

***DISTRICT ATTORNEY OF THE
TWENTY-THIRD JUDICIAL DISTRICT
PARISHES OF ASCENSION,
ASSUMPTION, AND ST. JAMES, LOUISIANA***

Annual Financial Report

For the Year Ended December 31, 2001



STAGNI & COMPANY, LLC

**DISTRICT ATTORNEY OF THE
TWENTY-THIRD JUDICIAL DISTRICT
PARISHES OF ASCENSION, ASUUMPTION, AND ST. JAMES, LOUISIANA**

*Annual Financial Report
For the Year Ended December 31, 2001*

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**DISTRICT ATTORNEY OF THE
TWENTY-THIRD JUDICIAL DISTRICT
PARISHES OF ASCENSION, ASUUMPTION, AND ST. JAMES, LOUISIANA**

*Annual Financial Report
For the Year Ended December 31, 2001*

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FINANCIAL SECTION



STAGNI & COMPANY, LLC

INDEPENDENT AUDITOR'S REPORT

Honorable Anthony G. "Tony" Falterman
District Attorney of the Twenty-Third Judicial District
Parishes of Ascension, Assumption and St. James, Louisiana

We have audited the accompanying general-purpose financial statements of the District Attorney of the Twenty-Third Judicial District, a component unit of the Ascension Parish Council, as of and for the year ended December 31, 2001, as listed in the table of contents. These financial statements are the responsibility of the District Attorney of the Twenty-Third Judicial District's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 opinion.

In our opinion the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the District Attorney of the Twenty-Third Judicial District, as of December 31, 2001, and the results of its operations for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 31, 2002 on our consideration of the District Attorney of the Twenty-Third Judicial District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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Honorable Anthony G. "Tony" Falterman
District Attorney of the Twenty-Third Judicial District
Parishes of Ascension, Assumption, and St. James, Louisiana
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Our audit was conducted for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The supplemental statements in the table of contents are presented for additional analysis and are not a required part of the general-purpose financial statements of the District Attorney of the Twenty-Third Judicial District. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements, and in our opinion is fairly presented in all material respects in relation to the general-purpose financial statements taken as a whole.

Stagni & Company

Thibodaux, Louisiana
May 31, 2002



**DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT
PARISHES OF ASCENSION, ASSUMPTIONS AND ST. JAMES, LOUISIANA**

Combined Balance Sheet - All Fund Types and Account Group
December 31, 2001

	Governmental Fund Types		Fiduciary Fund Type		Account Group		Totals (Memorandum Only)
	General Fund	Special Revenue Funds	Agency Funds	General Fixed Assets			
ASSETS							
Cash and cash equivalents	\$ 883,584	\$ 274,431	\$ 11,989				\$ 1,170,004
Accounts receivable	1,938						1,938
Due from other governments	82,048	17,431					99,479
Due from other funds	31,039	18,028					49,067
Fixed assets				\$512,121			512,121
TOTAL ASSETS	<u>\$998,609</u>	<u>\$309,890</u>	<u>\$11,989</u>	<u>\$512,121</u>			<u>\$1,832,609</u>
LIABILITIES AND EQUITY							
Liabilities:							
Accounts payable and accrued expenses:	\$ 4,029						\$ 4,029
Due to other funds	18,028	\$ 31,039					49,067
Due to others		1,622	\$ 11,989				13,611
Compensated absences payable	15,804						15,804
Total liabilities	<u>37,861</u>	<u>32,661</u>	<u>11,989</u>				<u>82,511</u>
Equity:							
Investment in general fixed assets				\$512,121			512,121
Fund Balances:							
Designated for IV-D program		113,324					113,324
Unreserved - undesignated	960,748	163,905					1,124,653
Total fund balances	<u>960,748</u>	<u>277,229</u>		<u>512,121</u>			<u>1,750,098</u>
TOTAL LIABILITIES AND EQUITY	<u>\$998,609</u>	<u>\$309,890</u>	<u>\$11,989</u>	<u>\$512,121</u>			<u>\$1,832,609</u>

See notes to financial statements.

**DISTRICT ATTORNEY OF TWENTY-THIRD JUDICIAL DISTRICT
PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES, LOUISIANA**

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances
All Governmental Fund Types
For the year ended December 31, 2001

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Total (Memorandum Only)</u>
REVENUES			
Fines and forfeitures	\$ 586,416		\$ 586,416
Pre-trial intervention fees	663,236		663,236
Intergovernmental revenue:			
Louisiana Department of Social Services		\$ 103,484	103,484
Police Jury and Parish Councils	249,887		249,887
School Boards	45,000		45,000
Special District	18,000		18,000
Grants	127,463		127,463
State Salary Supplement	537,687		537,687
Parish Salary Supplement	128,285		128,285
Check collection fees		44,874	44,874
Other	15,982		15,982
Interest	15,267	5,047	20,314
TOTAL REVENUES	<u>2,387,223</u>	<u>153,405</u>	<u>2,540,628</u>
EXPENDITURES			
General government - judicial -			
Current:			
Personnel service	1,816,255	120,499	1,936,754
Auto repair & maintenance	14,102	-	14,102
Office operations	249,175	20,655	269,830
Travel and conventions	28,977	1,887	30,864
Professional services	46,005	19,704	65,709
Other miscellaneous	-	984	984
Total current expenditures	<u>2,154,514</u>	<u>163,729</u>	<u>2,318,243</u>
Capital outlay	<u>74,790</u>	<u>1,314</u>	<u>76,104</u>
TOTAL EXPENDITURES	<u>2,229,304</u>	<u>165,043</u>	<u>2,394,347</u>
Excess (Deficiency) of Revenues Over Expenditures	157,919	(11,638)	146,281
OTHER FINANCING SOURCES (USES)			
Operating transfers in (out)	<u>18,042</u>	<u>(18,042)</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	175,961	(29,680)	146,281
FUND BALANCES			
Beginning of year	784,787	306,909	1,091,696
End of year	<u>\$ 960,748</u>	<u>\$ 277,229</u>	<u>\$ 1,237,977</u>

See notes to financial statements.

**DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT
PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES, LOUISIANA**

Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - General Fund
For the year ended December 31, 2001

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Fines and forfeitures	\$ 554,095	\$ 586,416	\$ 32,321
Pre-trial intervention fees	678,950	663,236	(15,714)
Intergovernmental revenue:			
Police jury and parish councils	280,375	249,887	(30,488)
School boards	45,000	45,000	-
Special District	18,000	18,000	-
Grants	200,684	127,463	(73,221)
State Salary Supplement	537,685	537,687	2
Parish Salary Supplement	116,667	128,285	11,618
Other	8,060	15,982	7,922
Interest	15,710	15,267	(443)
TOTAL REVENUES	2,455,226	2,387,223	(68,003)
EXPENDITURES			
General government - judicial - Current:			
Personnel service	1,781,831	1,816,255	(34,424)
Auto repair & maintenance	15,160	14,102	1,058
Office operations	285,753	249,175	36,578
Travel and conventions	30,231	28,977	1,254
Professional services	40,896	46,005	(5,109)
Other	1,200	-	1,200
Total current expenditures	2,155,071	2,154,514	557
Capital outlay	69,251	74,790	(5,539)
TOTAL EXPENDITURES	2,224,322	2,229,304	(4,982)
Excess (Deficiency) of Revenues Over Expenditures	230,904	157,919	(72,985)
OTHER FINANCING SOURCES (USES)			
Operating transfers in (out)	-	18,042	18,042
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	230,904	175,961	(54,943)
FUND BALANCES			
Beginning of year	784,787	784,787	-
End of year	\$1,015,691	\$960,748	(\$54,943)

See notes to financial statements.

**DISTRICT ATTORNEY OF THE TWENTY THRID JUDICIAL DISTRICT
PARISHES OF ASCENSION, ASSUMPTION AND ST. JAMES, LOUISIANA**

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual -Special Revenue Funds
For the year ended December 31, 2001

	Budget	Actual	Favorable (Unfavorable)
REVENUES			
Intergovernmental Revenue:			
Louisiana Department of Social Services	\$ 105,600	\$ 103,484	\$ (2,116)
Check Collection fees	82,610	44,874	(37,736)
Interest	4,950	5,047	97
TOTAL REVENUES	193,160	153,405	(39,755)
EXPENDITURES			
General government - judicial - Current:			
Personnel services	134,599	120,499	14,100
Office operations	26,380	20,655	5,725
Travel and conventions	4,285	1,887	2,398
Professional services	19,704	19,704	-
Miscellaneous	25	984	(959)
Total Current Expenditures	184,993	163,729	21,264
Capital Outlay	149	1,314	(1,165)
TOTAL EXPENDITURES	185,142	165,043	20,099
Excess (Deficiency) of Revenues Over Expenditures	8,018	(11,638)	(19,656)
OTHER FINANCING SOURCES (USES)			
Operating transfers in (out)	-	(18,042)	(18,042)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	8,018	(29,680)	(37,698)
FUND BALANCES			
Beginning of year	306,909	306,909	-
End of year	\$ 314,927	\$ 277,229	\$ (37,698)

See notes to financial statements.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

Parishes of Ascension, Assumption and St. James, Louisiana

Notes to the Financial Statements

For the Year Ended December 31, 2001

As provided by Article V. Section 26 of the Louisiana Constitution of 1974, the District Attorney has charge of every criminal prosecution by the state in his district, is the representative of the state before the grand jury in his district, and is the legal advisor to the grand jury. He performs other duties as provided by law. The District Attorney is elected by the qualified electors of the judicial district for a term of six years. The judicial district encompasses the parishes of Ascension, Assumption, and St. James, Louisiana.

Note 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District Attorney of the Twenty-Third Judicial District (District Attorney), Parishes of Ascension, Assumption, and St. James, Louisiana have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the District Attorney are described below:

A. Reporting Entity

This report includes all funds and account groups, which are controlled by the District Attorney of the Twenty-Third Judicial District, which was determined on the basis of criteria set forth under Governmental Accounting Standards Board (GASB) statement number 14.

Even though the district attorney is an independently elected official and is legally separate from the police jury/parish councils, the district attorney is fiscally dependent on the police jury/parish councils and is considered to be a component unit of the police jury/parish councils. Since the district attorney is a multiparish district attorney, the district attorney is reported as a component unit of only one police jury/parish council. The Ascension Parish council is the largest of the parish councils/police juries, therefore the district attorney is considered to be component unit for financial reporting purposes of Ascension Parish Council.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT
Parishes of Ascension, Assumption, and St. James Parish, Louisiana
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2001

Note 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

A. Reporting Entity (Continued)

The accompanying financial statements present information only on the funds maintained by the district attorney and do not present information on the police juries/parish councils, the general government services provided by that governmental unit, or the other governmental units that compromise the financial reporting entity.

B. Fund Accounting

The District Attorney uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds of the district attorney are classified as governmental funds. Governmental funds account for the District Attorney's general activities, including the collection and disbursement of specific or legally restricted monies, and the acquisition of general fixed assets.

The District Attorney's governmental funds include:

General Fund - The General Fund was established in compliance with Louisiana Revised Statute 15:571.11, which provides that 12 per cent of the fines collected and bonds forfeited be transmitted to the District Attorney to defray the necessary expenses of his office. Also, LSA-RS 16.4 provides for additional revenues to be collected through court cost in connection with convictions and under the authority of LSA-RS 16.6 revenues were collected as grants from one policy jury and two parish councils within the district.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT
Parishes of Ascension, Assumption, and St. James Parish, Louisiana
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2001

Note 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

B. Fund Accounting (Continued)

General Fund (continued)

Additional revenues include unrestricted grants from three school boards within the district for general operations and revenues collected through the Pre-Trial Intervention Program to help defray the cost of that program.

Special Revenue Funds:

Worthless Checks Fund - The Worthless Check Collection Fee Special Revenue Fund consists of fees collected in accordance with Louisiana Revised Statute 16:15, which provides for a specific fee whenever the District Attorney's office collects and processes a worthless check. Expenditures from this fund are at the sole discretion of the District Attorney and may be used to defray the salaries and the expenses of the office of the District Attorney, but may not be used supplement the salary of the District Attorney.

Title IV-D Office Fund - The Title IV-D Office Fund consists of reimbursement grant payments from the Louisiana Department of Social Services, authorized by Act 117 of 1975, to establish family and child support programs compatible with Title IV-D of the Social Security Act. The purpose of the fund is to enforce the support obligation owed by absent parents to their families and children, to locate absent parents, to establish paternity, and to obtain family and child support.

Agency Funds:

Agency funds are used to account for assets held by the District Attorney for other funds, other governments, and/or others. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Pre-Trial Intervention Fund - The Intervention Fund accounts for funds held for victims of crimes as a result of certain non-violent first offenders who have agreed to participate in the Pre-Trial Intervention program.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT
Parishes of Ascension, Assumption, and St. James Parish, Louisiana
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2001

Note 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

B. Fund Accounting (Continued)

Agency funds: (continued)

Pre-Trial Intervention Fund (continued)

As part of this program, the offender is required to pay restitution. Money is deposited in this fund and restitution is made to the victims.

Drug Forfeiture Fund - The Drug Forfeiture fund accounts for monies and proceeds from the sale of property seized or obtained by judgment or settlement as a result of drug-related activities.

Bond Forfeiture Fund - The Bond Forfeiture Fund is used to account for the collection and disbursement of proceeds from the forfeiture of District, Parish, and City Court bail and surety bonds for failure by a defendant to appear in court. The district attorney distributes the proceeds of the bond forfeitures in accordance with Louisiana Revised Statute 15:571.11 (L) and (M).

Account Group:

General Fixed Asset Account Group - is presented in the accompanying financial statements, which is established to account for all fixed assets of the District Attorney of the Twenty-Third Judicial District, Parishes of Ascension, Assumption, and St. James Parish, Louisiana.

C. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e. revenues and other financing uses) and decreases (i.e. expenditures and other financing uses) in net current assets. The modified accrual basis of accounting is used by the governmental funds.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT
Parishes of Ascension, Assumption, and St. James Parish, Louisiana
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2001

Note 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)**

C. Basis of Accounting (Continued)

The governmental funds use the following practices in recording revenues and expenditures:

Revenues – Commissions on fines and bond forfeitures are recorded in the year they are earned. Salary supplements paid directly to the district attorney and assistant district attorneys by the State, police jury and parish councils within the district are recorded as revenues and expenses when earned under GASB-24. Grants are recorded when the district attorney is entitled to the funds. 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.

Other Financing Sources (Uses) – Transfers between funds that are not expected to be repaid (and any other financing source/use) are accounted for as other financing sources (uses).

D. Budgets

The District Attorney of the Twenty-Third Judicial District adopts an annual budget for the General Fund and the Special Revenue Funds on a modified accrual basis of accounting. The original proposed budget for 2001 was made available for public inspection at the district attorney's office and adopted in December 2000. When actual revenues failed to meet budgeted revenues by five percent or more and/or actual expenditures exceed budgeted expenditures by five percent or more, a budget amendment to reflect such change is adopted by the district attorney. The original budget was amended. All appropriations lapse at the end of the fiscal year.

Encumbrances represent commitments related to unperformed contracts for goods or services. The District Attorney's office does not use an encumbrance system.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT
Parishes of Ascension, Assumption, and St. James Parish, Louisiana
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2001

Note 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)**

E. Cash and Cash Equivalents

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

F. Due from Other Governments

The receivable amounts are made up of fines and fees collected by other governments to be remitted to the District Attorney's Office, amounts due on reimbursement grants, and reimbursements for expenditures from employees or other agencies. No reserve for uncollectables is considered necessary for these receivables.

G. Fixed Assets

Fixed assets are recorded as expenditures at the time purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost. Other fixed assets used in the district attorney's office are provided by the police juries or parish council within the district and are accounted for in the general fixed assets account group of those police juries or parish councils.

H. Compensated Absences

Employees of the district attorney earn 10 days vacation leave per year and 10 days sick leave per year. An employee is entitled to take one week vacation leave after 6 months employment. After 5 years of employment, an employee is entitled to take 3 weeks vacation leave. Two personal days are granted to employees yearly, which cannot be accrued. Employees are allowed to accrued compensatory time when working overtime.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT
Parishes of Ascension, Assumption, and St. James Parish, Louisiana
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2001

Note 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)**

H. Compensated Absences, (Continued)

Employees, who resign or retire, are entitled to receive pay for all unused vacation leave and compensatory time that has been accumulated. Employees are not paid for sick leave upon leaving the service of the district attorney's office, and sick leave is limited to twenty-five days.

At the end of the current year employees of the district attorney have accumulated \$15,804 of vacation leave and compensatory time, which was computed in accordance with GASB Codification Section C60. This amount is recorded as a payable of the General Fund as the entire amount is expected to be paid in the next year.

J. Interfund Transactions

Quasi-external transactions are accounted for as revenues or expenditures. Interfund transactions on the other hand are reported as transfers. Non-recurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

K. Fund Equity

Reserves

Reserves represented those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use.

Designated Fund Balances

Designated fund balances represent tentative plans for future use of financial resources.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT
Parishes of Ascension, Assumption, and St. James Parish, Louisiana
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2001

Note 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)**

L. **Memorandum Only - Total Columns**

The total column on the financial statements is captioned Memorandum Only (overview) to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

Note 2 **CASH AND CASH EQUIVALENTS**

The District Attorney has cash and cash equivalents as follows:

	Reported Balances	Bank Balances
Demand deposits	\$1,169,924	\$1,199,271
Petty cash	80	0
TOTAL	\$1,170,004	\$1,199,271

The deposits are stated at cost, which approximates market. Under state law, deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledged 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 securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Cash and deposits are categorized into three categories of credit risk.

- Category 1 includes deposits covered by federal depository insurance or by collateral held by the District or its agent, in the District's name.
- Category 2 includes deposits covered by collateral held by the pledging financial institution's trust department, or its agent in the District's name.
- Category 3 includes deposits covered by collateral held by the pledging financial institution, or its trust department or agent but not in the District's name.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT
Parishes of Ascension, Assumption, and St. James Parish, Louisiana
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2001

Note 2 **CASH AND CASH EQUIVALENTS (Continued)**

The District Attorney's deposits (bank balances) are secured by \$200,000 of federal deposit insurance (Category 1) and \$1,284,467 of pledged securities held by the custodial bank in the name of the fiscal agent bank (Category 3).

Even though the pledged securities are considered uncollateralized (GASB Category 3) under the provisions of GASB Statement No. 3, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the district attorney that the fiscal agent has failed to pay deposited funds upon demand.

Note 3 **DUE FROM OTHER GOVERNMENTS**

The following is a summary of due from other governments:

DUE FROM:	FOR:	GENERAL FUND	TITLE IV-D SPECIAL REVENUE FUND	TOTALS
Parish councils/Police juries	Commissions on fines and forfeitures	\$35,276		\$35,276
LA Dept of Social Services	Title IV-D Grant		\$17,431	17,431
State of Louisiana	State Grants	34,324		34,324
St. James Parish	Grant	6,100		6,100
Lafourche Levee Basin District	Grant	3,000		3,000
Other	Miscellaneous	3,348		3,348
TOTALS		\$82,048	\$17,431	\$99,479

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT
Parishes of Ascension, Assumption, and St. James Parish, Louisiana
 Notes to the Financial Statements (Continued)
 For the Year Ended December 31, 2001

Note 4 **FIXED ASSETS**

Changes in the general fixed asset account group during the year are summarized as follows:

	BALANCE 12/31/00	ADDITIONS	RETIREMENTS/ ADJUSTMENTS	BALANCE 12/31/01
Equipment & Furniture	\$522,701	\$83,362	\$(93,942)	\$512,121

Note 5 **LITIGATION AND CLAIMS**

There is no litigation pending against the District Attorney that is susceptible to accrual in accordance with statements of Financial Accounting Standards No. 5.

Note 6 **PENSION PLANS**

Plan Description. The district attorney and assistant district attorneys are members of the Louisiana District Attorney's Retirement System (System), a cost sharing, and multiple-employer defined benefit pension plan administered by a separate board of trustees.

Assistant district attorneys who earn, as a minimum, the amounts paid by the state for assistant district attorneys and are under the age of 60 at the time of original employment and all district attorneys are required to participate in the system. For members who joined the system before July 1, 1990, and who elect not to be covered by the provisions, the following applies: Any member with 23 or more years of creditable service regardless of age may retire with a 3% benefit reduction for each year below age 55, provided that no reduction is applied if the member has 30 or more years of service. Any member with at least 18 years of service may retire at age 55 with a 3% benefit reduction for each year below age 60. In addition, any member with at least 10 years of service may retire at age 60 with a 3% benefit reduction for each year retiring below the age of 62.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT
Parishes of Ascension, Assumption, and St. James Parish, Louisiana
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2001

Note 6 **PENSION PLANS, (Continued)**

The retirement benefit is equal to 3% of the member's average final compensation multiplied by the number of years of his membership service, not to exceed 100% of his average final compensation.

For members who joined the system after July 1, 1990, or who elected to be covered by the new provisions the following applies: Members are eligible to receive normal retirement benefits if they are age 60 and have 10 years of service credit, are age 55 and have 24 years of service credit, or have 30 years of service credit regardless of age. Benefits may not exceed 100% of average final compensation. The system also provides death and disability benefits. Benefits are established or amended by state statute.

The system issues an annual publicly available financial report that includes financial statements and required supplementary information for the system. That report may be obtained by writing to the Louisiana District Attorneys Retirement System, 2109 Decatur Street, New Orleans, Louisiana 70116-2091, or by calling (504) 947-5551.

Funding Policy. Plan members are required by state statute to contribute 7% of their annual covered salary and the district attorney is required to contribute at an actuarially determined rate. The current rate is 0% of annual covered payroll. Contributions to the system also include .2% of the ad valorem taxes collected throughout the state and revenue sharing funds as appropriated by the legislature. The contribution requirements of plan members and the district attorney are established and may be amended by state statute. As provided by R.S. 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 prior fiscal year. The District attorney's contributions to the System for the years ending December 31, 2001, 2000, and 1999 were \$0, \$0, and \$0, respectively, equal to the required contributions for each year.

Note 7 **SALARY SUPPLEMENTS (ON-BEHALF PAYMENTS)**

A portion of the salaries and benefits of the District Attorney and the assistant District Attorneys are paid by the State of Louisiana and the Parishes of Ascension, Assumption and St. James. The salaries of the office staff are paid by the District Attorney's payroll account.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT
Parishes of Ascension, Assumption, and St. James Parish, Louisiana
 Notes to the Financial Statements (Continued)
 For the Year Ended December 31, 2001

Note 7 **SALARY SUPPLEMENTS (ON-BEHALF PAYMENTS) (CONTINUED)**

The State of Louisiana provides direct payments of salaries to the district attorney and the assistant district attorneys, as designated by the District Attorney's Office.

In accordance with GASB No. 24, "Accounting and Financial Reporting for Certain Grants and Other Financial Assistance", the amount of these salaries and benefits paid on-behalf directly to the district attorney and the assistant district attorneys has been recognized by the District Attorney's Office as revenues and expenditures. The amount recognized in the current year from the State and the Parishes was \$537,687 and \$128,285, respectively.

Note 8 **EXPENDITURES - EXCESS OF ACTUAL OVER BUDGETED**

The following individual funds had actual expenditures over budgeted expenditures as described below:

Fund	Budget	Actual	Unfavorable Variance
General Fund	\$2,224,322	\$ 2,229,304	\$ (4,982)

Note 9 **DEFERRED COMPENSATION PLAN**

All current employees for the District Attorney's office are eligible to participate in the State of Louisiana Public Employees Deferred Compensation Plan. Through payroll deductions, employees can make pre-tax contributions to this 457 plan from eligible pay. The amount allowed to contribute to the plan is based on taxable compensation as defined by the Internal Revenue Code (IRC). Existing deferred compensation plans with a prior employer may be transferred at anytime. The District Attorney's office matches employee's contributions up to 6.2% dollar for dollar. The total employer contributions made for the year ending December 31, 2001 was \$43,616.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT
Parishes of Ascension, Assumption, and St. James Parish, Louisiana
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2001

Note 10 **INTERFUND RECEIVABLES/PAYABLES**

Interfund receivables and payables for the individual funds at December 31, 2000 were:

INDIVIDUAL FUND	INTERFUND RECEIVABLE	INTERFUND PAYABLE
General Fund	\$ 31,039	\$18,028
Worthless Checks		14,037
IV-D Office Fund	18,028	17,002
Totals	\$ 49,067	\$ 49,067

Note 12 **RISK MANAGMENT**

The District Attorney is exposed to various risks of loss related to theft of, damage to, and destruction of assets; errors and omission; injuring to employees; health insurance for its employees; auto liability; and natural disasters. The District Attorney has purchased commercial insurance for each type of risk to which it is exposed. Settlements have not exceeded insurance coverage in any of the three proceeding years.

Note 13 **OPERATING LEASES**

The District Attorney of the Twenty-third Judicial District maintains operating leases for six copiers. The lease term for each of these leases varies for 36-48 months beginning on the date the lease is signed. Lease payments made for the six copiers totaled \$16,167 for the year ending December 31, 2001. The monthly minimum lease rental for the six copiers totaled \$1,347.

SUPPLEMENTAL STATEMENTS

**DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT
PARISHES OF ASCENSION, ASSUMPTION AND ST. JAMES, LOUISIANA**

Combining Balance Sheet - Special Revenue Funds
December 31, 2001

	Title IV-D Fund	Worthless Check Collection Fund	Total
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and cash equivalents	\$ 94,867	\$ 179,564	\$ 274,431
Due from other governments	17,431		17,431
Due from other funds	<u>18,028</u>		<u>18,028</u>
TOTAL ASSETS	<u><u>\$130,326</u></u>	<u><u>\$179,564</u></u>	<u><u>\$309,890</u></u>
LIABILITIES AND EQUITY			
Liabilities:			
Due to other funds	\$ 17,002	\$ 14,037	\$ 31,039
Due to merchants		<u>1,622</u>	<u>1,622</u>
Total liabilities	<u>17,002</u>	<u>15,659</u>	<u>32,661</u>
Equity:			
Fund Balances:			
Designated for IV-D Program	113,324		113,324
Unreserved - undesignated		<u>163,905</u>	<u>163,905</u>
Total fund balances	<u>113,324</u>	<u>163,905</u>	<u>277,229</u>
TOTAL LIABILITIES AND EQUITY	<u><u>\$ 130,326</u></u>	<u><u>\$ 179,564</u></u>	<u><u>\$309,890</u></u>

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT
PARISHES OF ASCENSION, ASSUMPTION AND ST. JAMES, LOUISIANA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Special Revenue Funds
For the year ended December 31, 2001

	<u>Title IV-D Fund</u>	<u>Worthless Check Collection Fund</u>	<u>Totals</u>
REVENUES			
Intergovernmental Revenue:			
Louisiana Department of Social Services	\$ 103,484		\$ 103,484
Check collection fees		\$ 44,874	44,874
Interest	<u>1,670</u>	<u>3,377</u>	<u>5,047</u>
TOTAL REVENUES	<u>105,154</u>	<u>48,251</u>	<u>153,405</u>
EXPENDITURES			
General government - judicial -			
Current:			
Personnel services	78,065	42,434	120,499
Office operations	8,342	12,313	20,655
Travel and conventions	1,118	769	1,887
Professional services	-	19,704	19,704
Miscellaneous	-	984	984
Total Current Expenditures	<u>87,525</u>	<u>76,204</u>	<u>163,729</u>
Capital Outlay	1,165	149	1,314
TOTAL EXPENDITURES	<u>88,690</u>	<u>76,353</u>	<u>165,043</u>
Excess (Deficiency) of Revenues Over Expenditures	16,464	(28,102)	(11,638)
OTHER FINANCING SOURCES (USES)			
Operating transfers in (out)	<u>(15,311)</u>	<u>(2,731)</u>	<u>(18,042)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	1,153	(30,833)	(29,680)
FUND BALANCES			
Beginning of year	<u>112,171</u>	<u>194,738</u>	<u>306,909</u>
End of year	<u>\$113,324</u>	<u>\$163,905</u>	<u>\$277,229</u>

**DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT
PARISHES OF ASCENSION, ASSUMPTION AND ST. JAMES, LOUISIANA**

Combining Balance Sheet - Agency Funds

December 31, 2001

	<u>Pre-Trial Intervention</u>	<u>Bond Forfeiture</u>	<u>Asset Forfeiture</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	\$ 1,258	\$ 10,000	\$ 731	\$ 11,989
TOTAL ASSETS	<u>\$ 1,258</u>	<u>\$ 10,000</u>	<u>\$ 731</u>	<u>\$ 11,989</u>
 LIABILITIES				
Due to others	\$ 1,258	\$ 10,000	\$ 731	\$ 11,989
TOTAL LIABILITIES	<u>\$ 1,258</u>	<u>\$ 10,000</u>	<u>\$ 731</u>	<u>\$ 11,989</u>

**DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT
PARISHES OF ASCENSION, ASSUMPTION AND ST. JAMES, LOUISIANA**

Statement of Changes in Balance Due to Others - Agency Funds
For the Year Ended December 31, 2001

	<u>Pre-Trial Intervention</u>	<u>Bond Forfeiture</u>	<u>Asset Forfeiture</u>	<u>Total</u>
BALANCE AT BEGINNING OF YEAR	\$ 8,664	\$ -	\$ 57,976	\$ 66,640
Additions:				
Collection of restitution payments from offenders	82,754			82,754
Forfeitures received from offenders		64,400	5	64,405
Interest earned		-	584	584
Total additions	<u>82,754</u>	<u>64,400</u>	<u>589</u>	<u>147,743</u>
Distribution for:				
Restitution payments to crime victims	90,160			90,160
Bonds to other agencies		54,400	57,834	112,234
Total reductions	<u>90,160</u>	<u>54,400</u>	<u>57,834</u>	<u>202,394</u>
BALANCE AT END OF YEAR	<u>\$ 1,258</u>	<u>\$ 10,000</u>	<u>\$ 731</u>	<u>\$ 11,989</u>

***REPORTS REQUIRED BY GOVERNMENT
AUDITING STANDARDS***



STAGNI & COMPANY, LLC

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

Honorable Anthony G. "Tony" Falterman
District Attorney of the Twenty-Third Judicial District
Parishes of Ascension, Assumption, and St. James, Louisiana

We have audited the financial statements of the District Attorney of the Twenty-Third Judicial District, Parishes of Ascension, Assumption, and St. James, Louisiana, a component unit of the Ascension Parish Council, as of and for the year ended December 31, 2001, and have issued our report thereon dated May 31, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the District Attorney of the Twenty-Third Judicial District, Parishes of Ascension, Assumption, and St. James, Louisiana's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that is required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District Attorney of the Twenty-Third Judicial District, Parishes of Ascension, Assumption and St. James, Louisiana's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be a material weakness.

Honorable Anthony G. "Tony" Falterman
District Attorney of the Twenty-Third Judicial District
Parishes of Ascension, Assumption, and St. James, Louisiana
Page 2

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of management and the Legislative Auditor 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 Legislative Auditor as a public document.

Stagni & Company

May 31, 2002
Thibodaux, Louisiana



**DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT
PARISHES OF ASCENSION, ASSUMPTION AND ST. JAMES, LOUISIANA**

Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2001

We have audited the financial statements of the District Attorney of the Twenty-Third Judicial District, Parishes of Ascension, Assumption, and St. James, Louisiana, a component unit of the Ascension Parish Council, as of and for the year ended December 31, 2001, and have issued our report thereon dated May 31, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of December 31, 2001 resulted in an unqualified opinion.

Section I Summary of Auditor's Reports

a. *Report on Internal Control and Compliance Material to the Financial Statements*

Internal Control

Material Weaknesses Yes No Reportable Conditions Yes No

Compliance

Compliance Material to Financial Statements Yes No

b. *Federal Awards – NOT APPLICABLE*

Internal Control

Material Weaknesses Yes No Reportable Conditions Yes No

Type of Opinion On Compliance Unqualified Qualified
For Major Programs Disclaimer Adverse

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

c. *Identification of Major Programs: NOT APPLICABLE*

Section II Financial Statement Findings

NONE

Section III Federal Award Findings and Questioned Costs

NOT APPLICABLE



**DISTRICT ATTORNEY OF THE
 TWENTY-THIRD JUDICIAL DISTRICT,
 PARISHES OF ASCENSION, ASSUMPTION,
 AND ST. JAMES, LOUISIANA**

Summary Schedule of Prior Year Findings
 For the Year Ended December 31, 2001

SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS	
2000-1 NONCOMPLIANCE WITH BID LAW We recommend the District Attorney of the 23rd Judicial District adhere to the public bid law (LSA-RS 38:2212) for the purchases of all materials and supplies, including advertising, and let by contract to the lowest responsible bidder who has bid according to the specifications as advertised.	Resolved
SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS	
NOT APPLICABLE	
SECTION III - MANAGEMENT LETTER	
Suggestion 2000-1 APPROVAL PROCESS FOR PAYING INVOICES We recommend the management of the district attorney's office implement a formal process for the approval of invoices prior to payment. The process should include invoices outside the normal monthly operating expenditures being initialed or signed off on prior to sending the invoice to accounting for payment, indicating it is a valid expenditure of the district attorney's office.	Resolved
Suggestion 2000-2 SEGREGATION OF DUTIES We recommend that the office manager sign the checks after reviewing the supporting documentation for the checks. We also recommend that the office manager review the bank reconciliations and statements at the end of each month and initial those reconciliations indicating his review.	Resolved

**DISTRICT ATTORNEY OF THE
TWENTY-THIRD JUDICIAL DISTRICT,
PARISHES OF ASCENSION, ASSUMPTION,
AND ST. JAMES, LOUISIANA**

Management's Corrective Action Plan
For the Year Ended December 31, 2001

SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS	
NONE	
SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS	
NONE	
SECTION III - MANAGEMENT LETTER	
NONE	