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25TH ANNUAL GOVERNOR'S CONFERENCE ON JUVENILE JUSTICE  
FINANCIAL REPORT  
FOR THE YEAR ENDED  
SEPTEMBER 30, 2004

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 3-30-05

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# McELROY, QUIRK & BURCH

(In Affiliation with - Gus Schram & Co., LTD)

A Professional Corporation • Certified Public Accountants • Since 1925  
800 Kirby Street • P.O. Box 3070 • Lake Charles, LA 70602-3070  
337-433-1063 • Fax 337-436-6618 • Web page: www.mqb-cpa.com

Carl W. Comeaux, CPA  
Gus W. Schram, III, CPA, CVA  
Martin L. Chehorsky, CPA, CFE  
Robert M. Gani, CPA, MT  
Mollie C. Broussard, CPA  
Jason L. Guillory, CPA  
Greg P. Naquin, CPA, CFPTM  
Billy D. Fisher, CPA  
Joe G. Peshoff, II, CPA, CVA



Charles P. Quirk, CPA, Inactive  
Otray J. Woods, Jr., CPA, Inactive  
Robert F. Cargile, CPA, Inactive  
William A. Mancuso, CPA, Retired  
Barbara Hutson Gonzales, CPA, Retired  
Judson J. McCann, Jr., CPA, Retired

CFE - Certified Fraud Examiner  
MT - Masters of Taxation  
CVA - Certified Valuation Analyst  
CFP - Certified Financial Planner

Mr. Ronald Rossitto, Program Director  
25th Annual Governor's Conference  
on Juvenile Justice  
Lake Charles, Louisiana

We have compiled the accompanying balance sheet of the 25th Annual Governor's Conference on Juvenile Justice as of September 30, 2004, and the related statement of revenues, expenditures and changes in fund balance and statement of revenues, expenditures and changes in fund balance budget (GAAP basis) and actual for the year then ended in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

The 25th Annual Governor's Conference on Juvenile Justice did not implement Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, for the year ending September 30, 2004. The effects of this departure from generally accepted accounting principles have not been determined.

A handwritten signature in cursive script that reads 'McElroy, Quirk &amp; Burch'.

March 23, 2005

25TH ANNUAL GOVERNOR'S CONFERENCE ON JUVENILE JUSTICE  
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
 AS OF SEPTEMBER 30, 2004

	Governmental	Account Group	
	Special Revenue Fund	General Fixed Assets	Total (Memorandum Only)
<u>ASSETS</u>			
Cash	\$ 56,138	\$	\$ 56,138
Grant Receivable	35,000		35,000
Fixed Assets		13,080	13,080
	<u>\$ 91,138</u>	<u>\$ 13,080</u>	<u>\$ 104,218</u>
 <u>LIABILITIES AND FUND BALANCE</u>			
Liabilities:			
Accounts Payable	\$ 26,107	\$	\$ 26,107
TOTAL LIABILITIES	26,107	-	26,107
Fund Balance:			
Unreserved	65,031		65,031
Investment in General Fixed Assets		13,080	13,080
TOTAL FUND BALANCE	<u>65,031</u>	<u>13,080</u>	<u>78,111</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 91,138</u>	<u>\$ 13,080</u>	<u>\$ 104,218</u>

*"See accompanying notes and accountants' report."*

25TH ANNUAL GOVERNOR'S CONFERENCE ON JUVENILE JUSTICE  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED SEPTEMBER 30, 2004

REVENUES		
Intergovernmental		\$ 35,000
Registration Fees		19,119
Sponsor Registration		<u>1,250</u>
Total Revenues		55,369
EXPENDITURES		
Current:		
Contract Services		11,102
Other Direct		27,010
Travel		<u>6,387</u>
Total Expenditures		<u>44,499</u>
Excess of Revenues over Expenditures		10,870
FUND BALANCE		
Beginning of Year		<u>54,161</u>
End of Year		<u><u>\$ 65,031</u></u>

"See accompanying notes and accountants' report"

25TH ANNUAL GOVERNOR'S CONFERENCE ON JUVENILE JUSTICE  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2004

	Special Revenue Fund Type		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Intergovernmental	\$ 35,000	\$ 35,000	\$ 0
Registration Fees	19,000	19,119	119
Sponsor Registration	1,300	1,250	(50)
Total Revenues	55,300	55,369	69
EXPENDITURES			
Current:			
Contract Services	13,000	11,102	1,898
Other Direct	21,000	27,010	(6,010)
Travel	10,000	6,387	3,613
Total Expenditures	44,000	44,499	(499)
Excess (Deficiency) of Revenues over Expenditures	11,300	10,870	(430)
FUND BALANCE			
Beginning of Year	54,000	54,161	161
End of Year	\$ 65,300	\$ 65,031	\$ (269)

"See accompanying notes and accountants' report"

25th ANNUAL GOVERNOR'S CONFERENCE ON JUVENILE JUSTICE  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2004

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The 25th Annual Governor's Conference on Juvenile Justice is an adjunct organization of the Louisiana Commission on Law Enforcement and the Juvenile Justice and Delinquency Prevention Advisory Board. The purpose and function of the 25th Annual Governor's Conference on Juvenile Justice is to increase the capacity of state and local governments to conduct effective juvenile justice and delinquency prevention programs. The more specific emphasis of the conference is on providing information, resources, and training to approximately 440 - 460 individuals in the state's juvenile justice field. It is anticipated collectively these individuals will begin to resolve the system's more serious problems including the appropriate placement and/or delivery of services to the violent, emotionally disturbed, mentally retarded and/or serious offenders with special emphasis on the removal of juveniles from jails. The conference is jointly sponsored by the Juvenile Justice and Delinquency Prevention Advisory Board, Louisiana Commission on Law Enforcement, Office of Juvenile Services, Louisiana Association of Child Care Agencies, Louisiana District Attorney's Association, Louisiana Council of Juvenile Court Judges, and Louisiana Juvenile Detention Association. This report includes all of the funds relating to the conference.

B. PRESENTATION OF STATEMENTS

The accompanying financial statements conform to generally accepted accounting principles for state and local governments. These statements have also incorporated any applicable requirements set forth by the Louisiana Governmental Audit Guide, as applicable to compiled financial statements for governmental entities.

C. FUND ACCOUNTING

The Agency uses funds and account groups to report 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 relating to certain governmental functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. Funds of the 25th Annual Governor's Conference are classified as a special revenue governmental fund type. The special revenue governmental fund accounts for the 25th Annual Governor's Conference's collection and disbursement of specific or legally restricted monies received from the grantor agency as well as fees received from the various annual conference participants.

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NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2004

An account group is self-balancing set of accounts, but not an accounting entity; therefore, not a fund. The Agency's account group consists of the general fixed asset account group. The general fixed asset account group is used to account for fixed assets of the Agency.

D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets.

Governmental funds are maintained on the modified accrual basis of accounting wherein revenues are recognized in the accounting period in which they become available and measurable. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable. The Agency considers grant revenue and participant fees susceptible to accrual.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, and are recorded as expenditures in the governmental fund types when purchased. No depreciation has been provided on general fixed assets. Fixed assets are valued at historical cost.

E. BUDGET POLICY

The Grant follows these procedures in establishing the budgetary data reflected in these financial statements.

The Louisiana Commission on Law Enforcement and Administration of Criminal Justice notifies the Agency each year as to the funding levels for the program's grant award.

The Project Director prepares a proposed budget based on the funding levels provided by the Louisiana Commission on Law Enforcement and Administration of Criminal Justice and then submits the budget to the Louisiana Commission on Law Enforcement and Administration of Criminal Justice for approval.

All budgetary appropriations lapse at the end of each fiscal year and grant year (September 30). The amended budget is presented in these financial statements.



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SEPTEMBER 30, 2004

The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budgeted and actual revenues and expenditures.

Actual amounts are compared to budgeted amounts periodically during the fiscal year as a management control device. The Agency may transfer funds between line items as often as required but must obtain prior approval from the Louisiana Commission on Law Enforcement and Administration of Criminal Justice for funds received under grants from this state agency.

F. ESTIMATES

The preparation of the general purpose financial statements in conformity with generally accepted accounting principles requires the use of management's estimates.

NOTE 2: REVENUE RECOGNITION - INTERGOVERNMENTAL GRANTS, REGISTRATION FEES

Intergovernmental grant revenues and the related fees are recorded in a special revenue governmental fund in the accounting period when they become susceptible to accrual, that is, measurable and available (modified accrual basis).

Intergovernmental Grants

Louisiana Commission on Law Enforcement and Administration of Criminal Justice program funds are earned and become susceptible to accrual based upon grant fund requests for reimbursements. The funds are recorded as revenues if the request covers a period in the current fiscal year and the related expenditures to be reimbursed have been recognized (match of revenues and expenditures).

Registration Fees/Accounts Receivable

The registration fees are considered measurable/earned and become susceptible to accrual at the time of the conference. The revenue is based on the number of people attending the conference. The receivable of \$50 is from a conference exhibitor. Management does not believe that there is a significant concentration of credit risk with respect to this receivable.

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 NOTES TO FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2004

NOTE 3: CASH

At September 30, 2004, the 24th Annual Governor's Conference on Juvenile Justice had the following balance in its cash account:

	<u>Bank Balance</u>	<u>Book Balance</u>
Hibernia National Bank:		
Checking	<u>\$60,796</u>	<u>\$56,138</u>

The entire bank balance was covered by federal deposit insurance. Thus, there was no concentration of credit risk with regard to the Agency's cash funds.

NOTE 4: GRANTS RECEIVABLE

Grants receivable at September 30, 2004, consisted of grant requests for expenditures incurred in connection with the conference held on September 1 - September 3, 2004.

<u>Program</u>	<u>Amount</u>
25th Annual Conference	<u>\$35,000</u>

NOTE 5: GENERAL FIXED ASSETS

A summary of changes in general fixed assets for the fiscal year ended September 30, 2004 is as follows:

	<u>Balance 10/01/03</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 9/30/04</u>
Equipment	\$ <u>13,080</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>13,080</u>

NOTE 6: INCOME TAX STATUS

As a function of the state government, this activity is not subject to income tax.

NOTE 7: ECONOMIC DEPENDENCY

The Conference receives approximately 33% of its revenue from funds provided through a grant administered by the Louisiana Commission on Law Enforcement and Administration of Criminal Justice. The grant amount is appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of the funds the Conference receives could be reduced

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NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2004

significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds the Conference will receive in the next fiscal year.

NOTE 8: CONTINGENCIES

The Conference receives revenues from a federal grant program which is subject to final review and approval as to allowability of expenditures by the respective grantor agencies. Any settlements or expenses arising out of a final review are recognized in the period in which agreed upon by the grantor agency and the Conference. Also it is management's opinion that any audits by the grantor agencies would not produce disallowed program costs and liabilities to such an extent that they would materially affect the Conference's financial position.

25th ANNUAL GOVERNOR'S CONFERENCE ON JUVENILE JUSTICE  
CORRECTIVE ACTION TAKEN ON PRIOR YEAR FINDINGS  
SEPTEMBER 30, 2004

FINDING # 1: APPROVAL OF DISBURSEMENTS

In our examination of the supporting documentation for each of the six selected disbursements during the year ended September 30, 2003, we found two of these items did not have the required approval prior to payment of the invoice. We recommend management continue their efforts of obtaining the proper approval for all disbursements.

STATUS: Resolved.