a government must determine whether its reporting entity consists of only the legal entity known as the "primary government" or one or more organizations called "component units."

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Reporting entity

According to GASBS No. 14, the Seventeenth Judicial District Office of the Indigent Defenders is considered a component unit of the Louisiana Public Defender Board. In accordance with Act 307 of the Louisiana Legislature for the year 2007, district indigent defender boards throughout the State of Louisiana were dissolved and district offices of public defender were created, all serving under the direction of the Louisiana Public Defender board headquartered in Baton Rouge. The Board's powers and duties were transferred to the District Director as of August 15, 2007. This act does not alter the entity or any of its activities or functions, only the governance. The District Director's authority is contingent upon the approval of the Louisiana Public Defender Board, who appointed and may relieve the District Director of his duties.

Inclusion of a "potential component unit" in the primary government's reporting entity depends on whether the primary government is financially accountable for the potential component unit. The key criteria for deciding financial accountability are any one of the following:

a. Fiscal dependency of the potential component unit on the primary government, or
b. The primary government appoints a voting majority of the potential component unit's governing body and:
    1. the primary government can impose its will on the potential component unit and/or
    2. a financial benefit/burden relationship exists between the primary government and the potential component unit; or
c. The primary government's financial statements would be misleading or incomplete if the potential component unit were excluded.

The Office's financial statements include all funds and activities et cetera, that are within the oversight responsibility of the Seventeenth Judicial District. Other local governments over which the Seventeenth Judicial District Office of the Indigent Defenders exercises no oversight responsibility are excluded from the accompanying financial statements. These units are considered separate reporting entities and issue financial statements separate from those of the Office.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Fund accounting

The Office's accounts are organized and operated on the basis of funds. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

The Office reports the General Fund as a governmental fund. The General Fund is the entity's primary operating fund. It accounts for all financial resources of the entity, except those required to be accounted for in another fund.

D. Measurement Focus and Basis of Accounting

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities report information on all of the non-fiduciary activities. Governmental activities are reported separately from business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Fund Financial Statements

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Court costs, fines, forfeitures, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when it is received by the government.

E. Deposits

Cash includes amounts in interest-bearing demand deposits. Under state law, the Office may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under laws of the United States.

F. Capital assets

Capital assets that include property, plant and equipment, are capitalized at historical cost or estimated cost and depreciated over their estimated useful lives. Donated assets are recorded as capital assets at their fair market value at the date of donation. The Office maintains a threshold level of $300 or more for capitalizing assets. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Estimated useful life if management's estimate of how long the asset is expected to meet service demands. Straight-line depreciation is used based on the following estimated useful lives:

- Equipment 3-10 years
- Furniture 5 years
- Law books 5 years

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Compensated absences

Employees of the Office receive five (5) to twenty (20) working days of sick leave depending or their years of service and two (2) weeks to three (3) weeks of vacation leave each year after the employee has been employed for a period of twelve months, depending on their years of service. Unused leave may not be accumulated and is not paid upon termination or retirement; therefore, there are no leave benefits that are required to be reported in accordance with GASB Codification C60 or GABS Statement No. 16.

H. Equity

Net Position – Government -wide

For the government-wide statement of net position, net position is reported in three components:

1. Net investment in capital assets – consists of capital assets net of accumulated depreciation.
2. Restricted – consists of net position with constraints placed the use by law through constitutional provisions, enabling legislation, or externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; and
3. Unrestricted - All other net position that do not meet the definition of "restricted" or "net investment in capital assets."

Fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. 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, expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 BUDGETS

A balanced operating budget is prepared by the District Director and the Financial Officer. This took place in May 2012 and was not amended for the year. The budget may be amended during the year as conditions dictate so long as it remains in balance. The original budget was not amended during the year. The budget has an unfavorable revenue variance of 6.88%, budgeted revenues were $892,317 and actual revenues were $834,863. The unfavorable revenue variance occurred due to an approximate $59,000 shortfall in court costs on fines and forfeitures.

NOTE 3 DEPOSITS

Deposits (demand deposits, interest bearing demand deposits, time deposits, and certificates of deposit) are recorded at cost, which approximates fair value. The reported amount of deposits is as follows:

ACCOUNT	
Capital One interest-bearing checking account	$ 27,543
South Lafourche Bank certificate of deposit	102,354
TOTAL	$ 129,897

Custodial credit risk is the risk that in an event of a bank failure, deposits may not be returned. 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.

NOTE 3 DEPOSITS (continued)

These securities must be held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

For the year ended, the Office had $167,133 in deposits (collected bank balances). These deposits are secured fully by federal deposit insurance; therefore, none of the Office's deposits were exposed to custodial credit risk.

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

NOTE 4 DUE FROM OTHER GOVERNMENTS

The balance due from other governments of $40,376 is for court cost, fines and forfeitures fees collected and due from other governmental entities as follows:

Lafourche Parish Sheriff	$31,961
City Court of Thibodaux	$ 8,415

NOTE 5 PREPAIDS

The following items and amounts were considered prepaid for Government-Wide financial reporting:

Insurance	$ 7,670
Rent	2,000
Accounting and audit fees	3,100
Total	$12,770

NOTE 6 CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year is as follows:

Governmental activities	Furniture, Equipment, And Library
Total Cost of assets at June 30, 2012	$ 119,876
Additions	-
Deletions/Adjustments	-
Total Cost of assets at June 30,2013	119,876
Less: Accumulated Depreciation	(111,291)
Total capital assets, net	$ 8,585

Depreciation expense of $4,649 was charged to governmental activities.

NOTE 7 PENSION PLAN

Plan Description. Most full-time employees of the Seventeenth Judicial District Office of the Indigent Defenders are members of the Parochial Employees Retirement System of Louisiana (the System), a cost sharing, and multiple-employer defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All full-time employees of the Office participating in the retirement system are members of Plan B.

Most permanent employees working at least 28 hours per week whom are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan B employees hired prior to 1/1/07 who retire at or after age 65 with at least 7 years of creditable service, at or after age 60 with at least 10 years of creditable service or at or after age 55 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 2 per cent of their final-average salary for each year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive months that produce the highest average for those employees hired prior to 1/1/07. Employees hired 1/1/07 and later who retire at or after age 67 with 7 years creditable service, at or after age 62 with at least 10 years of creditable service or at or after age 55 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 2 per cent of their final-average salary for each year of creditable service.

NOTE 7 PENSION PLAN (Continued)

Final Final-average salary is the employee's average salary over the 60 consecutive months that produce the highest average for those employees hired prior to 1/1/07.

Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute. 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, P.O. Box 14619., Baton Rouge, Louisiana 70898, or by calling (225) 928-1361.

Funding Policy. Under Plan B, members are required by state statute to contribute 3.0 percent of their annual covered salary and the Office is required to contribute at an actuarially determined rate. The current rate is 10 percent of the annual covered payroll. Contributions to the System also include one-fourth of one percent (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 contribution requirements of plan members and the board are established and may be amended by state statute.

As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actual valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Office's contributions to the System under Plan B for the year ended June 30, 2013, year ended June 30, 2012, and the year ended June 30, 2011, were $39,682 (10%), $39,921 (10%), and $39,448 (10%), respectively, equal to the required contributions for each period.

NOTE 8 RISK MANAGEMENT

The Office is exposed to various risks of loss related to tort, theft of, damage to, and destruction of assets; injuring to employees. The Office purchased commercial insurance policies for any and all claims relating to the above types of risks. The Office's is only liable for the payment of the deductible associated with the above types of risks. Settlements have not exceeded insurance coverage in any of the three preceding years.

NOTE 9 OPERATING LEASE

The Seventeenth Judicial District Office of the Indigent Defenders entered into an operating lease to rent a single story brick building located at 204 Green Street on May 5, 2010 for a six years commencing on September 1, 2010 through September 30, 2016 at a monthly rental rate of $2,000. The lessee has the right to renew the lease for an additional term of six years from the end of the primary lease on the same terms and conditions at a monthly rental of $2,450.

NOTE 10 Governmental Fund Revenues and Expenditures

For the year ended June 30, 2013, the major sources of governmental fund revenues and expenditures were as follows:

Revenues:		
State Government		
Grants	$ 307,614	
Total		$ 307,614
Local Government		
Statutory fines, forfeitures, fees, court costs and other	522,984	
Total		522,984
Investment Earnings		2,427
Miscellaneous		1,838
Total Revenues		$ 834,863
Expenditures:		
Personnel Services and Benefits		
Salaries	$ 397,685	
Retirement Contributions	39,682	
Payroll taxes	30,422	
Total		$ 467,789
Professional Development		
Dues, licenses, and registrations	-	
Travel and training	2,399	
Total		2,399
Operating Cost		
Library and research	15,280	
Contract Services - Attorney/Legal	263,241	

Contract Services - Other	3,780	
Lease - Office	24,000	
Insurance	12,045	
Supplies	9,045	
Repairs and Maintenance	1,552	
Utilities and telephone	7,666	
Other	2,657	
Total		339,266
Total Expenditures		$ 809,454

NOTE 11 Subsequent Events

The Court has evaluated subsequent events through December 2, 2013 the date which the financial statements were available to be issued. There are not subsequent events to report.

REQUIRED SUPPLEMENTARY INFORMATION

SEVENTEENTH JUDICIAL DISTRICT
OFFICE OF THE INDIGENT DEFENDERS

Budgetary Comparison Schedule - General Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget**	Actual	Variance - Favorable (Unfavorable)
REVENUES				
Court cost on fines and forfeitures	$ 567,337	$ 567,337	$ 507,897	$ (59,440)
Restitution	16,000	16,000	15,087	(913)
Intergovernmental	307,610	307,610	307,614	4
Interest Income	1,370	1,370	2,427	1,057
Other	-	-	1,838	1,838
Total revenues	892,317	892,317	834,863	(57,454)
EXPENDITURES				
Current:				
Salaries	404,000	404,000	397,685	6,315
Related benefits	111,743	111,743	70,104	41,639
Panel attorneys	246,614	246,614	234,565	12,049
Law library	18,000	18,000	15,280	2,720
Legal and accounting	5,500	5,500	3,780	1,720
Attorney & Investigation expense - Major felonies & capital cases	20,000	20,000	28,676	(8,676)
Insurance	16,560	16,560	12,045	4,515
Office supplies	9,900	9,900	9,045	855
Repairs and maintenance	10,000	10,000	1,552	8,448
Dues and subscriptions	2,500	2,500	-	2,500
Expert & professional testimony	10,000	10,000	417	9,583
Investigator expense	-	-	2,240	(2,240)
Travel, conventions, and training	2,500	2,500	2,399	101
Rent	24,000	24,000	24,000	-
Telephone and utilities	11,000	11,000	7,666	3,334
Total current expenditures	892,317	892,317	809,454	82,863
Capital outlay	-	-	-	-
Total expenditures	892,317	892,317	809,454	82,863
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	25,409	25,409
FUND BALANCE:				
Beginning of the year	144,864	144,864	144,864	-
End of the year	$ 144,864	$ 144,864	$ 170,273	$ 25,409

REPORTS REQUIRED BY GAO

STAGNI & COMPANY, LLC
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT AUDITOR'S 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*

Seventeenth Judicial District
Office of the Indigent Defenders
Lafourche Parish, Louisiana

We have audited, in accordance with the 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, the financial statements of the governmental activities and major fund of the Seventeenth Judicial District Office of the Indigent Defenders, State of Louisiana, a component unit of the Louisiana Public Defender Board as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Seventeenth Judicial District Office of the Indigent Defenders' basic financial statements, and have issued our report thereon dated December 2, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Seventeenth Judicial District Office of the Indigent Defenders' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the internal control. Accordingly, we do not express an opinion on the effectiveness of the Seventeenth Judicial District Office of the Indigent Defenders' internal control.

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 a 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. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

207 LAFAYE AVENUE • THIBODAUX, LA 70301 (985) 447-7226 FIRMWIDE FAX (985) 446-3032
1401 HUDSON LANE • SUITE 201 • MONROE, LA 71201 (318) 322-2870 EMAIL: STAGNI@STAGNI.COM
13110 HWY. 90 (P.O. BOX 524) • BOUTTE, LA 70039 (985) 785-2928 MEMBERS: AICPA • LCPA

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Seventeenth Judicial District Office of the Indigent Defenders' 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.*

Purpose of this Report

This purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Stagni & Company

Thibodaux, Louisiana
December 2, 2013

SEVENTEENTH JUDICIAL DISTRICT
OFFICE OF INDIGENT DEFENDERS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2013

We have audited the financial statements of the governmental activities and major fund of the Seventeenth Judicial District Office of the Indigent Defenders, State of Louisiana, a component unit of the Louisiana Public Defenders Office as of and for the year ended June 30, 2013, which collectively comprise the basic financial statements, and have issued our report thereon dated December 2, 2013. 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.

Our audit of the basic financial statements as of June 30, 2013 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	**No**
Significant Deficiencies	**No**

Compliance

Compliance Material to Financial Statements	**No**

b. *Federal Awards* **N/A**

Internal Control

Material Weaknesses	**No**
Significant Deficiencies	**No**
Type of Opinion On Compliance For Major Programs	Unqualified □□□□Qualified □ Disclaimer □□□□Adverse □

Are their findings required to be reported in accordance with Circular A-133, Section .510(a)? □ Yes □ No

c. *Identification of Major Programs:* **N/A**

Section II Financial Statement Findings

NOT APPLICABLE

Section III Federal Award Findings and Questioned Costs

NOT APPLICABLE