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**FIFTH JUDICIAL DISTRICT
DRUG COURT, INC.
Oak Grove, Louisiana**

**Financial Statements
With Independent Auditor's Report
As of and for the Year Ended June 30, 2000
With Supplemental Information Schedules**

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 1-24-01

**VERNON R
COON**
CERTIFIED PUBLIC ACCOUNTANT

FIFTH JUDICIAL DISTRICT
DRUG COURT, INC.
Oak Grove, Louisiana

Financial Statements
With Independent Auditor's Report
As of and for the Year Ended June 30, 2000
With Supplemental Information Schedules

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Independent Auditor's Report

**FIFTH JUDICIAL DISTRICT
DRUG COURT, INC.
Oak Grove, Louisiana**

I have audited the accompanying statement of financial position of the Fifth Judicial District Drug Court Inc., as of June 30, 2000, and the related statements of activities, functional expenses, and cash flows for the year then ended, as listed in the table of contents. These financial statements are the responsibility of the Fifth Judicial District Drug Court Inc.'s management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and *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 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Fifth Judicial District Drug Court Inc. as of June 30, 2000, and the changes in its net assets and its cash flows for the year then ended in conformity with generally accepted accounting principles.

My audit was made for the purpose of forming an opinion on the financial statements of the Fifth Judicial District Drug Court Inc., taken as a whole. The supplemental information listed in the table of contents is presented for the purpose of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

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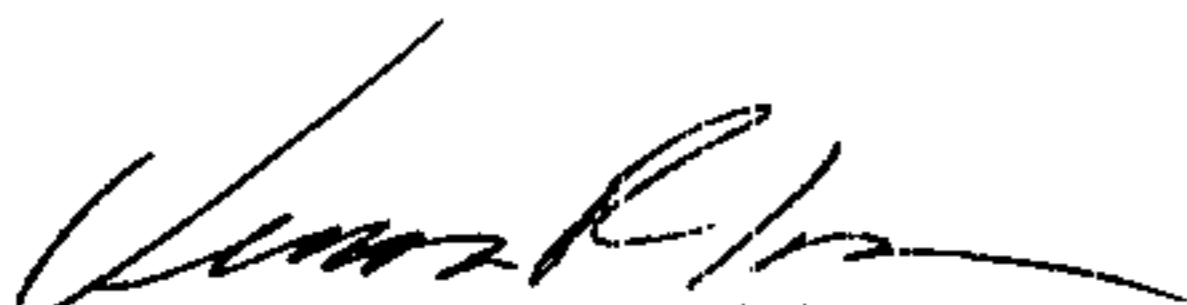
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FIFTH JUDICIAL DISTRICT
DRUG COURT, INC.
Oak Grove, Louisiana
Independent Auditor's Report
June 30, 2000

In accordance with *Government Auditing Standards*, I have also issued a report dated December 21, 2000, on the Fifth Judicial District Drug Court Inc.'s compliance with laws, regulations, and contracts, and my consideration of the agency's internal control over financial reporting. 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 my audit.



West Monroe, Louisiana
December 21, 2000

FINANCIAL STATEMENTS

FIFTH JUDICIAL DISTRICT
DRUG COURT, INC.
Oak Grove, Louisiana

Statement of Financial Position
June 30, 2000

ASSETS

Cash	\$7,501
Restricted grant receivable	3,962
Office furnishings and equipment	<u>5,078</u>

TOTAL ASSETS \$16,541

LIABILITIES AND NET ASSETS

Liabilities -

Accounts payable	<u>\$93</u>
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Net Assets:

Unrestricted	8,118
Restricted	<u>8,330</u>
Total Net Assets	<u>16,448</u>

TOTAL LIABILITIES AND NET ASSETS \$16,541

The accompanying notes are an integral part of this statement.

FIFTH JUDICIAL DISTRICT
DRUG COURT, INC.
Oak Grove, Louisiana

Statement of Activities
For the Year Ended June 30, 2000

UNRESTRICTED NET ASSETS	
Unrestricted revenues - other	\$2,500
Net assets released from restrictions - restrictions satisfied by payments	<u>43,303</u>
Total unrestricted revenues	<u>45,803</u>
Expenses	
Program services -	
Reduction of alcohol and drug abuse	<u>41,917</u>
Increase in Unrestricted Net Assets	<u>3,886</u>
TEMPORARILY RESTRICTED NET ASSETS	
Louisiana Department of Health and Hospitals -	
Office of Alcohol and Drug Abuse	42,916
Net assets released from restriction	<u>(43,303)</u>
Increase (decrease) in Temporarily Restricted Net Assets	<u>(387)</u>
INCREASE IN NET ASSETS	3,499
NET ASSETS AT BEGINNING OF YEAR	<u>12,949</u>
NET ASSETS AT END OF YEAR	<u><u>\$16,448</u></u>

The accompanying notes are an integral part of this statement.

FIFTH JUDICIAL DISTRICT
DRUG COURT, INC.
Oak Grove, Louisiana

Statement of Functional Expenses
For the Year Ended June 30, 2000

PROGRAM SERVICES

Personal services - salaries	\$3,000
Operating services:	
Postage	33
Telephone	1,134
Accounting and auditing	2,369
Other	286
Depreciation	2,157
Materials and supplies:	
Drug screening	5,105
Office	596
Travel:	
Conference fees	525
Hotel rooms	780
Meals	207
Milcage	1,476
Professional services - drug treatment	<u>24,249</u>
Total Functional Expenses	<u><u>\$41,917</u></u>

The accompanying notes are an integral part of this statement.

FIFTH JUDICIAL DISTRICT
DRUG COURT, INC.
Oak Grove, Louisiana

Statement of Cash Flows
For the Year Ended June 30, 2000

CASH FLOWS FROM OPERATING ACTIVITIES	
Increase in net assets	\$3,498
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation	2,157
Decrease in grant funds receivable	6,842
Decrease in other receivables	20
Increase in fixed assets	(3,543)
Decrease in accounts payable	(2,844)
Net Cash Used by Operating Activities	<u>6,130</u>
NET INCREASE IN CASH	6,130
CASH AT BEGINNING OF YEAR	<u>1,371</u>
CASH AT END OF YEAR	<u><u>\$7,501</u></u>

The accompanying notes are an integral part of this statement.

FIFTH JUDICIAL DISTRICT
DRUG COURT, INC.
Oak Grove, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Fifth Judicial District Drug Court, Inc., is a nonprofit organization whose purpose is to implement a drug court program that will reduce crime rates, reduce recidivism, alleviate continued drug abuse, assist drug abusers in rehabilitating their lives and building a drug free future in a cost effective manner that will ultimately reduce jail overcrowding and crime, thereby reducing costs to governmental entities responsible for law enforcement. The organization is governed by a three member board and serves the parishes of West Carroll, Richland and Franklin.

A. BASIS OF ACCOUNTING

The accompanying financial statements are prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

B. CONTRIBUTIONS

All contributions are considered available for unrestricted use unless specifically restricted by the donor. Federal financial assistance received through the Louisiana Department of Health and Hospitals - Office of Alcohol and Drug Abuse, is considered temporarily restricted net assets because, in accordance with the grant agreement, it can only be expended for specified purposes. When expenditures are made for those specified purposes the grant funds are no longer restricted and are transferred to unrestricted net assets.

C. SUPPORT AND REVENUE

The Fifth Judicial District Drug Court, Inc. receives the majority of its support and revenue under federal/state grant agreements. In order to receive funding, the organization must comply with the contract provisions.

D. ESTIMATES

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

E. FURNITURE AND EQUIPMENT

Furniture and equipment of the organization are capitalized when purchased. However, title to the assets, which are purchased with resources from state and federal grants, reverts to the grantors should the contract be terminated. The following shows fixed assets and accumulated depreciation at June 30, 2000.

Class of Asset	
Computers and related	\$3,692
Office furnishings and equipment	3,543
Total assets	<u>7,235</u>
Less accumulated depreciation	(2,157)
Net assets	<u>\$5,078</u>

F. INCOME TAX STATUS

The Fifth Judicial District Drug Court, Inc. is incorporated as a non-profit organization in accordance with Louisiana Revised Statutes (LSA-RS) 12:201-269. The corporation is applying for tax exempt status under Section 501 (c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements.

G. UNCOLLECTIBLE ALLOWANCE

The statements contain no provision for uncollectible accounts. All amounts due from grantor are considered fully collectible.

Fifth Judicial District Drug
Court, Inc.
Oak Grove, Louisiana
Notes to the Financial Statements

2. CASH

At June 30, 2000, Fifth Judicial District Drug Court, Inc., has cash (book balances) totaling \$7,501. Cash (bank balances) are fully secured by federal deposit insurance.

3. GRANT FUNDING

For the year ended June 30, 2000, the agency received funding of \$42,916 from the Louisiana Department of Health and Hospitals - Office of Alcohol and Drug Abuse through contract Nos. DHH 66270 and CFMS 542871.

4. LITIGATION AND CLAIMS

Fifth Judicial District Drug Court, Inc., is not involved in any litigation at June 30, 2000, nor is it aware of any unasserted claims.

**Independent Auditor's Reports Required
by *Government Auditing Standards***

The following independent auditor's report on compliance with laws, regulations and contracts and internal control is presented in compliance with the requirements of *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.



Independent Auditor's Report on Compliance and Internal Control Over Financial Reporting

FIFTH JUDICIAL DISTRICT
DRUG COURT, INC.
Oak Grove, Louisiana

I have audited the financial statements of Fifth Judicial District Drug Court Inc., as of and for the year ended June 30, 2000 and have issued my report thereon dated December 21, 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 Fifth Judicial District Drug Court Inc.'s 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 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 Fifth Judicial District Drug Court Inc.'s internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the 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 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.

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FIFTH JUDICIAL DISTRICT DRUG COURT, INC.


Oak Grove, Louisiana

Independent Auditor's Report on Compliance

And Internal Control Over Financial Reporting, etc.

June 30, 2000

This report is intended solely for the information and use of Fifth Judicial District Drug Court, Inc., and management of the agency and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to be 'W. Monroe', written over a horizontal line.

West Monroe, Louisiana

December 21, 2000

FIFTH JUDICIAL DISTRICT DRUG COURT, INC.
Oak Grove, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2000

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of Fifth Judicial District Drug Court, Inc.
2. No instances of noncompliance material to the financial statements of Fifth Judicial District Drug Court, Inc. were disclosed during the audit.
3. No reportable conditions relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

FIFTH JUDICIAL DISTRICT DRUG COURT, INC.
Oak Grove, Louisiana

Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2000

There were no audit findings reported in the audit for the year ended June 30, 1999.