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# **NINTH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD**

**RAPIDES PARISH, LOUISIANA**

**DECEMBER 31, 2001 AND 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 7/10/02

NINTH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD  
RAPIDES PARISH, LOUISIANA

DECEMBER 31, 2001 AND 2000

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PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

Mr. Kenneth P. Rodenbeck, Chief Public Defender, and  
Members of the Ninth Judicial District Indigent Defender Board  
Rapides Parish, Louisiana

We have audited the accompanying general purpose financial statements of the Ninth Judicial District Indigent Defender Board, Rapides Parish, Louisiana, as of December 31, 2001, and for each of the two years in the period ended December 31, 2001, as listed in the table of contents. These general purpose financial statements are the responsibility of the Indigent Defender Board's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that 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 audits provide 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 Ninth Judicial District Indigent Defender Board, Rapides Parish, Louisiana, as of December 31, 2001, and the results of its operations for each of the two years in the period ended December 31, 2001, 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 March 8, 2002, on our consideration of the Indigent Defender Board's internal control over financial reporting and our tests of its compliance with certain laws, regulations, 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.

*Payne, Moore & Herrington, LLP*

Certified Public Accountants

March 8, 2002

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## **GENERAL PURPOSE FINANCIAL STATEMENTS**

The General Purpose Financial Statements include all funds and account groups of the Ninth Judicial District Indigent Defender Board and are designed to provide an overview of the financial position and results of operations for the Indigent Defender Board as a whole.

NINTH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD  
RAPIDES PARISH, LOUISIANA  
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
DECEMBER 31, 2001

EXHIBIT A

|   | Governmental Fund | Account Groups             |                              |           | Total<br>(Memorandum<br>Only) |
|---|-------------------|----------------------------|------------------------------|-----------|-------------------------------|
|   | General           | General<br>Fixed<br>Assets | General<br>Long-Term<br>Debt |           |                               |
| ASSETS AND OTHER DEBITS   |                   |                            |                              |           |                               |
| ASSETS  |                   |                            |                              |           |                               |
| Cash  | \$ 184,538        | \$                         |                              | \$        | 184,538                       |
| Intergovernmental receivables                                     | 36,692            |                            |                              |           | 36,692                        |
| Fixed assets  |                   | 35,800                     |                              |           | 35,800                        |
| OTHER DEBITS  |                   |                            |                              |           |                               |
| Amount to be provided for retirement of<br>general long-term debt |                   |                            | 10,651                       |           | 10,651                        |
| <b>TOTAL ASSETS AND OTHER DEBITS</b>                              | <b>\$ 221,230</b> | <b>\$ 35,800</b>           | <b>\$ 10,651</b>             | <b>\$</b> | <b>267,681</b>                |
| LIABILITIES, EQUITY, AND OTHER CREDITS                            |                   |                            |                              |           |                               |
| LIABILITIES   |                   |                            |                              |           |                               |
| Accounts payable  | \$ 2,149          | \$                         |                              | \$        | 2,149                         |
| Payroll taxes withheld  | 874               |                            |                              |           | 874                           |
| Compensated absences payable                                      |                   |                            | 10,651                       |           | 10,651                        |
| Total Liabilities   | 3,023             | -                          | 10,651                       |           | 13,674                        |
| EQUITY AND OTHER CREDITS  |                   |                            |                              |           |                               |
| Investment in general fixed assets                                |                   | 35,800                     |                              |           | 35,800                        |
| Fund balances - unreserved - undesignated                         | 218,207           |                            |                              |           | 218,207                       |
| Total Equity and Other Credits                                    | 218,207           | 35,800                     | -                            |           | 254,007                       |
| <b>TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS</b>               | <b>\$ 221,230</b> | <b>\$ 35,800</b>           | <b>\$ 10,651</b>             | <b>\$</b> | <b>267,681</b>                |

The accompanying notes are an integral part of the financial statements.

NINTH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD  
RAPIDES PARISH, LOUISIANA  
COMBINED STATEMENTS OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
ALL GOVERNMENTAL FUND TYPES  
YEARS ENDED DECEMBER 31, 2001 AND 2000

EXHIBIT B

|  | <u>December 31, 2001</u> | <u>December 31, 2000</u> |   |  |
|--|--------------------------|--------------------------|---|--|
|  | <u>General</u>           | <u>General</u>           | <u>Murder 1<br/>Grant<br/>Special<br/>Revenue</u> | <u>Total<br/>(Memorandum<br/>Only)</u> |
| <b>REVENUES</b>  |                          |                          |   |  |
| Intergovernmental revenue                                    |                          |                          |   |  |
| State grants   | \$ 60,589                | \$ 36,100                | \$ 11,587   | \$ 47,687                              |
| JDTP grant   | 2,500                    |                          |   |  |
| Court costs  | 559,959                  | 435,598                  |   | 435,598                                |
| Bond commission fees   | 43,426                   | 44,341                   |   | 44,341                                 |
| Bond forfeiture fees   | 2,677                    | 2,096                    |   | 2,096                                  |
| Indigent fees  | 26,454                   | 48,623                   |   | 48,623                                 |
| Interest   | 5,944                    | 9,625                    | 663   | 10,288                                 |
| Miscellaneous  | 500                      | 2,000                    |   | 2,000                                  |
| Total Revenues   | <u>702,049</u>           | <u>578,383</u>           | <u>12,250</u>                                     | <u>590,633</u>                         |
| <b>EXPENDITURES</b>  |                          |                          |   |  |
| Current  |                          |                          |   |  |
| Salaries - attorneys   | 64,207                   | 69,592                   |   | 69,592                                 |
| Staff salaries and related benefits                          | 71,222                   | 79,455                   |   | 79,455                                 |
| Attorney fees  | 375,424                  | 472,794                  | 12,250  | 485,044                                |
| Contract services  | 2,876                    | 4,432                    |   | 4,432                                  |
| Professional fees and case costs                             | 200                      | 938                      |   | 938                                    |
| Rent   | 7,800                    | 8,300                    |   | 8,300                                  |
| Office supplies  | 4,505                    | 5,554                    |   | 5,554                                  |
| Insurance  | 13,564                   | 13,417                   |   | 13,417                                 |
| Accounting and auditing fees                                 | 7,200                    | 13,550                   |   | 13,550                                 |
| Telephone  | 3,397                    | 3,229                    |   | 3,229                                  |
| Utilities  | 2,587                    | 2,172                    |   | 2,172                                  |
| Travel and seminars  | 1,725                    | 2,765                    |   | 2,765                                  |
| Dues   | 2,400                    | 3,235                    |   | 3,235                                  |
| Expert witness fees  | 19,347                   | 2,000                    |   | 2,000                                  |
| Lease expense  | 3,107                    | 4,008                    |   | 4,008                                  |
| LACE disbursements   | 15,154                   | 8,103                    |   | 8,103                                  |
| Capital outlay   | 159                      | 4,364                    |   | 4,364                                  |
| Total Expenditures   | <u>594,874</u>           | <u>697,908</u>           | <u>12,250</u>                                     | <u>710,158</u>                         |
| <b>EXCESS (DEFICIENCY) OF REVENUES<br/>OVER EXPENDITURES</b> | 107,175                  | (119,525)                | -   | (119,525)                              |
| <b>FUND BALANCES, BEGINNING OF YEAR</b>                      | <u>111,032</u>           | <u>230,557</u>           | <u>-</u>  | <u>230,557</u>                         |
| <b><u>FUND BALANCES, END OF YEAR</u></b>                     | <u>\$ 218,207</u>        | <u>\$ 111,032</u>        | <u>\$ -</u>                                       | <u>\$ 111,032</u>                      |

The accompanying notes are an integral part of the financial statements.



NINTH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD  
 RAPIDES PARISH, LOUISIANA  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL -  
 GENERAL FUND  
 YEAR ENDED DECEMBER 31, 2001

EXHIBIT C

|  | General Fund      |                   |  |
|--|-------------------|-------------------|--|
|  | Budget            | Actual            | Variance<br>Favorable<br>(Unfavorable) |
| <b>REVENUES</b>  |                   |                   |  |
| Intergovernmental revenue                                    |                   |                   |  |
| State grants   | \$ 60,000         | \$ 60,589         | \$ 589                                 |
| JDTP grant   |                   | 2,500             | 2,500                                  |
| Court costs  | 500,315           | 559,959           | 59,644                                 |
| Bond commission fees   | 45,000            | 43,426            | (1,574)                                |
| Bond forfeiture fees   |                   | 2,677             | 2,677                                  |
| Indigent fees  | 30,000            | 26,454            | (3,546)                                |
| Interest   | 5,000             | 5,944             | 944                                    |
| Miscellaneous  |                   | 500               | 500                                    |
| Total Revenues   | 640,315           | 702,049           | 61,734                                 |
| <b>EXPENDITURES</b>  |                   |                   |  |
| Current  |                   |                   |  |
| Salaries - attorneys   | 64,640            | 64,207            | 433                                    |
| Staff salaries and related benefits                          | 73,500            | 71,222            | 2,278                                  |
| Attorney fees  | 380,270           | 375,424           | 4,846                                  |
| Contract services  | 3,000             | 2,876             | 124                                    |
| Professional fees and case costs                             | 10,000            | 200               | 9,800                                  |
| Rent   | 7,500             | 7,800             | (300)                                  |
| Office supplies  | 6,500             | 4,505             | 1,995                                  |
| Insurance  | 16,000            | 13,564            | 2,436                                  |
| Accounting and auditing fees                                 | 12,300            | 7,200             | 5,100                                  |
| Telephone  | 3,500             | 3,397             | 103                                    |
| Utilities  | 2,500             | 2,587             | (87)                                   |
| Travel and seminars  | 5,000             | 1,725             | 3,275                                  |
| Dues   | 500               | 2,400             | (1,900)                                |
| Expert witness fees  | 43,500            | 19,347            | 24,153                                 |
| Lease expense  |                   | 3,107             | (3,107)                                |
| LACE disbursements   | 15,000            | 15,154            | (154)                                  |
| Capital outlay   |                   | 159               | (159)                                  |
| Total Expenditures   | 643,710           | 594,874           | 48,836                                 |
| <b>EXCESS (DEFICIENCY) OF REVENUES<br/>OVER EXPENDITURES</b> | (3,395)           | 107,175           | 110,570                                |
| <b>FUND BALANCE, BEGINNING OF YEAR</b>                       | 111,032           | 111,032           | -                                      |
| <b><u>FUND BALANCE, END OF YEAR</u></b>                      | <u>\$ 107,637</u> | <u>\$ 218,207</u> | <u>\$ 110,570</u>                      |

The accompanying notes are an integral part of the financial statements.

NINTH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD  
RAPIDES PARISH, LOUISIANA  
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL -  
GENERAL AND SPECIAL REVENUE FUNDS  
YEAR ENDED DECEMBER 31, 2000

EXHIBIT D

|  | General Fund |            |  | Murder 1 Grant Special Revenue Fund |           |  |
|--|--------------|------------|--|-------------------------------------|-----------|--|
|  | Budget       | Actual     | Variance<br>Favorable<br>(Unfavorable) | Budget                              | Actual    | Variance<br>Favorable<br>(Unfavorable) |
| <b>REVENUES</b>  |              |            |  |                                     |           |  |
| Intergovernmental revenue                                    |              |            |  |                                     |           |  |
| State grants   | \$ 36,100    | \$ 36,100  | \$ -                                   | \$ 25,000                           | \$ 11,587 | \$ (13,413)                            |
| Court costs  | 455,000      | 435,598    | (19,402)                               |                                     |           |  |
| Bond commission fees   | 30,000       | 44,341     | 14,341                                 |                                     |           |  |
| Bond forfeiture fees   |              | 2,096      | 2,096                                  |                                     |           |  |
| Indigent fees  | 31,000       | 48,623     | 17,623                                 |                                     |           |  |
| Interest   | 10,000       | 9,625      | (375)                                  | 1,500                               | 663       | (837)                                  |
| Miscellaneous  |              | 2,000      | 2,000                                  |                                     |           |  |
| Total Revenues   | 562,100      | 578,383    | 16,283                                 | 26,500                              | 12,250    | (14,250)                               |
| <b>EXPENDITURES</b>  |              |            |  |                                     |           |  |
| Current  |              |            |  |                                     |           |  |
| Salaries - attorneys   | 70,000       | 69,592     | 408                                    |                                     |           |  |
| Staff salaries and related benefits                          | 83,500       | 79,455     | 4,045                                  |                                     |           |  |
| Attorney fees  | 480,400      | 472,794    | 7,606                                  | 26,500                              | 12,250    | 14,250                                 |
| Contract services  | 5,000        | 4,432      | 568                                    |                                     |           |  |
| Professional fees and case costs                             | 5,000        | 938        | 4,062                                  |                                     |           |  |
| Rent   | 7,200        | 8,300      | (1,100)                                |                                     |           |  |
| Office supplies  | 6,500        | 5,554      | 946                                    |                                     |           |  |
| Insurance  | 16,000       | 13,417     | 2,583                                  |                                     |           |  |
| Accounting and auditing fees                                 | 13,400       | 13,550     | (150)                                  |                                     |           |  |
| Telephone  | 2,500        | 3,229      | (729)                                  |                                     |           |  |
| Utilities  | 2,000        | 2,172      | (172)                                  |                                     |           |  |
| Travel and seminars  | 5,000        | 2,765      | 2,235                                  |                                     |           |  |
| Dues   | 500          | 3,235      | (2,735)                                |                                     |           |  |
| Expert witness fees  | 7,500        | 2,000      | 5,500                                  |                                     |           |  |
| Lease expense  |              | 4,008      | (4,008)                                |                                     |           |  |
| LACE disbursements   |              | 8,103      | (8,103)                                |                                     |           |  |
| Capital outlay   | 5,000        | 4,364      | 636                                    |                                     |           |  |
| Total Expenditures   | 709,500      | 697,908    | 11,592                                 | 26,500                              | 12,250    | 14,250                                 |
| <b>EXCESS (DEFICIENCY) OF REVENUES<br/>OVER EXPENDITURES</b> | (147,400)    | (119,525)  | 27,875                                 | -                                   | -         | -                                      |
| <b>FUND BALANCES, BEGINNING OF YEAR</b>                      | 230,557      | 230,557    | -                                      | -                                   | -         | -                                      |
| <b>FUND BALANCES, END OF YEAR</b>                            | \$ 83,157    | \$ 111,032 | \$ 27,875                              | \$ -                                | \$ -      | \$ -                                   |

The accompanying notes are an integral part of the financial statements.



**NINTH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD  
RAPIDES PARISH, LOUISIANA  
DECEMBER 31, 2001 AND 2000**

**NOTES TO FINANCIAL STATEMENTS**

**1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Ninth Judicial District Indigent Defender Board have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Indigent Defender Board's accounting policies are described below.

**Reporting Entity**

The Ninth Judicial District Indigent Defender Board was established in compliance with Louisiana Revised Statutes 15:144 to provide and compensate counsel appointed to represent indigents in criminal and quasi-criminal cases on the district court level. The ninth judicial district encompasses Rapides Parish, Louisiana.

In evaluating how to define the Indigent Defender Board, for financial reporting purposes, management has considered all potential component units. The decision whether or not to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. Generally, component units are legally separate organizations for which the elected officials or appointed board members of the primary government are financially accountable. Some of the criteria considered under "legally separate organization" are: the capacity for the organization to have its own name; the right for the organization to sue and be sued in its own name without recourse to the primary government; and the right to buy, sell, lease, and mortgage property in its own name. Some of the criteria used to consider "financially accountable" include: appointment of a voting majority of the organization's governing body; ability for primary government to impose its will on the organization; whether the organization has the potential to provide specific financial benefits to, or improve specific financial burdens on the primary government; and fiscal dependence of the organization. Based upon the application of these criteria, there are no component units of the Indigent Defender Board.

The Ninth Judicial District Indigent Defender Board is a part of the district court system of the State of Louisiana. However, the Indigent Defender Board operates autonomously from the State of Louisiana and independently from the district court system. Therefore the Indigent Defender Board reports as an independent reporting entity. This report only includes all funds which are controlled by or dependent upon the Ninth Judicial District Indigent Defender Board.

**Fund Accounting**

The Indigent Defender Board 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 governmental 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.

**NINTH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD  
RAPIDES PARISH, LOUISIANA  
DECEMBER 31, 2001 AND 2000**

**NOTES TO FINANCIAL STATEMENTS**

The Indigent Defender Board only has one category of funds - governmental. This category, in turn, is divided into separate "fund types".

Governmental funds are used to account for all or most of the Indigent Defender Board's general activities, including the collection and disbursement of earmarked monies (special revenue funds). The general fund is used to account for all activities of the general government not accounted for in some other fund. The Indigent Defender Board had two funds included in this category during the two year period ending December 31, 2001.

**GOVERNMENTAL FUND TYPES**

**General Fund**

The General Fund was established in order to account for the court costs transmitted to the Indigent Defender Board to defray the necessary expenses of the Public Defender's Office.

**Special Revenue Fund - Murder 1 State Grant Fund**

The Murder 1 State Grant Special Revenue Fund consists of grants from the Louisiana Indigent Defender Board. This grant money can be used only to defray the expenses of the guilt and penalty phase investigation and the fees, overhead, and out-of-pocket expenses of trial lead and/or associate counsel for capital cases. This fund ended in the year 2000.

**ACCOUNT GROUPS**

**General Fixed Assets**

Fixed assets used in governmental fund operations are accounted for in the General Fixed Asset Account Group. All additions and retirements of fixed assets are recorded in this account group.

**General Long-Term Debt**

Long-term obligations expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group.

*The two account groups are not funds. They are concerned with the measurement of financial position and do not involve measurement of results of operations.*

**NINTH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD  
RAPIDES PARISH, LOUISIANA  
DECEMBER 31, 2001 AND 2000**

**NOTES TO FINANCIAL STATEMENTS**

**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 current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become 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 be used to pay liabilities of the current period. A ninety day availability period is used for revenue recognition for the governmental fund revenues. Expenditures are recorded when the related fund liability is incurred. Those revenues susceptible to accrual are court costs, bond forfeiture fees, bond commission fees, and interest revenue.

The Indigent Defender Board reports deferred revenue on its combined balance sheet, if any. Deferred revenues arise when resources are received by the government before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when the government has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

**Budgets**

The Indigent Defender Board's budgets are adopted at the same time as the Rapides Parish Police Jury budget. Any amendments are made by the Indigent Defender Board. All annual appropriations lapse at year end.

**Cash**

Cash includes amounts in demand deposits and interest-bearing demand deposits. Under state law, the Indigent Defender Board may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

**Short-term Interfund Receivables/Payables**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet. Short-term interfund loans are classified as "interfund receivables/payables."



**NINTH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD  
RAPIDES PARISH, LOUISIANA  
DECEMBER 31, 2001 AND 2000**

**NOTES TO FINANCIAL STATEMENTS**

**Fixed Assets**

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. All purchased fixed assets are valued at cost.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized.

Assets in the General Fixed Assets Account Group are not depreciated.

**Compensated Absences**

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources, if any, is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the General Long-Term Debt Account Group.

**Interfund Transactions**

Nonrecurring or nonroutine permanent transfers of equity, if any, are reported as residual equity transfers.

**Estimates**

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

**Memorandum Only - Total Columns**

Total columns on the general purpose financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with accounting principles generally accepted in the United States of America. Neither are such data comparable to a consolidation. Interfund eliminations, if any, have not been made in the aggregation of this data.

**2. LEGAL COMPLIANCE - BUDGETS**

As mentioned in Note 1, the budgets are adopted at the same time as the Rapides Parish Police Jury budget. The budgetary practices include public notice, public inspection, and public hearings on the budgets. Formal budgetary integration is employed as a management control device during the year. Budgeted amounts contained in the accompanying financial statements include original adopted budget amounts and all subsequent amendments through December 31, 2001. Budgetary control is exercised by the Indigent Defender Board at the fund level.

**NINTH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD  
RAPIDES PARISH, LOUISIANA  
DECEMBER 31, 2001 AND 2000**

**NOTES TO FINANCIAL STATEMENTS**

**3. CASH**

At December 31, 2001, the Indigent Defender Board had cash (book balances) totaling \$184,538 in demand deposit accounts held at a local financial institution. The bank balances totaled \$198,457. A summary of collateralization of bank balances is presented below.

|                                     |               |
|-------------------------------------|---------------|
| Insured (federal deposit insurance) | \$ 100,000    |
| Collateralized                      | <u>98,457</u> |
|                                     | \$ 198,457    |

These deposits 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.

**4. INTERGOVERNMENTAL RECEIVABLES**

Intergovernmental receivables are comprised mainly of court costs paid by defendants through the court system. These fees are collected by the Rapides Parish Sheriff and the Cities of Alexandria and Pineville.

**5. GENERAL FIXED ASSETS**

The following is a summary of changes in the General Fixed Assets Account Group during the two years in the period ended December 31, 2001:

|                  | Balance<br>January 1,<br>2000 | Additions | Retirements | Balance<br>December 31,<br>2001 |
|------------------|-------------------------------|-----------|-------------|---------------------------------|
| Office equipment | \$ 31,277                     | \$ 4,523  | \$ —        | \$ 35,800                       |

**6. DISTRICT ASSISTANCE FUNDS - STATE GRANT**

The grant restrictions placed on the District Assistance Funds grant were lifted at the end of 1999, which allows for the monies to be used for General Fund expenditures. Therefore, a residual equity transfer was made to transfer the remaining amounts in the District Assistance Fund to the General Fund in 1999. It is uncertain as to the amount of funding that will be given in 2002 and future years.

**7. LEASE AND RENTAL COMMITMENTS**

Operating lease payments for office space during each of the years ending December 31, 2001 and 2000, were \$7,800 and \$8,300 respectively.

This lease is renewed yearly.

**NINTH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD  
RAPIDES PARISH, LOUISIANA  
DECEMBER 31, 2001 AND 2000**

**NOTES TO FINANCIAL STATEMENTS**

**8. RISK MANAGEMENT**

The office of the Indigent Defender Board is exposed to various risks of loss related to torts, theft, or damage and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Indigent Defender Board carries commercial insurance for workmen's compensation and commercial general liability. They also carry malpractice insurance on the attorneys.

The office of the Indigent Defender Board is occasionally a party to legal proceedings involving suits filed against the Board for various reasons. Some of these suits claim damages that are material in amount. Management does not believe that the Board is exposed to any material losses not covered by insurance. No provisions for losses are included in the financial statements.

**9. PENSION PLAN**

During 1997, the employees of the Indigent Defender Board became members of the Parochial Employees' Retirement System of Louisiana, Plan A. This retirement system is a multiple employer, statewide retirement system which is administered by a separate board of trustees. The contributions of participating agencies are pooled within the system to pay the accrued benefits of their respective participants. The contribution rates are approved by the Louisiana Legislature.

Under the Parochial Employees' Retirement System, Plan A, employees who retire after thirty (30) years of creditable service regardless of age, twenty-five (25) years of creditable service and at least fifty-five (55) years of age, or ten (10) years of creditable service and at least sixty (60) years of age are entitled to a retirement benefit, payable monthly for life, equal to three percent (3%) of their average compensation for any thirty-six (36) months of consecutive service in which their compensation was highest, multiplied by their years of creditable service. Benefits fully vest upon reaching five (5) years of service. The System also provides death and disability benefits. Covered employees are required to contribute nine and one-fourth percent (9.25%) of their salary to this plan while the employer contributes seven and 15/100 percent (7.15%). Employer contributions under this plan for covered employees are made by the General Fund revenue. All full time employees, except the Chief Public Defender, were covered by the Retirement System.

The Parochial Employees' Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the Parochial Employees' Retirement System, Plan A. That report may be obtained by writing to Parochial Employees' Retirement System, P.O. Box 14619, Baton Rouge, LA 70898-4619.

Pension costs for the years ended December 31, 2001 and 2000, respectively were \$3,894 and \$5,067. Employees were part of the social security system prior to 1997.



**OTHER REPORT REQUIRED BY  
GOVERNMENT AUDITING STANDARDS**

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



PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

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

Mr. Kenneth P. Rodenbeck, Chief Public Defender, and  
Members of the Ninth Judicial District Indigent Defender Board  
Rapides Parish, Louisiana

We have audited the general purpose financial statements of the Ninth Judicial District Indigent Defender Board, Rapides Parish, Louisiana, as of December 31, 2001, and for each of the two years in the period ended December 31, 2001 and have issued our report thereon dated March 8, 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 Ninth Judicial District Indigent Defender Board'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 an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings and questioned costs as item 01-01.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Indigent Defender Board'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 be material weaknesses. A

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ERNEST E. SASSER, C.P.A.

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ROBERT W. DUDRAK, C.P.A.  
REBECCA B. MORRIS, C.P.A.

MICHAEL A. JUNEAU, C.P.A.  
JAMES N. BALLARD, C.P.A.  
L. PAUL HOOD, C.P.A.



PAYNE, MOORE & HERRINGTON, LLP

Mr. Kenneth P. Rodenbeck, Chief Public Defender, and  
Members of the Ninth Judicial District Indigent Defender Board  
Rapides Parish, Louisiana

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 general purpose 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 the Ninth Judicial District Indigent Defender Board, management, state awarding agencies, and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties.

*Payne, Moore & Herrington, LLP*

Certified Public Accountants

March 8, 2002

NINTH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD  
RAPIDES PARISH, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
DECEMBER 31, 2001 AND 2000

**SECTION I - SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements**

|   |                |                       |
|---|----------------|-----------------------|
| Type of auditor's report issued:  | Unqualified    |                       |
| Internal control over financial reporting:  |                |                       |
| Material weaknesses identified?   | _____ yes      | ___x___ no            |
| Reportable conditions identified<br>that are not considered to be<br>material weaknesses? | _____ yes      | ___x___ none reported |
| Noncompliance material to financial<br>statements noted?                                  | ___x___ yes    | _____ no              |
| <i>Management's Corrective Action Plan</i>  | See Attached   |                       |
| <i>Management's Summary Schedule of Prior<br/>    Audit Findings</i>                      | See Attached   |                       |
| <b><u>Federal Awards</u></b>  | Not Applicable |                       |

**SECTION II - FINANCIAL STATEMENT FINDINGS**

**Finding 01-01:       Compliance with Parochial Employees' Retirement System Membership**

Criteria: Louisiana Revised Statue 11:1902.12 requires all employees of participating employers of the Louisiana Parochial Employees' Retirement System to enroll in the system unless certain requirements are met.

Condition: Upon review of payroll documents, it was discovered that two employees were not enrolled as members of the Parochial Employees' Retirement System.

Questioned Costs: None

Context: These individuals chose not to enroll due to their part-time classification. These employees do not meet the criteria of part-time employment according to Louisiana Revised Statue 11:1902.12.

Effect: There are employees that should be members of the Louisiana Parochial Employees' Retirement System that are currently not enrolled.

Cause: The employees' interpretation of "part-time employee" and the definition of "part-time employee" according to Louisiana Revised Statue 11:1902.12(A) differ.

Recommendation: We recommend that the employees who are not members be enrolled immediately.

Management's Response: See Management's Corrective Action Plan.

**NINTH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD  
RAPIDES PARISH, LOUISIANA  
MANAGEMENT'S SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
YEARS ENDED DECEMBER 31, 2001 AND 2000**

**REPORTABLE CONDITIONS**

**FINDING 99-01 – CASH RECEIPTS FROM INDIGENT DEFENDANTS**

Resolved.



**NINTH JUDICIAL INDIGENT DEFENDER  
MANAGEMENT'S CORRECTIVE ACTION PLAN  
YEARS ENDED DECEMBER 31, 2001 AND 2000**

The Ninth Judicial Indigent Defender respectfully submits the following corrective action plan for the two year period ended December 31, 2001.

Independent Public Accounting Firm:

Payne, Moore & Herrington, LLP  
P. O. Box 13200  
Alexandria, LA 71315-3200  
(318) 443-1893

Auditee Contact Person:

Ken Rodenbeck, Chief Public Defender  
Public Defender's Office  
909 Sixth Street  
Alexandria, LA 71301  
(318) 443-7082

Audit period:

January 1, 2000 through December 31, 2001

The finding from the Schedule of Findings and Questioned Costs is discussed below. The finding is numbered consistently with the number assigned in the Schedule.

**Finding 01-01:      Compliance with Parochial Employees' Retirement System Membership**

Condition: Upon review of payroll documents, it was discovered that two employees were not enrolled as members of the Parochial Employees' Retirement System.

Recommendation: We recommend that the employees who are not members be enrolled immediately.

Action Taken: The Board was made aware of Finding 01-01 at its board meeting of May 31, 2002. The Board was told that the Director, Kenneth P. Rodenbeck, would study the law regarding Parochial Employees Retirement Systems and how it would apply to the two employees not enrolled.

The Director will report back to the Board at its next meeting so that the Board can take appropriate action.