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SAMUEL W. STEVENS, III
Certified Public Accountant

**OFFICE OF THE INDIGENT DEFENDER
FIRST JUDICIAL DISTRICT, CADDO PARISH**

SHREVEPORT, LOUISIANA

December 31, 2008

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 10/21/09

OFFICE OF THE INDIGENT DEFENDER
FIRST JUDICIAL DISTRICT, CADDO PARISH
SHREVEPORT, LOUISIANA

Table of Contents

	Page(s)
<u>AUDITED FINANCIAL STATEMENTS</u>	
Independent Auditor's Report	1
Basic Financial Statements:	
Government Wide Financial Statements:	
Statement of Net Assets	2
Statement of Activities	3
Fund Financial Statements:	
Balance Sheet	4
Statements of Revenues, Expenditures and Changes in Fund Balance- Governmental Fund Type For the Year Ended December 31, 2008	5
Notes to Financial Statements	7
<u>REQUIRED SUPPLEMENTAL INFORMATION</u>	
Statement of Revenues, Expenditures and Changes in Fund Balance- Budget (GAAP Basis) and Actual-General Fund	15
<u>OTHER REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS</u>	
Independent Auditor's Report on Compliance and on Internal Control over Financial Reporting based on an Audit of General Purpose Financial Statements Performed in Accordance with <i>Government Audit Standards</i>	17

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Office of the Indigent Defender
First Judicial District, Caddo Parish
Shreveport, Louisiana

I have audited the accompanying financial statements of the governmental activities and each major fund of the First Judicial District, Caddo Parish, Office of the Indigent Defender as of December 31, 2008, and for the year then ended, which collectively comprise the Office's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Office of the Indigent Defender's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my 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 First Judicial District, Caddo Parish, Office of the Indigent Defender as of December 31, 2008, and the changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Office of the Indigent Defender's management has not presented the management's discussion and analysis that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be a part of, the basic financial statements.

In accordance with *Government Auditing Standards*, I have also issued a report dated September 23, 2009, my consideration of the First Judicial District, Caddo Parish, Office of the Indigent Defender's internal control over financial reporting and on its compliance with certain provisions of law 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 my audit.



September 23, 2009

OFFICE OF THE INDIGENT DEFENDER
 FIRST JUDICIAL DISTRICT, CADDO PARISH
 GOVERNMENT WIDE STATEMENT OF NET ASSETS
 December 31, 2008

<u>ASSETS</u>	<u>Governmental Activities</u>
Cash and cash equivalents	\$ 219,308
Investments	608,530
Account receivables	32,340
Interest receivable	5,085
Fixed Assets, net of depreciation	<u>108,914</u>
Total assets	<u>\$ 974,177</u>
<u>LIABILITIES AND NET ASSETS</u>	
<u>Liabilities:</u>	
Accounts payable	\$ 17,225
Accrued expenses	<u>156,343</u>
Total liabilities	<u>173,568</u>
<u>Net Assets:</u>	
Investment in fixed assets	108,914
Net Assets-unrestricted, unreserved	<u>691,695</u>
Total net assets	<u>800,609</u>
Total liabilities and net assets	<u>\$ 974,177</u>

See accompanying notes

**OFFICE OF THE INDIGENT DEFENDER
FIRST JUDICIAL DISTRICT, CADDO PARISH
STATEMENT OF ACTIVITIES**

For the year ended December 31, 2008

Expenditures/Expenses:

Judiciary		
Salaries	\$	2,338,716
Benefits		598,052
Materials & Supplies		54,139
Education, Training & Travel		29,864
Utilities		14,989
Professional Services		513,511
Internal Charges		51,829
Depreciation		46,743
Other Expenses		74,088
Total expenditures/expenses		<u>3,721,931</u>

Program revenues:

Charges for Services		
I D Application Fees		52,863
Probation Fees		65,513
Fines and Forfeitures		
Court Costs & Fines		1,156,835
Bond Forfeitures		189,927
Total program revenues		<u>1,465,138</u>

General revenues:

Grants		
LIDAB Emergency Grant		32,569
LA Indigent Defender Board		1,698,675
Interest		68,293
Total general revenues		<u>1,799,537</u>

Change in net assets (457,256)

Net Assets:

Beginning of year		<u>1,257,865</u>
End of year	\$	<u><u>800,609</u></u>

OFFICE OF THE INDIGENT DEFENDER
 FIRST JUDICIAL DISTRICT, CADDO PARISH
 BALANCE SHEET
 December 31, 2008

		<u>General Fund</u>
<u>ASSETS</u>		
Cash and cash equivalents (Note 2)	\$	219,308
Investments (Note 2)		608,530
Account receivables (Note 3)		32,340
Interest receivable		<u>5,085</u>
Total assets	\$	<u><u>865,263</u></u>
 <u>LIABILITIES AND FUND EQUITY</u> 		
<u>Liabilities:</u>		
Accounts payable	\$	<u>17,225</u>
Total liabilities		<u>17,225</u>
 <u>Fund equity</u>		
Fund balances - unreserved		<u>848,038</u>
Total fund equity		<u>848,038</u>
Total liabilities and fund equity	\$	<u><u>865,263</u></u>

See accompanying notes

OFFICE OF THE INDIGENT DEFENDER
 FIRST JUDICIAL DISTRICT, CADDO PARISH
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 GOVERNMENTAL FUND TYPE
 For the year ended December 31, 2008

	General Fund
<u>Revenues:</u>	
Intergovernmental:	
LIDAB Emergency Grant	\$ 32,569
LA Indigent Defender Board	1,698,675
Charges for Services:	
I.D. Application Fees	52,863
Probation Fees	65,513
Fines & Forfeitures Revenue:	
Court Costs & Fines	1,156,835
Bond Forfeitures	189,927
Use of Money & Property:	
Market Value Adjustment	7,086
Interest Earned	61,207
Total revenues	3,264,675
<u>Expenditures/Expenses:</u>	
Salaries	2,338,716
Benefits	441,709
Materials & Supplies	54,139
Education, Training & Travel	29,864
Utilities	14,989
Professional Services	513,511
Internal Charges	51,829
Other Expenses	74,088
Total current expenditures	3,518,845
Capital outlay:	
Computer equipment	9,726
Office equipment	3,595
Total capital outlay	13,321
Total expenditures	3,532,166
Excess of revenues over expenditures	(267,491)
Fund balance	
Beginning of year	1,115,529
End of year	\$ 848,038

See accompanying notes

OFFICE OF THE INDIGENT DEFENDER
 FIRST JUDICIAL DISTRICT, CADDO PARISH
 STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUND TYPE
 For the year ended December 31, 2008

Reconciliation of the Statements of Revenues, Expenditures and Changes in Fund Balances of Governmental Fund to the Change in Net Assets of Governmental Activities:

	<u>General Fund</u>
Net change in fund balance-governmental fund	\$ (267,491)
Compensated Absences	(156,343)
Equipment purchases	13,321
Depreciation expense	<u>(46,743)</u>
Change in net assets of governmental activities	\$ <u><u>(457,256)</u></u>

See accompanying notes

OFFICE OF THE INDIGENT DEFENDER
FIRST JUDICIAL DISTRICT, CADDO PARISH
NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended December 31, 2008

Introduction

The Office of the Indigent Defender was established in compliance with Louisiana Revised Statutes 15:144149 to provide and compensate counsel appointed to represent indigents in criminal and quasi-criminal cases on the district court level. The judicial district encompasses the Parish of Caddo, Louisiana.

I. Summary of Significant Accounting Policies

Basis of Presentation

The accounting and reporting policies of the Office of the Indigent Defender conform to the accounting principles generally accepted in the United States of America as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis-For State and Local Governments*, issued in June 1999.

Financial Reporting Entity

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

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the Commission 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 Commission.
2. Organizations for which the Commission does not appoint a voting majority but are fiscally dependent on the Commission.
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 Office of the Indigent Defender is not considered a component unit of the Caddo Parish Commission for financial reporting purposes because the Board of Directors of the Indigent Defender is appointed by the Judges of the First Judicial District. The appointed Board of Directors has the decision making

1. Summary of Significant Accounting Policies (Continued)

authority, the power to designate management, the ability to significantly influence operations, and primary financial accountability for fiscal matters of the Office of the Indigent Defender.

For financial reporting purposes, the Office of the Indigent Defender is a part of the district court system of the State of Louisiana. However, the Office of the Indigent Defender operates autonomously from the State of Louisiana and independently from the district court system. Therefore, the Office of the Indigent Defender reports as an independent reporting entity.

Fund Accounting

The Indigent Defender uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain board functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. Governmental funds account for all or most of the Indigent Defender general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the Indigent Defender. The following are the governmental funds of the Indigent Defender.

General Fund

The General Fund is the general operating fund of the Office of the Indigent Defender. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to board policy.

Basis of Accounting

Fund Financial Statements

The amounts reflected in the General Fund and Other Funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of Indigent Defender Board operations.

The amounts reflected in the General Fund and Other Funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Office of the Indigent Defender considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred. The governmental funds use the following practices in recording revenues and expenditures.

1. Summary of Significant Accounting Policies (Continued)

Revenues:

Court costs related to fines and forfeitures imposed by the district and city courts are recorded when they are earned and become available. Substantially all other revenues are recorded when received.

Expenditures:

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

Budgetary Accounting

Annually the Office of the Indigent Defender adopts a budget for the General Fund on the modified accrual basis of accounting considering available beginning of year resources to cover any budgeted deficit from annual operations. All appropriations lapse at year-end.

Compensated Absences

It is the Office of the Indigent Defender's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the Office does not have a policy to pay any amounts when employees separate from service with the Office. All vacation pay is accrued when incurred in the government-wide and financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Vacation earned is based on the number of years of services as follows:

Six months to one year	5 days
Two years to seven years	10 days
Eight years to Fifteen years	15 days
Sixteen or more years	20 days

Full time employees may accumulate vacation benefits that may be realized as paid time off or, in limited circumstances, as a cash payment. Expense and the related liability are recognized as vacation benefits are earned whether the employee is expected to realize the benefit as time off or in cash. All accrued sick leave credited to an employee can be carried forward to succeeding calendar years without limitation. Accumulated sick leave is forfeited at the time an employee terminates employment. However, accumulated sick leave is counted as creditable service without limit at retirement for employee's retirement benefits covered by the Louisiana Parochial Retirement System.

Cash and Investments

Cash and investments include funds that are maintained in pooled cash and investment accounts by the Caddo Parish Commission. Under state law, the Office of the Indigent Defender may deposit funds in demand deposit accounts, interest bearing demand deposit accounts, money market accounts, or time certificates of deposit of state banks organized under the laws of Louisiana and national banks having their principal office in the State of Louisiana. State statutes also authorize the Office of the Indigent Defender to invest in United States bonds, treasury notes, and treasury bills. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a nonprofit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. Investments in the Office of the Indigent Defender are stated at fair market value.

1. Summary of Significant Accounting Policies (Continued)

Capital Assets

Capital assets are capitalized at historical costs or estimated cost if historical cost is not available. Capital assets are recorded in the Statement of Net Assets and Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

Furniture and fixtures	7 years
Office equipment	5 years

Managements 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, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. Cash and Investments

At December 31, 2008, the Office of the Indigent Defender had cash of \$219,308 in the Caddo Parish Commission pooled cash account. All deposits of the Caddo Parish Commission are held by area financial institutions. Under state law, cash 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 fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount of the deposit with the fiscal agent. At December 31, 2008, the Caddo Parish Commission's deposits with banks were fully secured by federal deposit insurance and securities held by the pledging financial institution.

At December 31, 2008, the Office of the Indigent Defender had investments with a carrying amount and fair value of \$608,530 in the Caddo Parish Commission pooled investment account. Such statutes authorize the Caddo Parish Commission to invest in direct obligations of the United States Treasury, United States government agency obligations, Louisiana Asset Management Pool (LAMP), or certificates and time certificates of deposit of state banks organized under the laws of Louisiana and national banks having their principal office in the State of Louisiana. At December 31, 2008, the Caddo Parish Commission's investments, with the exception of the LAMP, were considered to be Category 1. Category 1 includes investments that are insured or registered or for which the securities are held by the Caddo Parish Commission or its safekeeping agent in the Caddo Parish Commission's name. Investments in LAMP are not categorized because they are not evidenced by securities that exist in physical or book entry form.

LAMP, a local government investment pool, is administered by LAMP, Inc., a nonprofit corporation organized under the laws of the State of Louisiana. While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2-a-7, which governs registered money market funds. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

Information on the aggregate deposits of the Caddo Parish Commission and how they are secured is available in the financial statements of the Caddo Parish Commission.

3. Receivables

The following is a summary of receivables at December 31, 2008:

Fines and forfeitures	\$32,340
Total Accounts Receivable	\$32,340

4. Changes in Capital Assets

A summary of changes in capital assets and depreciation activity for the year ended December 31, 2008 is as follows:

	December 31, 2008	December 31, 2007
Computer Equipment	\$94,131	\$84,405
Furniture and Fixtures	152,878	124,347
Equipment	129,176	106,869
	376,185	362,864
Less – accumulated depreciation	(267,271)	(220,528)
Net Capital Assets	\$108,914	142,336

Depreciation expense for the year 2008 is \$46,743

5. Pension Plan

One employee of the Office of the Indigent Defender is a member of the Parochial Employees Retirement System of Louisiana (System), a multiple-employer (cost-sharing), public employee retirement system (PERS), controlled and 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. The employee participating in PERS is a member of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. 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 per cent of their final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only prior to January 1, 1980, the benefit is equal to one per cent of final average salary plus \$24 for each year of supplemental-plan-only service earned prior to January 1, 1980. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. 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 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 Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 708984619, or

5. Pension Plan (Continued)

by calling (504) 928-1361.

Funding Policy. Under Plan A, members are required by state statute to contribute 9.5 percent of their annual covered salary and the board is required to contribute at an actuarially determined rate. The current rate is 12.75 percent of 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 actuarial valuation and are subject to change each year based on the results of the valuation for the fiscal year. The board's contributions to the System under Plan A for the year ended December 31, 2008 was \$-0-

6. Deferred Compensation

Under the guidelines established in accordance with the Internal Revenue Code Section 457, the Office of the Indigent Defender participates in a deferred compensation plan which is administered by Public Employees Benefit Services Corporation on behalf of all participating employees. The plan, available to all employees, permits them to defer a portion of their salary until future years. The deferred pay and any income earned on it is not subject to income taxes until actually received by the employee. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

It is the opinion of the Office of the Indigent Defender's legal counsel that the Office of the Indigent Defender is not liable for losses arising from depreciation or shrinkage in the value of any investments acquired under the deferred compensation plans. However, the Office of the Indigent Defender believes it has the duty of due care that would be required of an ordinary prudent investor. The Office of the Indigent Defender also believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

The assets in the plans remain the property of the Office of the Indigent Defender until paid or made available to participants, subject only to the claims of the Office of the Indigent Defender's general creditors. The participants have no vested interest or secured or preferred position with respect to the assets or have any claim against the Office of the Indigent Defender, except as a general creditor, in an amount equal to the fair market value of the participant's account. These funds are reported as an agency fund on the Caddo Parish Commission's financial statement as they hold the funds.

As of July 1, 1999, the Office of the Indigent Defender established a Caddo Parish Public Defenders Office Money Purchase Retirement Plan and Trust under the proper sections of the Internal Revenue Code of 1986. Employees must have been employed by the Indigent Defender's Office for a period of one (1) month to be eligible to participate in the plan. Vesting provisions allow a participant to be fully vested in the employer's contributions after seven (7) years of service and are eligible to receive distributions from the plan upon normal retirement, death, or permanent disability. Although it has no intention to do so, the Indigent Defender's Office has the ability to terminate the plan at any time, at which time all participants will become fully vested in the respective accounts.

For the year ended December 31, 2008, the Office of the Indigent Defender had deferred compensation expense of \$156,343 which is included in related benefits on Page 3.

7. Rent

The Office of the Indigent Defender rented office space under an operating lease expiring January 31, 2011. The future minimum rental payments required under the operating lease as of December 31, 2008 is \$118,000.

During 2008, total rent expense amounted to \$194,492.

8. Budget Variance

During 2008, the Board experienced a favorable variance in the excess of revenues over expenses as provided on page 15. The variance was primarily attributable to an increase in Fines and positive variances in Salaries.

9. Governmental Fund Revenues and Expenditures

For the year ended December 31, 2008, the major sources of governmental fund revenues and expenditures were as follows:

Revenues:

State Government

Appropriations - general	\$ 32,569
Appropriations - special	<u>1,666,218</u>
Total	1,698,787

Local Government

Statutory fines, forfeitures, fees, court costs, and other	<u>1,465,138</u>
Total	1,465,138

Charges for Services 32,457

Investment earnings 68,293

Total Revenues \$ 3,264,675

Expenditures:

Personnel Services and Benefits

Salaries	\$ 2,495,059
Retirement contributions	223,436
Insurance	<u>218,273</u>
Total	2,936,768

Professional Development

Dues, licenses, and registrations	17,327
Travel	<u>29,864</u>
Total	47,191

Operating Costs

Library and research	14,605
Contract services - attorney/legal	201,768
Contract services - other	132,053
Lease - office	194,492
Travel - transportation	21,915
Insurance	40,543
Supplies	50,916
Repairs and maintenance	19,948
Utilities and telephone	<u>14,989</u>
Total	<u>691,229</u>

Total Expenditures \$ 3,675,188

OFFICE OF THE INDIGENT DEFENDER
FIRST JUDICIAL DISTRICT, CADDO PARISH
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2008

	Budget	General Fund	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental			
LIDAB Emergency Grant	\$ 0	\$ 32,569	\$ 32,569
Grant Revenue – State	1,620,000	1,666,218	46,218
Charges for Services			
I.D. Application Fees	55,000	52,863	(2,137)
Probation Fees	85,000	65,513	(19,487)
Fines & Forfeitures Revenue			
Court Costs & Fines	1,050,000	1,156,835	106,835
Bond Forfeitures	173,000	189,927	16,927
Reimbs – ID Office Collections	40,000	32,457	(7,543)
Use of Money & Property			
Market Value Adjustment	0	7,086	7,086
Interest Earned	60,000	61,207	1,207
Miscellaneous	9,000	0	(9,000)
Total revenues	3,092,000	3,264,675	172,675
<u>Expenditures/Expenses.</u>			
Salaries	2,405,000	2,338,716	66,284
Salaries Regular Employees	2,100,000	2,042,049	57,951
Salaries-Conflict Panel	305,000	296,667	8,333
Benefits	457,600	441,709	15,891
Group Health Insurance	180,000	189,782	(9,782)
Medicare Insurance	32,600	28,491	4,109
Caddo Parish Employee Retirement	245,000	223,436	21,564
Materials & Supplies	51,000	54,139	(3,139)
Books & Subscriptions	11,000	14,605	(3,605)
Office Supplies	40,000	39,534	466
Education, Training & Travel	25,000	29,864	(4,864)
Travel	25,000	29,864	(4,864)
Utilities	19,600	14,989	4,611
Telephone	19,600	14,989	4,611
Professional Services	519,400	513,511	5,889
Office Rental	186,400	194,492	(8,092)
Legal & Auditing	25,000	4,700	20,300
Computer System	16,000	19,948	(3,948)
Professional Services	70,000	97,303	(27,303)
Attorney Fees-Misdemeanor	112,000	106,000	6,000
Attorney Fees-Criminal	110,000	91,068	18,932
Internal Charges	55,400	51,829	3,571
General Insurance	30,400	40,543	(10,143)
Uncapitalized Office equipment	25,000	11,286	13,714

**OFFICE OF THE INDIGENT DEFENDER
FIRST JUDICIAL DISTRICT, CADDO PARISH
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL**

For the year ended December 31, 2008

	<u>Budget</u>	<u>General Fund</u>	Variance Favorable (Unfavorable)
Other Expenses	39,000	74,088	(35,088)
Dues-Governmental Organizations	18,000	17,327	673
Advertising	1,000	96	904
Parking Fees	20,000	21,915	(1,915)
Accounting Fees	0	34,750	(34,750)
Total current expenditures	<u>3,572,000</u>	<u>3,518,845</u>	<u>53,155</u>
Capital outlay:			
Computer equipment		9,726	(9,726)
Office equipment	0	3,595	(3,595)
	<u>0</u>	<u>13,321</u>	<u>(13,321)</u>
	<u>3,572,000</u>	<u>3,532,166</u>	<u>39,834</u>
<u>Excess (deficiency) of revenues over expenditures</u>	(480,000)	(267,491)	212,509
<u>Fund balance</u>			
Beginning of year	<u>616,273</u>	<u>1,115,529</u>	<u>0</u>
End of year	<u>\$ 136,273</u>	<u>\$ 848,038</u>	<u>\$ 212,509</u>

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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

The Board of Directors
Office of the Indigent Defender
First Judicial District, Caddo Parish
Shreveport, Louisiana

I have audited the financial statements of the Office of the Indigent Defender, as of December 31, 2008 and for the year then ended, and have issued my report thereon dated September 23, 2009. I conducted my 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 my audit, I considered Office of the Indigent Defender's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Office of the Indigent Defender's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Office of the Indigent Defender's internal control over financial reporting.

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

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

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

Compliance and Other Matters

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

This report is intended for the information and use of management, the governing body of the Office of the Indigent Defender, the Office of the Legislative Auditor, State of Louisiana, and pass-through entities and is not intended to be and should not be used by anyone other than the specified parties.



September 23, 2009