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**FIFTH JUDICIAL DISTRICT  
INDIGENT DEFENDER BOARD**

*General Purpose Financial Statements  
and Independent Auditor's Report  
As of and For The Year Ended December 31, 1999*

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 JUL 19 2000

**FIFTH JUDICIAL DISTRICT  
INDIGENT DEFENDER BOARD**

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**Independent Auditor's Report**

**To Mr. John Hoychick, Jr., President  
and Members of the Fifth Judicial District  
Indigent Defender Board  
Winnsboro, Louisiana**

I have audited the accompanying general purpose financial statements of the Fifth Judicial District Indigent Defender Board (the Board), as of and for the year ended December 31, 1999, as listed in the table of contents. These general purpose financial statements are the responsibility of the Board. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards 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 I 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 the significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Board, as of December 31, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

The Year 2000 supplementary information on page 8 is not a required part of the basic financial statements of the Board, but is supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquiries of management regarding steps taken to alleviate potential Year 2000 problems. However, I did not audit the information and do not express an opinion on it. In addition, I do not provide assurance that the Board, is or will become Year 2000 compliant, that the Board's Year 2000 remediation efforts will be successful in whole or in part, or that parties with which the Board does business are or will become compliant.

In accordance with *Government Auditing Standards*, I have also issued my report dated May 25, 2000, on my consideration of the Board's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

**DARLA S. TURNER**  
**CERTIFIED PUBLIC ACCOUNTANT**

Monroe, Louisiana  
May 25, 2000

**FIFTH JUDICIAL DISTRICT  
INDIGENT DEFENDER BOARD**

**Exhibit A**

**Combined Balance Sheet - All Fund Types and Account Groups  
December 31, 1999**

	<u>GOVERNMENTAL FUND TYPE</u>	<u>ACCOUNT GROUP</u>	<u>Totals (Memorandum Only)</u>
	<u>General Fund</u>	<u>General Fixed Assets</u>	
<b>Assets</b>			
<b>Current Assets</b>			
Cash	\$ 17,671	\$ -	\$ 17,671
Investment	124,078	-	124,078
Accounts receivable	6,905	-	6,905
Prepaid expenses	100	-	100
<b>Total Current Assets</b>	<b>148,754</b>	<b>-</b>	<b>148,754</b>
<b>Fixed Assets</b>			
Computer equipment	-	2,491	2,491
<b>Total Assets</b>	<b>\$ 148,754</b>	<b>\$ 2,491</b>	<b>\$ 151,245</b>
<b>Liabilities, Equity and Other Credits</b>			
<b>Liabilities</b>			
Accounts payable	\$ 600	\$ -	\$ 600
<b>Equity and Other Credits</b>			
Unreserved - undesignated	148,154	-	148,154
Investment in general fixed assets	-	2,491	2,491
<b>Total Equity and Other Credits</b>	<b>148,154</b>	<b>2,491</b>	<b>150,645</b>
<b>Total Liabilities, Equity and Other Credits</b>	<b>\$ 148,754</b>	<b>\$ 2,491</b>	<b>\$ 151,245</b>

**FIFTH JUDICIAL DISTRICT  
INDIGENT DEFENDER BOARD**

**Exhibit B**

**Statement of Revenues, Expenditures and Changes in Fund Balance  
For the Year Ended December 31, 1999**

**Revenues**

Court costs and fines	\$ 118,573
Other - interest	5,684
<b>Total Revenues</b>	<u>124,257</u>

**Expenditures**

Professional serves	141,803
Accounting fees	3,500
Office expenses	2,491
Officers' compensation	1,200
<b>Total Expenditures</b>	<u>148,994</u>

**NET INCOME** (24,737)

**Fund Balance - Beginning of Year** 172,891

**Fund Balance - End of Year** \$ 148,154

**NOTES TO THE COMBINED FINANCIAL STATEMENTS  
For the Year Ended December 31, 1999**

**INTRODUCTION**

**REPORTING ENTITY**

The Fifth Judicial District Indigent Defender Board, established in compliance with Louisiana Revised Statutes 15:144-149, provides counsel to represent indigents (needy individuals) in criminal and quasi-criminal cases at the district court level. The judicial district encompasses the parishes of Franklin, Richland, and West Carroll, Louisiana. The Board is composed of members who are appointed by the district court. Revenues to finance the Board's operations are primarily provided from court costs on fines imposed by the district court.

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS OF PRESENTATION**

The accompanying general purpose financial statements of the Fifth 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.

**B. FUND ACCOUNTING**

The accounts of the Board are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into one fund category and one fund category and one fund type as follows:

**GOVERNMENTAL FUNDS - General Fund -** The General Fund is the operating fund of the Board. It is used to account for all financial resources.

**GENERAL FIXED ASSETS AND LONG-TERM OBLIGATIONS -** The Board had one fixed asset (computer) but no long-term obligations at December 31, 1999.

**BASIS OF ACCOUNTING**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting related to the timing of the measurements made, regardless of the measurement focus applied. 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. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

**BUDGETS AND BUDGETARY ACCOUNTING**

Local indigent defender boards are not political subdivisions within the meaning of the Louisiana Local Government Budget Act. Thus, no obligation exists to prepare a budget for the Board's funds.

**NOTES TO THE COMBINED FINANCIAL STATEMENTS  
For the Year Ended December 31, 1999**

**NOTE 2: GENERAL OPERATIONS**

The General Fund receives court costs levied for criminal offenses and remitted to the Board by the respective parish Sheriffs. *This fund serves as the operating fund of the Board.*

**NOTE 3: CASH**

The Board's cash consists of demand deposits that are insured by federal deposit insurance and stated at cost.

**NOTE 4: INVESTMENTS**

The Board purchased \$52,000 in U. S. Treasury Bills that have various interest rates and maturity dates. On December 31, 1999 the Board had an additional amount of \$183 in Ready Assets bringing total investment in Merrill Lynch to \$51,096. The current market value of the account as of December 31, 1999 is \$52,109. All investments are stated at cost. See Note 8 for additional information.

**NOTE 5: RECEIVABLES**

The Board's receivables consist of court costs collected in 1999 and remitted to the Board in 2000.

**NOTE 6: ACCOUNTS PAYABLE**

The Board's accounts payable consist of monthly bills owed for the month of December and remitted in January 2000.

**NOTE 7: COMPENSATION**

The governing board received \$1,200.00 for the year as per diem for their services.

**NOTE 8: CASH**

The Board had \$17,671 in checking account number 0011031 as of December 31, 1999. On January 2, 2000, the Board reinvested the December 31, 1999 balance of CD # 332177 in the amount of \$72,982. See Note 4 for details on the investments with Merrill Lynch. The total amount held by Hibernia Bank was in excess of \$100,000. Hibernia has pledged Federal Securities, with a book value of \$132,472, to cover the balance of the funds that exceeded the \$100,000 FDIC coverage. The Board's policy as to cash and cash equivalents is that any funds invested ninety days or less and available to pay current liabilities are considered cash or cash equivalents. Funds invested for more than ninety days are considered investments.

**NOTE 9: USE OF ESTIMATES**

The process of preparing financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

**Supplementary Information Schedule**



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Schedule 1

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

To Mr. John Hoychick, Jr., President  
and Members of the Fifth Judicial District  
Indigent Defender Board  
Winnsboro, Louisiana

I have audited the general purpose financial statements of the Fifth Judicial District Indigent Defender Board (the Board) as of and for the year ended December 31, 1999, and have issued my report thereon dated May 25, 2000. I conducted my audit in accordance with generally accepted auditing standards 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 Board's general purpose financial statements are free of material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my 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 my audit, I considered the Board's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. My 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 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. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended solely for the information and use of the audit committee, management, others within the organization and the Board and is not intended to be and should not be used by anyone other than these specified parties.

**DARLA S. TURNER**  
**CERTIFIED PUBLIC ACCOUNTANT**

Monroe, Louisiana  
May 25, 2000

12/31/99

**Fifth Judicial District Indigent Defender Board  
Required Supplemental Information - Year 2000 Issue**

The Year 2000 issue is the result of shortcomings in many electronic data processing systems and other electronic equipment that may adversely affect the government's operations.

The Board has completed an inventory of computer systems and other electronic equipment that may be affected by the Year 2000 issue and that are necessary for conducting the Board's operations. Based on this inventory, the Board is in the remediation stage in that they purchased new computer equipment at a cost of \$2,491 during the period.

Because of the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Management cannot assure that upon completion of the stages of Year 2000 readiness the Board is or will be year 2000 compliant, that the Board's remediation efforts will be successful in whole or in part, or that parties with whom the Board does business will be year 2000 compliant.