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Financial Report

Office of the District Attorney of the Thirty-Fourth Judicial District

December 31, 2000

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 8-1-01

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Office of the District Attorney of the Thirty-Fourth Judicial District

December 31, 2000

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Bourgeois Bennett

INDEPENDENT AUDITOR'S REPORT

To the District Attorney of the
Thirty-Fourth Judicial District,
Chalmette, Louisiana.

We have audited the accompanying general purpose financial statements of the Office of the District Attorney of the Thirty-Fourth Judicial District, as of and for the year ended December 31, 2000, as listed in the table of contents. These general purpose financial statements are the responsibility of the District Attorney. 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 Governmental 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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the District Attorney, as well as evaluating the overall general purpose 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 Office of the District Attorney of the Thirty-Fourth Judicial District as of December 31, 2000, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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In accordance with Government Auditing Standards, we have also issued our report dated June 15, 2001, on our consideration of Office of the District Attorney of the Thirty-Fourth Judicial District's internal control over financial reporting and our test 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.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

New Orleans, La.,
June 15, 2001.

Exhibit A

COMBINED BALANCE SHEET - GOVERNMENTAL FUND TYPE

Office of the District Attorney of the Thirty-Fourth Judicial District

December 31, 2000

	Governmental Fund Type		
	General Fund	Title IV-D Incentives Special Revenue	Total (Memorandum Only)
Assets			
Cash and cash equivalents	$ 1,508,350	$ 100,838	$ 1,609,188
Receivables:			
Commission on fines	4,888	-	4,888
Bond forfeitures	13,987	-	13,987
Bond premium fee	3,737	-	3,737
Court costs	2,518	-	2,518
Accrued interest	8,578	2,031	10,609
Totals assets	$ 1,542,058	$ 102,869	$ 1,644,927
Liabilities			
Due to other governmental entities	$ 313,252		$ 313,252
Bond forfeiture protested	43,500		43,500
Total liabilities	356,752		356,752
Fund Equity			
Fund balances - unreserved	1,185,306	$ 102,869	1,288,175
Total liabilities and fund equity	$ 1,542,058	$ 102,869	$ 1,644,927

See notes to financial statements.

Exhibit B

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUND TYPE

Office of the District Attorney of the Thirty-Fourth Judicial District

For the year ended December 31, 2000

	Governmental Fund Type		
	General Fund	Title IV-D Incentives Special Revenue	Total (Memorandum Only)
Revenues			
Commissions on fines	$ 47,856	$ -	$ 47,856
Bond forfeitures - Act 52 of 1994	15,950	-	15,950
Bond premium fee - Act 834 of 1993	46,762	-	46,762
Court costs - Act 293 of 1986	28,247	-	28,247
Use of money and property - interest earnings	57,108	5,708	62,816
Other revenue	687	-	687
Total revenues	196,610	5,708	202,318
Expenditures			
General government - judicial - office expense	292	-	292
Excess of Revenues Over Expenditures	196,318	5,708	202,026
Fund Balance			
Beginning of year	988,988	97,161	1,086,149
End of year	$ 1,185,306	$ 102,869	$ 1,288,175

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

Office of the District Attorney of the Thirty-Fourth Judicial District

December 31, 2000

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 parish of St. Bernard, Louisiana.

The accounting policies of the Office of the District Attorney of the Thirty-Fourth Judicial District (the Office) conform to accounting principles generally accepted in the United States of America (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 significant accounting policies:

a) Reporting Entity

The Office is not included as a component unit in any other financial statements. The Office maintains funds to account for specific programs as described below. The activities of the Office have been reviewed and it was determined that there are no potential component units which should be included in the Office's general purpose financial statements.

b) Fund Accounting

The government uses funds 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.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b) Fund Accounting (Continued)

Governmental Funds

Governmental Funds are those through which most governmental functions of the Office are financed. The acquisition, use, and balances of the Office's expendable financial resources and the related liabilities are accounted for through Governmental Funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following is the Governmental Funds of the Office.

General Fund - The General Fund was established in compliance with Louisiana Revised Statute 15:571.11, which provides that a percentage of the fines collected and bonds forfeited within the judicial district be transmitted to the District Attorney to defray the necessary expenses of the Office.

Title IV-D Incentives Special Revenue Fund - The Title IV-D Incentives Special Revenue Fund consists of incentive payments from the Louisiana Department of Health and Hospitals, as 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 program 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. As discussed in Note 4, the contract for Title IV-D Incentive Funds was canceled in 1991 and was not renewed as of December 31, 2000.

c) Basis of Accounting

Basis of accounting refers to <u>when</u> revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the <u>timing</u> of the measurements made, regardless of the measurement focus applied.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Basis of Accounting (Continued)

All Governmental Funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Commissions on fines, Act 293 court costs, Act 834 bond premium fees, Act 52 bond forfeitures, income from forfeitures of assets seized in illegal drug activity, and Title IV-D incentive payments are recorded in the year they are earned. Interest on investments is recorded when earned. Any interest not received at year end is accrued as a receivable. Other revenues are recognized when received.

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

d) Use of 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.

e) Operating Budgetary Data

The District Attorney did not adopt budgets for the General Fund and Special Revenue Fund for the year ended December 31, 2000, because the District Attorney did not anticipate expenditures in these funds. Therefore, the accompanying general purpose financial statements of the Office do not include a comparison of revenues and expenditures to budget.

f) Accounts Receivable

The general purpose financial statements of the Office contain no allowance for bad debts. Uncollectible receivables are recognized as bad debts at the time information becomes available, which would indicate the uncollectibility of the particular receivable. These amounts are not considered to be material in relation to the financial position or operation of the funds.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g) Fixed Assets

Fixed assets of the Office are accounted for in the general fixed assets account group of the St. Bernard Parish Government. Therefore, the accompanying financial statements do not include a general fixed assets account group.

h) Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments are recorded in the fund general ledgers, is not utilized by the Office.

i) Total Column on Combined Statements - Overview

The total column on the combined statements - overview is captioned memorandum only to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position or results of operations, 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 - DEPOSITS

At December 31, 2000, the District Attorney has cash and cash equivalents totaling $1,609,188 as follows:

Demand deposits	$ 917,678
Savings accounts	37,424
Time deposits	654,086
Total	$1,609,188

Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States, certificates of deposit of state or national banks having their principal office in Louisiana or any other federally insured investment.

Note 2 - DEPOSITS (Continued)

State law requires deposits (cash and certificates of deposit) of all political subdivisions to be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the market value of securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana, and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision or with an unaffiliated bank or trust company for the account of the political subdivision. In accordance with state law all cash and deposits were collateralized.

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 Attorney or its agent in the Office's name.

Category 2 includes deposits covered by collateral held by the pledging financial institution's trust department or its agent in the Office'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 Office's name and deposits which are uninsured or uncollateralized.

The year end bank balances of deposits and the carrying amount as shown on the combined balance sheet are as follows:

	Bank Balances			
	Category			Book
	1	2	3	Balance
Cash and cash equivalents	$411,312	$-	$1,197,815	$1,609,188

At December 31, 2000, cash and certificates of deposits in excess of the FDIC insurance were collateralized by securities held by unaffiliated banks for the account of the Office. The Governmental Accounting Standards Board (GASB), which promulgates the standards for accounting and financial reporting for state and local governments, considers these securities uncollateralized. Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, Louisiana Revised Statute 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 depositor that the fiscal agent has failed to pay deposited funds upon demand.

Note 3 - DUE TO OTHER GOVERNMENTAL ENTITIES

Amounts due to other governmental entities, in accordance with Act 834 of 1993 and Act 52 of 1994 and forfeiture of assets seized in connection with illegal drug activity at December 31, 2000 consisted of the following:

	Act 834	Act 52	Asset Forfeitures	Total
St. Bernard Sheriff Office	$ 51,413	$ 51,967	$6,534	$109,914
Judicial Court Fund	51,413	-	-	51,413
34th Judicial District Indigent Defender Board	30,737	37,295	-	68,032
Criminal Court	-	80,484	2,178	82,662
Clerk of Court	-	-	1,115	1,115
DART (Drug Asset Recovery Team)	-	-	116	116
Totals	$133,563	$169,746	$9,943	$313,252

Note 4 - FEDERAL FINANCIAL ASSISTANCE

The Office previously participated in the United States Department of Health and Human Services Child Support Enforcement, Title IV-D Program, and Catalog of Federal Domestic Assistance No. 13.783. This program is funded by indirect assistance payments in the form of incentive payments received from the Louisiana Department of Health and Hospitals (DHH). Effective December 1991, the District Attorney decided to discontinue the contract with the DHH which provided funding for these services. Thus, the DHH now administers this portion of the program and accordingly, no incentive payments were appropriated to the Office in 2000.

There are no restrictions on how the incentive payments may be expended, except as may be required by state law for any other funds of the Office. However, these payments may be subject to further review and audit by the federal grantor agency. No provision has been made in the financial statements for the reimbursement of expenditures that may be disallowed as a result of such a review or audit.

Note 5 - RISK MANAGEMENT

The Office is insured against various risks of loss related to workers compensation; torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters through the St. Bernard Parish Government's self insurance fund.

Note 6 - EXPENDITURES NOT INCLUDED IN ACCOMPANYING FINANCIAL STATEMENTS

The accompanying general purpose financial statements do not include certain expenditures of the Office which are paid out of the funds of the St. Bernard Parish Government. The expenditures include salaries, insurance, telephone, utilities, and other operating expenditures of the Office. The St. Bernard Parish Government also provides office space to the Office.

SPECIAL REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

Bourgeois Bennett

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

To the District Attorney of the
Thirty-Fourth Judicial District,
Chalmette, Louisiana.

We have audited the general purpose financial statements of the Office of the District Attorney of the Thirty-Fourth Judicial District (the Office), as of and for the year ended December 31, 2000, and have issued our report thereon, dated June 15, 2001. 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 Office's general purpose 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 are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Office's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose 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

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be material weaknesses. 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 of 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 of the Office of the District Attorney of the Thirty-Fourth Judicial District, the State of Louisiana and the Legislative Auditor for the State of Louisiana and is not intended to be and should not be used by anyone other than those specified parties.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

New Orleans, La.,
June 15, 2001.

SCHEDULE OF FINDINGS

Office of the District Attorney of the Thirty-Fourth Judicial District

For the year ended December 31, 2000

Section I - Summary of Auditor's Results

a) Financial Statements

Type of auditor's report issued: unqualified

Internal control over financial reporting:

• Material weakness(es) identified?	___ Yes	_X_ No
• Reportable condition(s) identified that are not considered to be material weakness?	___ Yes	_X_ No
Noncompliance material to financial statements noted?	___ Yes	_X_ No

b) Federal Awards

The Office of the District Attorney of the Thirty-Fourth Judicial District did not receive federal awards during the year ended December 31, 2000.

Section II - Financial Statement Findings

No financial statement findings were noted during the audit for the year ended December 31, 2000.

Section III - Federal Award Findings and Questioned Cost

Not applicable.

REPORTS BY MANAGEMENT

SCHEDULE OF PRIOR YEAR FINDINGS

Office of the
District Attorney of the
Thirty-Fourth Judicial District

For the year ended December 31, 2000

Section I - Internal Control and Compliance Material to the General Purpose Financial Statements

Internal Control

No material weaknesses were noted during the audit for the year ended December 31, 1999. No reportable conditions were reported during the audit for the year ended December 31, 1999.

Compliance

No compliance findings material to the general purpose financial statements were noted during the year ended December 31, 1999.

Section II - Internal Control and Compliance Material To Federal Awards

The Office of the District Attorney of the Thirty-Fourth Judicial District did not receive federal awards during the year ended December 31, 1999.

Section III - Management Letter

A management letter was not issued in connection with the audit for the year ended December 31, 1999.

MANAGEMENT'S CORRECTIVE ACTION PLAN

Office of the
District Attorney of the
Thirty-Fourth Judicial District

For the year ended December 31, 2000

Section I - Internal Control and Compliance Material to the General Purpose Financial Statements

Internal Control

No material weaknesses were noted during the audit for the year ended December 31, 2000. No reportable conditions were reported during the audit for the year ended December 31, 2000.

Compliance

No compliance findings material to the general purpose financial statements were noted during the year ended December 31, 2000.

Section II - Internal Control and Compliance Material To Federal Awards

The Office of the District Attorney of the Thirty-Fourth Judicial District did not receive federal awards during the year ended December 31, 2000.

Section III - Management Letter

A management letter was not issued in connection with the audit for the year ended December 31, 2000.