

Deborah D. Dees, MBA, CPA



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CERTIFIED PUBLIC ACCOUNTANT

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The Thirty-ninth Judicial District Indigent Defender Fund was revised and resubmitted in order to comply with the Uniform Reporting Format developed by the Legislative Auditor for district indigent defender funds administered by district public defenders (La Revised Statute 24:515.1) as found in Footnote number 5 on page 12.

Respectfully submitted,

Deborah D. Dees, CPA
Deborah D. Dees, CPA

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 5/11/11

REISSUE

THIRTY-NINTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
Red River Parish, Louisiana

Financial Statements
For the eighteen months ended June 30, 2010

THIRTY-NINTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND

Red River Parish, Louisiana
Financial Statements
June 30, 2010

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Accountant's Compilation Report

Brian McRae, Chief Public Defender
Thirty-ninth Judicial District Indigent Defender Fund
Red River Parish
Coushatta, Louisiana

I have compiled the accompanying financial statements of the governmental activities and each major fund of the Thirty-ninth Judicial District Indigent Defender Fund as of and for the eighteen months ended June 30, 2010, which collectively comprise the Fund's basic financial statements as listed in the table of contents, in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements, and accordingly, do not express an opinion or any form of assurance on them.

The budgetary comparison information, on page 13 through 14 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. I have compiled the supplementary information from information that is the representation of management, without audit or review. Accordingly, I do not express an opinion or any other form of assurance on the supplementary information.

The Fund has not presented management's discussion and analysis information that the Governmental Accounting Standards Board has determined is required to supplement, although not required to be a part of, the basic financial statements.

Deborah D. Dees, CPA

Certified Public Accountant
Mansfield, Louisiana

August 27, 2010

Basic Financial Statements

THIRTY-NINTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
Red River Parish, Louisiana

GOVERNMENTAL FUND BALANCE SHEET / STATEMENT OF NET ASSETS

June 30, 2010

	<u>Fund Financial Statements</u>		<u>Government-Wide Statements</u>
	<u>General Fund Balance Sheet</u>	<u>Adjustments Note 1(A)</u>	<u>Statement of Net Assets</u>
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 104,513	-	\$ 104,513
Total Current Assets	<u>104,513</u>	-	<u>104,513</u>
TOTAL ASSETS	<u>\$ 104,513</u>	-	<u>\$ 104,513</u>
LIABILITIES			
Current Liabilities:			
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE / NET ASSETS			
Fund Balance			
Unreserved, undesignated	104,513	-	\$ -
Net Assets			
Unrestricted	<u>-</u>	<u>-</u>	<u>104,513</u>
TOTAL LIABILITIES, FUND BALANCE / NET ASSETS	<u>\$ 104,513</u>		<u>\$ 104,513</u>

See accountant's compilation report and accompanying notes.

THIRTY-NINTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
Red River Parish, Louisiana

**GOVERNMENTAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE/
STATEMENT OF ACTIVITIES**

For the Eighteen Months Ended June 30, 2010

	Fund Financial Statements		Government-Wide
	Statement of Revenues, Expenditures, and Changes in Fund Balances	Adjustments Note 1(A)	Statement of Activities
Expenditures/Program Expenses			
Judiciary:			
Operating Costs			
Contract services - attorney / legal	\$ 136,804	-	\$ 136,804
Contract services - other	36,467	-	36,467
Professional fees	500	-	500
Travel and mileage	390	-	390
Utilities and telephone	2,096	-	2,096
Other	688	-	688
Total Operating Costs	<u>176,945</u>	<u>-</u>	<u>176,945</u>
Total Expenditures/Program Expenses	<u>176,945</u>	<u>-</u>	<u>176,945</u>
Revenues:			
State Government			
Appropriations - general	67,053	-	67,053
Total state government	<u>67,053</u>	<u>-</u>	<u>67,053</u>
Local Government			
Court fees	86,423	-	86,423
Bond fees and forfeitures	7,601	-	7,601
Total local government	<u>94,024</u>	<u>-</u>	<u>94,024</u>
Investment earnings	631	-	631
Total Revenues	<u>161,709</u>	<u>-</u>	<u>161,709</u>
Excess (Deficiency) of Revenues over Expenditures	(15,236)		
Change in Net Assets			(15,236)
Fund Balance/ Net Assets:			
Beginning of year	119,749		119,749
End of year	<u>\$ 104,513</u>		<u>\$ 104,513</u>

Notes to the Financial Statements

THIRTY-NINTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
Red River Parish, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
As of and for the Eighteen Months Ended June 30, 2010

INTRODUCTION

The Thirty-ninth Judicial District Indigent Defender Fund (ID Fund) was established in compliance with Louisiana Revised Statutes 15:168 on August 15, 2007. The purpose of the Fund is to provide and compensate counsel appointed to represent indigents in criminal and quasi-criminal cases on the district court level. The district fund is regulated by the Louisiana Public Defender Board established by Louisiana Revised Statute 15:141-184 to provide effective legal representation to criminal defendants who are unable to afford an attorney, consistent with the right to counsel in our criminal courts, mindful of the need for law and order and an appreciation of victim's rights. The Fund is administered by the district public defender who is contracted with the Louisiana Public Defender Board to provide for the delivery and management of public defenders services within the judicial district. The judicial district encompasses the Parish of Red River, Louisiana.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying basic financial statements of the Thirty-ninth Judicial District Indigent Defender Fund 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. 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.

Fund Financial Statements

The column labeled General Fund Balance Sheet (Statement A) and the column labeled General Fund (Statement B) represent the financial transactions of the Thirty-ninth Judicial District Indigent Defender Fund that are recorded in individual funds in the fund financial statements. The ID Fund uses funds to maintain the financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A fund is a separate fiscal and accounting entity with a self-balancing set of accounts. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the governmental funds according to the purpose 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 ID Fund. The following is the ID Fund's only governmental fund:

General-Fund - the General Fund is the primary operating fund of the Thirty-ninth Judicial District Indigent Defender Fund and accounts for all financial resources. The various statutory fees and charges due to the Fund are accounted for in this 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 the Fund's policy.

Government-Wide Financial Statements

The column labeled Statement of Net Assets (Statement A) and the column labeled Statement of Activities (Statement B) display information about the Thirty-ninth Judicial District Indigent Defender Fund as a whole. These statements include all the financial activities of the ID Fund. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

THIRTY-NINTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
Red River Parish, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
As of and for the Eighteen Months Ended June 30, 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. BASIS OF PRESENTATION (continued)

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the ID fund's governmental activities. Direct expenses are those that are specifically associated with a program or function. Program revenues include (a) fees and charges paid by the recipient for goods and services offered by the program, 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 interest revenue, are presented as general revenues.

Adjustments to Reconcile Fund Financial Statements to Governmental-Wide Statements

Total Net Assets reported for Governmental Activities in the Statement of Net Assets (Statement A) is equal to the Governmental Fund Balance for the Thirty-ninth Judicial District Indigent Defender Fund. The Total Net Change in Net Assts for Government Activities in the Statement of Activities (Statement B) is also the same for the Governmental Change in fund Balance.

B. REPORTING ENTITY

For financial reporting purposes, in conformity with Governmental Accounting Standards Board (GASB) Statement No. 14, the Thirty-ninth Judicial District Indigent Defender Fund is a part of the operations of the district court system. However, the state statutes that create the indigent defender funds also gives the funds control over their operations including the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of monies. The Thirty-ninth 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 Thirty-ninth Judicial District Indigent Defender Fund.

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.

Accrual Basis—Government-Wide Financial Statements

The Statement of Net Assets and the Statement of Activities have been prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Modified Accrual Basis—Fund Financial Statements

The amounts reflected in the General Fund of Statements A and B 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 balance reports on the sources (i.e., revenues and other financing sources) and uses (i.e.,

THIRTY-NINTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
Red River Parish, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
As of and for the Eighteen Months Ended June 30, 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. MEASUREMENT FOCUS / BASIS OF ACCOUNTING (continued)

expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the ID Fund's operations.

The amounts reflected in the General Fund of Statements A and B 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 Thirty-ninth Judicial District Indigent Defender Fund 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, except for interest and principal payments on long-term debt which is recognized when due, and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures.

Revenues

Fines, forfeitures, fees and court costs imposed by the district and city courts are recorded in the year that they are collected by the sheriffs and city courts within the judicial district.

Interest income on time deposits is recorded when the time deposits have matured and the income is available.

Substantially all other revenues are recorded when received by the Fund

Based on the above criteria, fines, forfeitures, fees and court costs are treated as susceptible to accrual.

Expenditures

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

D. BUDGET PRACTICES

The District Public Defender directs the preparation of a proposed budget and submits it to the Louisiana Public Defender Board for approval by a specified date. Annually the Indigent Defender Fund adopts a budget for the General Fund on the modified accrual basis of accounting. Amounts are available for expenditures only to the extent included within the budget. All appropriations lapse at year-end. The Thirty-ninth Judicial District Indigent Defender Fund's actual revenue exceeds budgeted revenue by 57%. Actual expenses are less than budgeted expenditures by 5%. This is in compliance with the Louisiana Local Budget Act.

E. CASH AND CASH EQUIVALENTS

Cash equivalents include amounts in demand deposits, interest-bearing demand deposits, and time deposits and other investments with original maturities of 90 days or less when purchased. Under state law, the Fund may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law and any other state of the United States, or under the laws of the United States.

THIRTY-NINTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
Red River Parish, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

As of and for the Eighteen Months Ended June 30, 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost (the extent to which fixed asset costs have been estimated and the methods of estimation should be disclosed) if historical cost is not available (or describe other method of valuation). The Thirty-ninth Judicial District Indigent Defender Fund has no capital assets.

G. COMPENSATED ABSENCES

The Indigent Defender Fund contracts for all services, and, therefore, has no employees. As such, the Indigent Defender Fund is not required to adopt a formal vacation and leave policy.

H. ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

I. EQUITY CLASSIFICATIONS

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

Invested in Capital Assets, net of related debt

This category consists of capital assets net of accumulated depreciation and reduced by any outstanding balances of bonds, mortgages, notes or other borrowing attributable to the acquisition, construction or improvement of capital assets.

Restricted Net Assets

This category consists of net assets with constraints placed on the use 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.

Unrestricted Net Assets

This category represents net assets not appropriable for expenditures or legally segregated for a specific future use.

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Any designations of fund balance represent tentative management plans that are subject to change.

2. CASH AND CASH EQUIVALENTS

At June 30, 2010, the Thirty-ninth Judicial District Indigent Defender Fund has cash and cash equivalents (book balances) totaling \$104,513 in demand deposits.

These deposits, \$104,513 (bank balances), are stated at cost, which approximates market. 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. These deposits are secured by federal deposit insurance

THIRTY-NINTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
Red River Parish, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
As of and for the Eighteen Months Ended June 30, 2010

3. COMMITMENT AND CONTINGENCIES

The Thirty-ninth Judicial District Indigent Defender Fund is not currently named as defendant in any current or pending litigation.

The ID Fund participates in certain state-assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Any liability for reimbursement that may arise as the result of these audits is not believed to be material.

4. RELATED PARTY TRANSACTIONS

FASB 57 requires the disclosure of the description of the relationship, the transactions, the dollar amount of the transactions, and any amounts due to or from that result from related party transactions. There were no related party transactions.

5. GOVERNMENTAL FUND REVENUES AND EXPENDITURES

Revenues:	
State Government	
Appropriations - General	\$ 67,053
Appropriations - Special	-
Revenue Sharing	-
Grants	-
On-behalf Payments	-
Other	-
Total	<u>\$ 67,053</u>
Local Government	
Appropriations - General	\$ -
Appropriations - Special	-
Grants	-
Statutory Fines, Forfeitures, Fees	
Court Costs, & Other	94,024
Criminal Court Fund	-
On-behalf Payments	-
Other	-
Total	<u>\$ 94,024</u>
Federal Government	
Grants - Direct	\$ -
Grants - Indirect (passed through state)	-
Total	<u>\$ -</u>
Other Grants & Contributions	
Non-profit Organizations	\$ -
Private Organizations	-
Corporate	-
Other	-
Total	<u>\$ -</u>
Charges for Services	-
Investment Earnings	631
Miscellaneous	-
Total Revenues	<u><u>\$ 161,709</u></u>

THIRTY-NINTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
Red River Parish, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
As of and for the Eighteen Months Ended June 30, 2010

5. GOVERNMENTAL FUND REVENUES AND EXPENDITURES (continued)

Expenditures:			
Personnel Services & Benefits -	\$	-	
Salaries		-	
On-behalf Payments - Salaries		-	
Retirement Contributions		-	
On-behalf Payments - Retirement		-	
Insurance		-	
On-behalf Payments - Insurance		-	
Payroll Taxes		-	
Other		-	
Total		<u> </u>	\$ -
Professional Development -			
Dues, Licenses, & Registrations	\$	-	
Travel		-	
Other		-	
Total		<u> </u>	\$ -
Operating Costs -			
Library & Research	\$	-	
Contract Services - Attorney/Legal		136,804	
Contract Services - Other		36,467	
Lease - Office		-	
Lease - Autos & Other		-	
Travel - Transportation		390	
Travel - Other		-	
Insurance		-	
Supplies		-	
Repairs & Maintenance		-	
Utilities & Telephone		2,096	
Other		1,188	
Total		<u> </u>	\$ 176,945
Debt Service			-
Capital Outlay			-
Total Expenditures			<u><u>\$ 176,945</u></u>

Required Supplemental Information

THIRTY-NINTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
Red River Parish, Louisiana

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
For the Eighteen Months Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
State government				
Appropriations - general	\$ 41,000	\$ 25,500	\$ 67,053	\$ 41,553
Local government				
Court fees	52,000	78,000	86,423	8,423
Bond fees and forfeitures	5,100	7,650	7,601	(49)
Investment earnings	500	750	631	(119)
Total Revenues	<u>98,600</u>	<u>111,900</u>	<u>161,709</u>	<u>49,809</u>
Expenditures:				
Operating costs				
Contract labor - attorney / legal	93,300	166,650	136,804	29,846
Contract labor - other	12,100	12,650	36,467	(23,817)
Professional fees	500	750	500	250
Travel and mileage	-	-	390	(390)
Utilities and telephone	2,600	3,900	2,096	1,804
Other	-	-	688	(688)
Total Expenditures	<u>108,500</u>	<u>183,950</u>	<u>176,945</u>	<u>7,005</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(9,900)</u>	<u>(72,050)</u>	<u>(15,236)</u>	<u>56,814</u>
Net change in Fund Balances	<u>(9,900)</u>	<u>(72,050)</u>	<u>(15,236)</u>	<u>\$ 56,814</u>
Fund balance, beginning of year	119,749	119,749	119,749	
Fund balance, end of year	<u>\$ 109,849</u>	<u>\$ 47,699</u>	<u>\$ 104,513</u>	

See accountant's compilation report and notes to required supplementary information.

**THIRTY-NINTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND
Red River Parish, Louisiana**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
As of and for the Eighteen Months ended June 30, 2010**

Budgetary Information

The District Public Defender directs the preparation of a proposed budget and submits it to the Louisiana Public Defender Board for approval by a specified date. Annually the Indigent Defender Fund adopts a budget for the General Fund on the modified accrual basis of accounting. Amounts are available for expenditures only to the extent included within the budget. All appropriations lapse at year-end.

Since the last compiled financial statements were issued, the Louisiana Public Defender Board changed the year end of the districts within the state from a calendar year end of December 31 to a fiscal year ending June 30. Prior to the change the District was required to submit a budget for the calendar year ended December 31, 2009. After the change, the District was required to submit a budget for the twelve month period ending June 30, 2010. The original budget on the budgetary comparison schedule is the budget for the year ended December 31, 2009. The final eighteen month budget is one-half of the original calendar year budget representing January 1, 2009 to June 30, 2009 added to the June 30, 2010 budget. The budget was not amended during this period.

The Louisiana Local Government Budget Act Section 1305(E) provides that "the total of proposed expenditures shall not exceed the total of estimated funds available for the ensuing fiscal year." The "total estimated funds available" is the sum of the respective estimated fund balances at the beginning of the year and the anticipated revenues for the current year.

The Louisiana Local Government Budget Act also requires a budget to be amended if actual revenues are failing to meet total budgeted revenues by five percent or more, and if actual expenditures are exceeding the total budgeted expenditures by five percent or more. The Thirty-ninth Judicial District Indigent Defender Fund's actual revenue exceeds budgeted revenue by 57%. Actual expenses are less than budgeted expenditures by 5%. The budget was amended during the year. The fund is in compliance with the Louisiana Local Budget Act.