

ANNUAL FINANCIAL REPORT OF THE
TWENTY-SEVENTH JUDICIAL DISTRICT
INDIGENT DEFENDER FUND
OPELOUSAS, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2012

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INDEPENDENT AUDITOR'S REPORT

To the Twenty-Seventh Judicial District
 Indigent Defender Fund
 Opelousas, Louisiana

We have audited the accompanying financial statements of the governmental activities and the major fund of the Twenty-Seventh Judicial District Indigent Defender Fund, as of and for the year ended June 30, 2012, which collectively comprise the Twenty-Seventh Judicial District Indigent Defender Fund's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Twenty-Seventh Judicial District Indigent Defender Fund's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Twenty-Seventh Judicial District Indigent Defender Fund, as of June 30, 2012 and the respective changes in financial position 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 December 19, 2012, on our consideration of the Twenty-Seventh Judicial District Indigent Defender Fund's internal control over financial reporting and on 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 performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

To the Twenty-Seventh Judicial District
Indigent Defender Fund
Opelousas, Louisiana

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 21 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government 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.

The Twenty-Seventh Judicial District Indigent Defender Fund has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

John S. Dowling & Co.

Opelousas, Louisiana
December 19, 2012

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

TWENTY-SEVENTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
OPELOUSAS, LOUISIANA
STATEMENT OF NET ASSETS
GOVERNMENTAL FUND
FOR THE YEAR ENDED JUNE 30, 2012

	<u>GENERAL</u>
 <u>ASSETS</u>	
Cash and cash equivalents	\$ 177,782
Investments	200,499
Restricted for various grants	142,414
Revenue receivable – court costs	48,069
Capital assets (net)	4,759
<u>Total assets</u>	573,523
 <u>LIABILITIES</u>	
Accounts payable	2,656
Other accrued liabilities	60
<u>Total liabilities</u>	2,716
 <u>NET ASSETS</u>	
Invested in capital assets, net of	4,759
Reserved for various grants	142,414
Unrestricted	423,634
<u>Total net assets</u>	570,807

The accompanying notes are an integral part of this statement

TWENTY-SEVENTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
OPELOUSAS, LOUISIANA
STATEMENT OF ACTIVITIES
GOVERNMENTAL FUND
FOR THE YEAR ENDED JUNE 30, 2012

<u>ACTIVITIES</u>	<u>EXPENSES</u>	<u>PROGRAM REVENUE CHARGES FOR SERVICES</u>	<u>OPERATING GRANTS AND CONTRIBUTIONS</u>	<u>NET (EXPENSES) REVENUES AND CHANGE IN NET ASSETS GOVERNMENTAL ACTIVITIES</u>
<u>Governmental</u>				
General government	<u>\$ 1,090,557</u>	<u>\$ 585,685</u>	<u>\$ 497,348</u>	<u>\$ (7,524)</u>
<u>Total governmental activities</u>	<u>1,090,557</u>	<u>585,685</u>	<u>497,348</u>	<u>(7,524)</u>
General Revenues				
Interest and investment earnings				<u>2,289</u>
<u>Total general revenues</u>				<u>2,289</u>
				<u>Change in net assets</u> (5,235)
				<u>Net assets – July 1, 2011</u> 576,042
				<u>Net assets – June 30, 2012</u> 570,807

The accompanying notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS

TWENTY-SEVENTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
OPELOUSAS, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUND
FOR THE YEAR ENDED JUNE 30, 2012

<u>ASSETS</u>	<u>GENERAL FUND</u>
Cash and cash equivalents	\$ 177,782
Investments	200,499
Restricted for various grants	142,414
Revenue receivable - court costs	<u>48,069</u>
<u>Total assets</u>	<u>568,764</u>
<u>LIABILITIES AND FUND BALANCE</u>	
<u>LIABILITIES</u>	
Accounts payable	\$ 2,656
Other accrued liabilities	<u>60</u>
<u>Total liabilities</u>	<u>2,716</u>
<u>FUND BALANCE</u>	
Fund balance	
Restricted	142,414
Unassigned	<u>423,634</u>
<u>Total fund balance</u>	<u>566,048</u>
<u>Total liabilities and fund balance</u>	<u>568,764</u>

The accompanying notes are an integral part of this statement.

TWENTY-SEVENTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
OPELOUSAS, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUND'S BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2012

Total fund balance for the governmental fund at June 30, 2012		\$ 566,048
Cost of capital assets at June 30, 2012	\$ 8,491	
Less: Accumulated depreciation as of June 30, 2012	<u>(3,732)</u>	<u>4,759</u>
Net assets at June 30, 2012		<u>570,807</u>

The accompanying notes are an integral part of this statement.

TWENTY-SEVENTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
OPELOUSAS, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
FOR THE YEAR ENDED JUNE 30, 2012

REVENUES

Fines	
Court Cost	
LACE	\$ 133,580
LOC	244,680
All Other	<u>117,611</u>
<u>Total court cost</u>	495,871
Restitution	14,460
Bail bond fee	59,754
Intake fees	15,600
State Board appropriation	497,348
Interest	<u>2,289</u>
<u>Total revenues</u>	<u>1,085,322</u>

EXPENDITURES

General government - judicial	
Current	
Retained, indigent defenders	938,171
Non-retained attorneys	2,700
Dues and seminars	10,493
Salaries	52,500
Payroll taxes	3,469
Witness fees	2,790
Contracted services	55,009
Legal notices	66
Telephone	9,461
Administration expense	3,342
Office supplies	2,767
Bank charges, check printing	1,490
Law library and copier intergovernmental agreement	7,668
Capital outlay	<u>1,298</u>
<u>Total expenditures</u>	<u>1,091,224</u>

Continued on next page

The accompanying notes are an integral part of this statement.

TWENTY-SEVENTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
OPELOUSAS, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2012

<u>DEFICIENCY OF REVENUES UNDER EXPENDITURES</u>	\$ (5,902)
<u>FUND BALANCE</u> , beginning of year	<u>571,950</u>
<u>FUND BALANCE</u> , end of year	<u>566,048</u>

The accompanying notes are an integral part of this statement.

TWENTY-SEVENTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
OPELOUSAS, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN THE FUND BALANCE OF THE GOVERNMENTAL FUND
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012

Total net change in the fund balance for the year ended June 30, 2012 per Statement of Revenues, Expenditures and Changes in Fund Balance		\$ (5,902)
Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 1,298	
Depreciation expense	<u>(631)</u>	<u>667</u>
 <u>Total change in net assets for the year ended</u> <u>June 30, 2012 per Statement of Activities</u>		 <u>(5,235)</u>

The accompanying notes are an integral part of this statement.

TWENTY-SEVENTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Twenty-Seventh Judicial District Indigent Defender Fund was established in compliance with Louisiana Revised Statutes 15:144-149, to provide and compensate counsel appointed to represent indigents in criminal and quasi-criminal cases on the district court level.

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

The following is a summary of certain significant accounting policies and practices of the Twenty-Seventh Judicial District Indigent Defender Fund.

A. FINANCIAL REPORTING ENTITY

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of another entity for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability.

For financial reporting purposes, the Twenty-Seventh Judicial District Indigent Defender Fund is a part of the district court system of the State of Louisiana. However, the state statutes that create the district boards also give each of the boards control over all their operations. This includes the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. The Twenty-Seventh Judicial District Indigent Defender Fund is financially independent and operates autonomously from the State of Louisiana and independently from the district court system. Therefore, the Fund reports as an independent reporting entity and the financial statements include only the transactions of the Twenty-Seventh Judicial District Indigent Defender Fund.

B. BASIS OF PRESENTATION

Government-wide Financial Statements (GWFS). The Statement of Net Assets and the Statement of Activities display information on all of the nonfiduciary activities of the Twenty-Seventh Judicial District Indigent Defender Fund. They include all funds of the reporting entity. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Fiduciary funds are not included in the GWFS.

TWENTY-SEVENTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIS OF PRESENTATION (Continued)

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements. The Twenty-Seventh Judicial District Indigent Defender Fund uses funds to report on its financial position and the results of its operations. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The fund presented in the financial statements is described as follows:

Governmental Fund

General Fund - The General Fund is the general operating fund. It is used to account for all financial resources.

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Assets and the Statement of Activities, the governmental activities are presented using the economic resources measurement focus.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

TWENTY-SEVENTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING (Continued)

Measurement Focus (Continued)

- a. The fund financial statements utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The government-wide financial statements utilize an "economic resources" measurement focus. The accounting objective of this measurement focus is the determination of operating income, changes in net assets and financial position. All assets and liabilities (whether current or noncurrent) associated with their activities are reported.

Basis of Accounting

In the government-wide Statement of Net Assets and Statement of Activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

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. 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 (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting.

D. REVENUES, EXPENDITURES, AND EXPENSES

Operating Revenues and Expenses

Operating revenues and expenses are those that result from providing services and producing and delivering goods and/or services. It also includes all revenues and expenses not related to capital and related financing, noncapital financing or investing activities.

Court costs, restitution, and bail bond fees are recorded in the month collected by the appropriate collection authority.

TWENTY-SEVENTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. REVENUES, EXPENDITURES, AND EXPENSES (Continued)

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for the governmental activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Fund – By Character

In the fund financial statements, governmental funds report expenditures of financial resources.

E. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash includes amounts in interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less.

Under state law the Twenty-Seventh Judicial District Indigent Defender Fund may deposit funds with any bank located within the state and organized under the laws of the State of Louisiana, any other state in the union, or under the laws of the United States. Further, the Twenty-Seventh Judicial District Indigent Defender Fund may invest in time deposits or certificates of deposit of those banks.

Bank deposits must be secured by federal depository insurance or the pledge of securities owned by the bank. The market value of the pledged securities must at all times equal or exceed 100 percent of the uninsured amount on deposit with the bank.

At June 30, 2012, the carrying amount of the Twenty-Seventh Judicial District Indigent Defender Fund's cash and investments was \$520,695. The bank balance of cash was \$266,691 and of investments was \$254,004 for the year ended June 30, 2012. Investments are stated at cost or amortized cost, which approximates market.

At June 30, 2012 the Twenty-Seventh Judicial District Indigent Defender Fund had \$522,255 in bank deposits. These deposits are secured from risk by \$500,000 of FDIC insurance and \$22,255 was covered by securities held by pledging financial institutions in the Twenty-Seventh Judicial District Indigent Defender Fund's name.

TWENTY-SEVENTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. RECEIVABLES

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balance for the governmental activities includes court costs.

In the fund financial statements, material receivables in governmental funds include revenue accruals for court costs since they are usually both measurable and available. Non-exchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available.

G. CAPITAL ASSETS

Capital assets (including infrastructure assets), which constitute assets of the General Fund, are recorded at cost and depreciation is computed under the straight-line method. The service lives by type of asset are as follows:

Equipment	7-10 years
Furniture	7-10 years

H. BUDGETS AND BUDGETARY ACCOUNTING

As required by state law, the Twenty-Seventh Judicial District Indigent Defender Fund adopted a budget for its General Fund. The budgetary practices included public notice of the proposed budget, public inspection of the proposed budget, and a public hearing on the budget prior to adoption.

Any amendment involving the transfer of monies from one function to another or increases in expenditures at the functional level must be approved by the Twenty-Seventh Judicial District Indigent Defender Fund. All budget amounts which are not expended, or obligated through contracts, lapse at year-end.

The General Fund budget was adopted and amended on a basis consistent with generally accepted accounting principles (GAAP).

TWENTY-SEVENTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. PENSION PLAN AND LEAVE POLICIES

The Twenty-Seventh Judicial District Indigent Defender Fund has no pension plan or leave policies.

J. ENCUMBRANCES

The Twenty-Seventh Judicial District Indigent Defender Fund does not employ the encumbrance system of accounting.

K. COMPENSATED ABSENCES

The Twenty-Seventh Judicial District Indigent Defender Fund does not provide for accumulated vacation or sick leave.

L. EQUITY CLASSIFICATIONS

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

1. Invested in capital assets, net of related debt - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted net assets - Consist of net assets with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
3. Unrestricted net assets - All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance reports aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources.

The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

TWENTY-SEVENTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. EQUITY CLASSIFICATIONS (Continued)

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned and unassigned.

1. Restricted fund balance – This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions for enabling legislation.
2. Committed fund balance – These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances. Those committed amounts cannot be used for any other purpose unless the governing authority removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.
3. Assigned fund balance – This classification reflects the amounts constrained by the Twenty-Seventh Judicial District Indigent Defender Fund’s “intent” to be used for specific purposes, but are neither restricted nor committed. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.
4. Unassigned fund balance – This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the Twenty-Seventh Judicial District Indigent Defender Fund’s policy to use externally restricted resources first, then unrestricted resources – committed, assigned and unassigned – in order as needed.

M. ESTIMATES

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

TWENTY-SEVENTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 2 – CAPITAL ASSETS

Capital assets and depreciation activity, as of and for the year ended June 30, 2012, for the Twenty-Seventh Judicial District Indigent Defender Fund are as follows:

	Balances July 1, 2011	Addition	Disposal	Balances June 30, 2012
Governmental activities				
Equipment	\$ 6,320	\$ 1,298	-	\$ 7,618
Furniture and fixtures	873	-	-	873
<u>Totals at historical cost</u>	<u>7,193</u>	<u>1,298</u>	<u>-</u>	<u>8,491</u>
Less accumulated depreciation				
Equipment	(2,457)	(589)	-	(3,046)
Furniture and fixtures	(644)	(42)	-	(686)
<u>Total accumulated depreciation</u>	<u>(3,101)</u>	<u>(631)</u>	<u>-</u>	<u>(3,732)</u>
Governmental Activities				
Capital assets, net	<u>4,092</u>	<u>667</u>	<u>-</u>	<u>4,759</u>

Depreciation expense was charged to governmental activities as follows:

 General Government \$631

NOTE 3 - INTERGOVERNMENTAL COOPERATIVE AGREEMENT

On September 2, 1997, three agencies - the Twenty-Seventh Judicial District Indigent Defender Fund, the Twenty-seventh Judicial District Court and the St. Landry Parish District Attorney entered into an intergovernmental agreement to provide funds to maintain the St. Landry Parish Law Library. The Twenty-Seventh Judicial District Indigent Defender Fund agrees to contribute each year for an indefinite term. The agreement may be terminated at any time by a majority vote of the parties involved and any party may withdraw from the agreement by giving thirty days written notice. The Twenty-Seventh Judicial District Indigent Defender Fund contributed \$7,668 for the year ended June 30, 2012.

TWENTY-SEVENTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 4 - GOVERNMENTAL FUND REVENUES/EXPENDITURES

For the year ended June 30 2012, the major sources of governmental fund revenues and expenditures were as follows:

	<u>2012</u>
Revenues:	
State Government	
Appropriations - general	\$ 497,348
Appropriations - special	-
Revenue sharing	-
Grants	-
On-behalf payments	-
Other	-
<u>Total</u>	<u>497,348</u>
Local Government	
Appropriations - general	-
Appropriations - special	-
Grants	-
Statutory fines, forfeitures, fees, court cost, and other	585,685
Taxes- millages, sales, special, and other	-
Criminal court fund	-
On-behalf payments	-
Other	-
<u>Total</u>	<u>585,685</u>
Federal Government	
Grants - direct	-
Grants - indirect	-
<u>Total</u>	<u>-</u>
Other Grants and Contributions	
Nonprofit organizations	-
Private organizations	-
Corporate	-
Other	-
<u>Total</u>	<u>-</u>
Charges for Seivices	<u>-</u>
Investent Earnings	<u>2,289</u>
Miscellaneous	<u>-</u>
<u>Total revenues</u>	<u>1,085,322</u>

TWENTY-SEVENTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 4 - GOVERNMENTAL FUND REVENUES/EXPENDITURES (Continued)

Expenditures:	<u>2012</u>
Personnel Services Benefits	
Salaries	\$ 52,500
On-behalf payments - salaries	-
Retirement contributions	-
On-behalf payments - retirement	-
Insurance	-
On-behalf payments - insurance	-
Payroll taxes	3,469
Other	-
<u>Total</u>	<u>55,969</u>
Professional Development	
Dues, licenses, and registrations	10,493
Travel	-
Other	-
<u>Total</u>	<u>10,493</u>
Operating Cost	
Library and research	7,668
Contract services - attorney/legal	940,871
Contracted services - other	57,799
Lease - office	-
Lease - autos and other	-
Travel - transportation	-
Travel - other	-
Insurance	-
Supplies	4,257
Repairs and maintenance	-
Utilities and telephone	9,461
Other	3,408
<u>Total</u>	<u>1,023,464</u>
Debt Service	<u>-</u>
Capital outlay	<u>1,298</u>
<u>Total expenditures</u>	<u>1,091,224</u>

TWENTY-SEVENTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 5 - OTHER POST-EMPLOYMENT BENEFITS (OPEB)

The Twenty-Seventh Judicial District Indigent Defender Fund does not provide any post-employment benefits to retirees and therefore is not required to report under GASB Statement No. 45, Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions.

NOTE 6- FUND BALANCE CONSTRAINTS

The constraints on fund balance as listed in the aggregate in the Statement of Revenues, Expenditures, and Change in Fund Balance are detailed according to the balance classification and fund. The restricted portion of the fund balance is from grants received by the Twenty-Seventh Judicial District Indigent Defender Fund.

Fund Balance:	
Nonspendable	\$ -
Restricted	142,414
Committed	-
Assigned	-
Unassigned	<u>423,634</u>
<u>Total fund balance</u>	<u>566,048</u>

NOTE 7 - SUBSEQUENT EVENTS

Subsequent events were evaluated through December 19, 2012, which is the date the financial statements were available to be issued. As of December 19, 2012 there were no subsequent events noted.

REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISON SCHEDULE

TWENTY-SEVENTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
OPELOUSAS, LOUISIANA
BUDGETARY COMPARISON SCHEDULE – REVENUES AND EXPENDITURES
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012

	<u>BUDGET</u> <u>ORIGINAL</u>	<u>BUDGET</u> <u>AMENDED</u>	<u>ACTUAL</u>	<u>VARIANCE</u> <u>WITH FINAL</u> <u>BUDGET</u> <u>FAVORABLE</u> <u>(UNFAVORABLE)</u>
<u>REVENUES</u>				
Court Cost	\$ 520,394	\$ 525,128	\$ 495,871	\$ (29,257)
Restitution	20,000	10,845	14,460	3,615
Bail bond fee	55,800	70,149	59,754	(10,395)
Intake fees	16,000	12,180	15,600	3,420
State Board appropriation	497,348	497,348	497,348	-
Interest	2,000	4,550	2,289	(2,261)
<u>Total revenues</u>	<u>1,111,542</u>	<u>1,120,200</u>	<u>1,085,322</u>	<u>(34,878)</u>
<u>EXPENDITURES</u>				
General government - judicial				
Current				
Retained, indigent defenders	929,270	951,010	938,171	12,839
Non-retained attorneys	-	-	2,700	(2,700)
Dues and seminars	8,500	9,873	10,493	(620)
Salaries	52,500	52,500	52,500	-
Payroll taxes	4,500	4,500	3,469	1,031
Witness fees	12,500	9,000	2,790	6,210
Contracted services	61,000	55,660	55,009	651
Legal notices	400	181	66	115
Insurance	18,000	18,000	-	18,000
Telephone	6,000	6,893	9,461	(2,568)
Administration expense	4,800	4,800	3,342	1,458
Office supplies	5,000	4,063	2,767	1,296
Bank charges	-	-	1,490	(1,490)
Law library and copier agreement	8,000	10,203	7,668	2,535
Other	-	77	-	77
Capital outlay	-	-	1,298	(1,298)
<u>Total expenditures</u>	<u>1,110,470</u>	<u>1,126,760</u>	<u>1,091,224</u>	<u>35,536</u>
<u>EXCESS (DEFICIENCY) OF REVENUES</u>				
<u>OVER (UNDER) EXPENDITURES</u>				
	<u>1,072</u>	<u>(6,560)</u>	<u>(5,902)</u>	<u>658</u>
<u>FUND BALANCE, beginning of year</u>			<u>571,950</u>	
<u>FUND BALANCE, end of year</u>			<u>566,048</u>	
See accountant's report.				

RELATED REPORTS

James L. Nicholson, Jr., CPA
 G. Kenneth Pavy, II, CPA
 Michael A. Roy, CPA
 Lisa Trouille Manuel, CPA
 Dana D. Quebedeaux, CPA



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John S. Dowling, CPA
 1904-1984
 John Newton Stout, CPA
 1936-2005
 Chizal S. Fontenot, CPA
 1955-2012

Retired

Harold Dupre, CPA
 1996
 Dwight Ledoux, CPA
 1998
 Joel Lanclos, Jr., CPA
 2003
 Russell J. Stelly, CPA
 2005

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

To the Twenty-Seventh Judicial District
 Indigent Defender Fund
 Opelousas, Louisiana

We have audited the financial statements of the governmental activities and the major fund of the Twenty-Seventh Judicial District Indigent Defender Fund, as of and for the year ended June 30, 2012, which collectively comprise the Twenty-Seventh Judicial District Indigent Defender Fund's basic financial statements and have issued our report thereon dated December 19, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of the Twenty-Seventh Judicial District Indigent Defender Fund is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit we considered Twenty-Seventh Judicial District Indigent Defender Fund internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Twenty-Seventh Judicial District Indigent Defender Fund's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Twenty-Seventh Judicial District Indigent Defender Fund's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

To the Twenty-Seventh Judicial District
Indigent Defender Fund
Opelousas, Louisiana

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings, and responses that we consider to be significant deficiencies in internal control over financial reporting as items 2012-1 and 2012-2. 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Twenty-Seventh Judicial District Indigent Defender Fund's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

The Twenty-Seventh Judicial District Indigent Defender Fund's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. We did not audit the Twenty-Seventh Judicial District Indigent Defender Fund's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Twenty-Seventh Judicial District Indigent Defender Fund, its management and the appropriate regulatory agency and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

John S. Rowley & Co.

Opelousas, Louisiana
December 19, 2012

TWENTY-SEVENTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
OPELOUSAS, LOUISIANA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2012

A. SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unqualified opinion on the basic financial statements of the Twenty-Seventh Judicial District Indigent Defender Fund.
2. Two significant deficiencies relating to the audit of the financial statements is reported in the Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
3. No instance of noncompliance material to the financial statements of the Twenty-Seventh Judicial District Indigent Defender Fund was disclosed during the audit.

B. FINDING – FINANCIAL STATEMENT AUDIT

2012-1 Inadequate Control over Financial Statement Preparation

Condition: The Twenty-Seventh Judicial District Indigent Defender Fund does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including related notes.

Criteria: A reporting entity should be able to prepare financial statements in accordance with GAAP without assistance from the auditor.

Cause: The Twenty-Seventh Judicial District Indigent Defender Fund does not have adequate staff with the time, experience or training to prepare financial statements in accordance with GAAP.

Effect: A small number of audit adjustments were recorded and the audit firm was required to assist management in the preparation of financial statements in accordance with GAAP.

Recommendation: The Twenty-Seventh Judicial District Indigent Defender Fund should consider the cost/benefit of hiring additional personnel or training existing personnel with sufficient knowledge and training.

Management's Response: The Twenty-Seventh Judicial District Indigent Defender Fund has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP and determined that it is in the best interests of the office to outsource this task to its independent auditors and carefully review the draft financial statements and notes prior to approving them and accepting responsibility for the contents and presentation.

Contact person: Ed Lopez

TWENTY-SEVENTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
OPELOUSAS, LOUISIANA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2012

2012-2 Bond Insurance

Condition: The Twenty-Seventh Judicial District Indigent Defender Fund does not have bond insurance on individuals that are responsible for collections and/or have signature authority over the bank accounts.

Criteria: All individuals that collect funds and/or have signature authority over the bank accounts should be bonded.

Cause: The Twenty-Seventh Judicial District Indigent Defender Fund does not have bond insurance covering individuals that have access to the Board's funds.

Effect: If funds are missing the Twenty-Seventh Judicial District Indigent Defender Fund will not be covered by insurance.

Recommendation: The Twenty-Seventh Judicial District Indigent Defender Fund should obtain bond insurance on all individuals that handle funds.

Management's response: We are in the process of gathering quotes from different companies to provide the bond and we expect the bond to be in place by mid-January 2013.

Contact person: Ed Lopez

TWENTY-SEVENTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
OPELOUSAS, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2012

SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

2011-1 Inadequate Control over Financial Statement Preparation
Repeat Comment

SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

N/A

SECTION III - MANAGEMENT LETTER

N/A