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**DISTRICT ATTORNEY OF THE THIRTY-FIRST
JUDICIAL DISTRICT
Jennings, Louisiana**

**General Purpose Financial Statements
And Independent Auditor's Report
As of and for the Year Ended December 31, 2001**

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 6/26/02

**DISTRICT ATTORNEY OF THE THIRTY-FIRST
JUDICIAL DISTRICT**
Jennings, Louisiana

General Purpose Financial Statements
And Independent Auditor's Report
As of and for the Year Ended December 31, 2001

With Supplemental Information Schedules

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INDEPENDENT AUDITOR'S REPORT

Honorable Michael C. Cassidy
District Attorney
Thirty-First Judicial District
Jennings, Louisiana

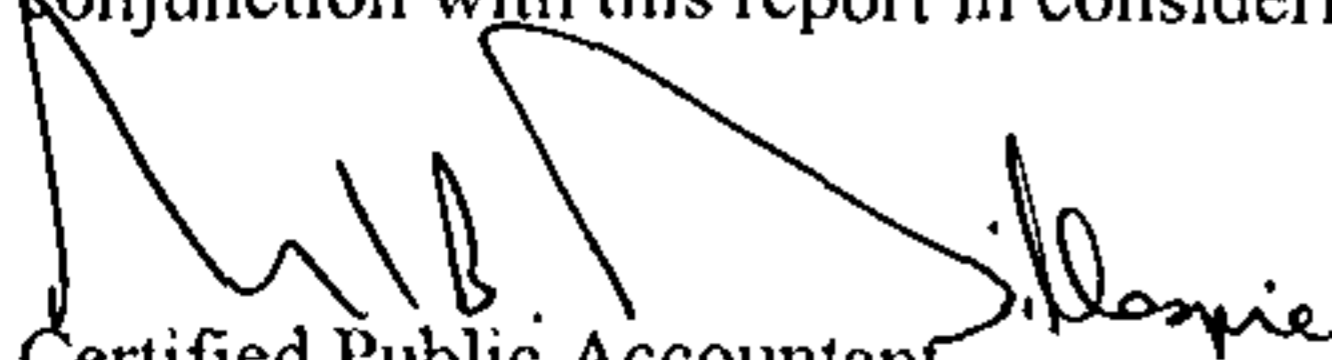
I have audited the accompanying general purpose financial statements of the District Attorney of the Thirty-First Judicial District, a component unit of the Jefferson Davis Parish Police Jury, as of December 31, 2001, and for the year then ended. These general purpose financial statements are the responsibility of the District Attorney of the Thirty-First Judicial District's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my 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. 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 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 in the first paragraph present fairly, in all material respects, the financial position of the District Attorney of the Thirty-First Judicial District, as of December 31, 2001, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

My audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining financial statements listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the District Attorney of the Thirty-First Judicial District. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

In accordance with *Government Auditing Standards*, I have also issued my report dated June 3, 2002 on my consideration of District Attorney of the Thirty-First Judicial District's internal control over financial reporting and my tests 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 my audit.


Certified Public Accountant

Jennings, Louisiana
June 3, 2002

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
Jennings, Louisiana

COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
As of December 31, 2001

	Governmental Funds		Fiduciary Fund-	Account Group	Total
	General	Special	Agency	General	(Memorandum
	Fund	Revenue	Funds	Fixed	Only)
		Funds		Assets	Only)
ASSETS AND OTHER DEBITS					
Assets:					
Cash and cash equivalents	\$ 40,647	\$ 56,228	\$ 149,601	\$ 0	\$ 246,476
Investments	321,433	173,642	0	0	495,075
Receivables:					
Due from other governments	39,862	17,990	0	0	57,852
Due from other funds	4,000	0	1,712	0	5,712
Other	805	0	16	0	821
Property and equipment	0	0	0	319,126	319,126
TOTAL ASSETS AND OTHER DEBITS	\$ 406,747	\$ 247,860	\$ 151,329	\$ 319,126	\$ 1,125,062
LIABILITIES, EQUITY, AND OTHER CREDITS					
Liabilities:					
Accounts payable	\$ 5,540	\$ 4,331	\$ 0	\$ 0	\$ 9,871
Payroll deductions and withholdings	14,571	1,368	0	0	15,939
Due to other governments	15,737	0	0	0	15,737
Due to other funds	0	5,712	0	0	5,712
Due to others	82	0	151,329	0	151,411
Total Liabilities	35,930	11,411	151,329	0	198,670
Equity and Other Credits:					
Investment in general fixed assets	0	0	0	319,126	319,126
Fund balances -unreserved -undesignated	370,817	236,449	0	0	607,266
Total Fund Equity and Other Credits	370,817	236,449	0	319,126	926,392
TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS	\$ 406,747	\$ 247,860	\$ 151,329	\$ 319,126	\$ 1,125,062

The accompanying notes are an integral part of this statement.

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
Jennings, Louisiana

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-ALL GOVERNMENTAL FUND TYPES**
Year Ended December 31, 2001

	<u>General Fund</u>	<u>Special Revenue</u>	<u>Total (Memorandum Only)</u>
REVENUES			
Commissions on fines and forfeitures and fees for collection of worthless checks	\$ 323,741	\$ 67,293	\$ 391,034
Intergovernmental revenues:			
Federal	45,270	46,326	91,596
State	214,327	23,865	238,192
Parish	392,547	0	392,547
Charges for services	3,000	14,056	17,056
Use of money and property	14,628	8,009	22,637
Other revenues	3,026	0	3,026
Total revenues	<u>996,539</u>	<u>159,549</u>	<u>1,156,088</u>
EXPENDITURES			
Current:			
Salaries and related benefits	656,200	37,055	693,255
Advertising, dues and subscriptions	8,261	18,256	26,517
Communications	1,275	1,639	2,914
Repairs and maintenance	15,136	0	15,136
Professional services	40,371	10,876	51,247
Insurance	0	4,979	4,979
Office supplies	2,170	3,040	5,210
Operating supplies	14,567	0	14,567
Travel and seminars	63,972	40	64,012
Other expenditures	18,142	32,000	50,142
Intergovernmental expenditures:			
Distributions to other governments - LACE	177,594	0	177,594
Distributions to Police Jury	1,540	46,626	48,166
Capital outlay	91,436	4,000	95,436
Total expenditures	<u>1,090,664</u>	<u>158,511</u>	<u>1,249,175</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(94,125)</u>	<u>1,038</u>	<u>(93,087)</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in	0	0	0
Operating transfers out	0	0	0
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>0</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>(94,125)</u>	<u>1,038</u>	<u>(93,087)</u>
FUND BALANCES AT BEGINNING OF YEAR	<u>464,942</u>	<u>235,411</u>	<u>700,353</u>
FUND BALANCES AT END OF YEAR	<u>\$ 370,817</u>	<u>\$ 236,449</u>	<u>\$ 607,266</u>

The accompanying notes are an integral part of this statement.

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT

Jennings, Louisiana

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL- GENERAL AND SPECIAL REVENUE FUND TYPES
Year Ended December 31, 2001**

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
Commissions on fines and forfeitures and fees for collection of worthless checks	\$ 250,000	\$ 323,741	\$ 73,741	\$ 43,000	\$ 67,293	\$ 24,293
Intergovernmental revenues:						
Federal	25,000	45,270	20,270	93,000	46,326	(46,674)
State	160,000	214,327	54,327	0	23,865	23,865
Parish	330,000	392,547	62,547	0	0	0
Charges for services	3,000	3,000	0	900	14,056	13,156
Use of money and property	8,000	14,628	6,628	6,500	8,009	1,509
Other revenues	500	3,026	2,526	0	0	0
Total revenues	<u>776,500</u>	<u>996,539</u>	<u>220,039</u>	<u>143,400</u>	<u>159,549</u>	<u>16,149</u>
EXPENDITURES						
Current:						
Salaries and related benefits	505,000	656,200	(151,200)	49,000	37,055	11,945
Advertising, dues and subscriptions	8,400	8,261	139	22,250	18,256	3,994
Communications	600	1,275	(675)	1,100	1,639	(539)
Repairs and maintenance	300	15,136	(14,836)	100	0	100
Professional services	5,000	40,371	(35,371)	12,200	10,876	1,324
Insurance	0	0	0	7,500	4,979	2,521
Office supplies	2,200	2,170	30	2,700	3,040	(340)
Operating supplies	4,000	14,567	(10,567)	300	0	300
Travel and seminars	40,000	63,972	(23,972)	900	40	860
Other expenditures	25,000	18,142	6,858	19,000	32,000	(13,000)
Intergovernmental expenditures:						
Distributions to other govts. - LACE	106,000	177,594	(71,594)	0	0	0
Distributions to other governments	0	1,540	(1,540)	25,000	46,626	(21,626)
Grants to other governments	40,000	0	40,000	5,200	0	5,200
Capital outlay	75,000	91,436	(16,436)	0	4,000	(4,000)
Total expenditures	<u>811,500</u>	<u>1,090,664</u>	<u>(279,164)</u>	<u>145,250</u>	<u>158,511</u>	<u>(13,261)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(35,000)</u>	<u>(94,125)</u>	<u>(59,125)</u>	<u>(1,850)</u>	<u>1,038</u>	<u>2,888</u>
OTHER FINANCING SOURCES (USES)						
Operating transfers in	0	0	0	0	0	0
Operating transfers out	0	0	0	0	0	0
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>(35,000)</u>	<u>(94,125)</u>	<u>(59,125)</u>	<u>(1,850)</u>	<u>1,038</u>	<u>2,888</u>
FUND BALANCES AT BEGINNING OF YEAR	<u>240,000</u>	<u>464,942</u>	<u>224,942</u>	<u>207,541</u>	<u>235,411</u>	<u>27,870</u>
FUND BALANCES AT END OF YEAR	<u>\$ 205,000</u>	<u>\$ 370,817</u>	<u>\$ 165,817</u>	<u>\$ 205,691</u>	<u>\$ 236,449</u>	<u>\$ 30,758</u>

The accompanying notes are an integral part of this statement.

**DISTRICT ATTORNEY OF THE THIRTY-FIRST
JUDICIAL DISTRICT**
Jennings, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2001

INTRODUCTION

Under constitutional provisions and LSA-RS 15.571, the office of the District Attorney is established within each judicial district. The District Attorney serves a term of six years and takes office on the first day of January following the election.

As provided by LSA-RS 16:1, the District Attorney represents the state in all civil actions, is in charge of every criminal prosecution by the state in his district, is the representative of the state before the grand juries in his district, and is the legal advisor to the grand juries. In addition, the District Attorney can ex officio be the regular attorney and counsel for the police jury, the parish school board within the district, and all state boards or commissions domiciled therein the members of which, in whole or in part, are elected by the people or appointed by the governor or other prescribed authority.

The jurisdiction of the District Attorney of the Thirty-First Judicial District is comprised of Jefferson Davis Parish and the office is located in the parish courthouse in the city of Jennings. The staff of the District Attorney is made up of fourteen employees including the District Attorney, three assistant District Attorneys, two investigators, an investigative assistant, a victim's coordinator and six clerical personnel.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the District Attorney of the Thirty-First Judicial District have been prepared in conformity with U.S. 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. REPORTING ENTITY

The District Attorney is an independent elected official; however, the District Attorney is fiscally dependent on the Jefferson Davis Parish Police Jury. The police jury maintains and operates the parish courthouse in which the District Attorney's office is located and provides funds for equipment and furniture of the District Attorney's office. In addition, the police jury's general purpose financial statements would be incomplete or misleading without inclusion of the District Attorney. For these reasons, the District Attorney was determined to be a component unit of the Jefferson Davis Parish Police Jury, the financial reporting entity.

The accompanying financial statements present information only on the funds maintained by the District Attorney and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that compromise the financial reporting entity.

**DISTRICT ATTORNEY OF THE THIRTY-FIRST
JUDICIAL DISTRICT**
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Notes to the Financial Statements
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C. FUND ACCOUNTING

The District Attorney 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 relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group 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 financial resources.

Funds of the District Attorney are classified as governmental funds. Governmental funds account for the District Attorney's general activities, including the collection and disbursement of specific or legally restricted monies, and the acquisition of general fixed assets. Governmental funds of the District Attorney include:

GENERAL FUND

The General Fund was established in compliance with Louisiana Revised Statute 15:571.11, which provides that 12 per cent of the fines collected and bonds forfeited be transmitted to the District Attorney to defray the necessary expenditures of his office.

TITLE IV-D SPECIAL REVENUE FUND

The Title IV-D Special Revenue Fund consists of incentive payments and reimbursement grants from the Louisiana Department of Social Services, 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 fund 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.

**WORTHLESS CHECK COLLECTION
FEE SPECIAL REVENUE FUND**

The Worthless Check Collection Fee Special Revenue Fund consists of fees collected in accordance with Louisiana Revised Statute 16:15, which provides for a specific fee whenever the District Attorney's office collects and processes a worthless check. Expenditures from this fund are at the sole discretion of the District Attorney and may be used to defray the salaries and the expenses of the office of the District Attorney, but may not be used to supplement the salary of the District Attorney.

DRUG FORFEITURE SPECIAL REVENUE FUND

**DISTRICT ATTORNEY OF THE THIRTY-FIRST
JUDICIAL DISTRICT
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Notes to the Financial Statements
As of and for the Year Ended December 31, 2001

The Drug Forfeiture Special Revenue Fund consists of 20% of the fines collected and bonds forfeited under the Seizure and Controlled Dangerous Substances Property Forfeiture Act of 1989 as prescribed under LRS 40:2616. At the discretion of the District Attorney these funds are put in this special revenue fund instead of the general fund as allowed by law. As provided by LRS 40:2616, these funds can be used for public purposes including, but not limited to use for prosecution, rewards, support and continuing legal education in furtherance of Chapter 26 Title 40.

DRUG ASSET SEIZURE AGENCY FUND

The Drug Asset Seizure Agency Fund was established in compliance with Louisiana Revised Statute 40:2616, which provides that the proceeds of any sale and any monies forfeited or obtained by judgement or settlement under the Seizure and Controlled Dangerous Substances Property Forfeiture Act of 1989 shall be deposited into a special trust fund until the court determines equitable distribution of these funds. This agency fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations. The law provides that the District Attorney shall administer expenditures from this fund in the following priority:

- For satisfaction of any bona fide security interest or lien.
- Thereafter, for payment of all proper expenses of the proceedings for forfeiture and sale, including expenses of seizure, maintenance of custody, advertising, and court costs.
- The remaining funds are to be allocated 60% to the law enforcement agency or agencies making the seizure, 20% to the criminal court fund, and 20% to any District Attorney's office that handles the forfeiture action for the state.

PRE-TRIAL INTERVENTION SPECIAL REVENUE FUND

The Pre-Trial Intervention Special Revenue Fund was established by the District Attorney to isolate the program revenues and expenditures. The program is a diversion program which is offered to selected non-violent offenders as an alternative to prosecution. Participants receive coordinated assistance in job placement, educational and vocational referrals, personal and group counseling, and referrals to other community agencies appropriate to their needs. The revenues for this fund are derived from charges for services to participants and operating transfers from other funds of the District Attorney.

ESCROW AGENCY FUND

The Escrow Agency Fund was created to account for collections by the District Attorney's office which are to be distributed to other agencies and victims of crimes.

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Notes to the Financial Statements
As of and for the Year Ended December 31, 2001

This fund is custodial in nature and does not involve measurement of results of operations.

WORTHLESS CHECKS ESCROW AGENCY FUND

This fund was established to account for collections of worthless check restitution and fees to be distributed to victims and other government agencies. This fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations.

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 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. The modified accrual basis of accounting is used by the governmental funds. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Intergovernmental revenues and fees, charges for services, and commissions on fines and forfeitures are recorded when the District Attorney is entitled to the funds or earlier if susceptible to accrual criteria are met.

Interest earnings on time deposits are recorded when the time deposits have matured and the interest is available to the District Attorney.

Substantially all other revenues are recorded when received.

Expenditures

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

Other Financing Sources

Transfers between funds that are not expected to be repaid are accounted for as other financing sources and uses in the accounting period in which the transfers occur. Proceeds from the sale of fixed assets and insurance proceeds received on damaged fixed assets are also accounted for as other financing sources and are recognized when received.

**DISTRICT ATTORNEY OF THE THIRTY-FIRST
JUDICIAL DISTRICT
Jennings, Louisiana**

Notes to the Financial Statements
As of and for the Year Ended December 31, 2001

E. BUDGET PRACTICES

Pursuant to the Louisiana Local Government Budget Act (LSA-RS 39: 1301-1314) the District Attorney is required to prepare an annual budget, have a public hearing, and make the budget available for public inspection no later than fifteen days prior to the beginning of each year. A notice stating that a public hearing on the proposed budget shall be held with the date, time, and place of hearing specified in the notice is required to be published at least ten days prior to the date of the first public hearing.

The budget was prepared prior to December, 2000. The notice making the proposed budget available for public inspection was published on December 24, 2000. The budget was adopted on December 27, 2000.

F. ENCUMBRANCES

The District Attorney does not use encumbrance accounting.

G. DEPOSITS AND INVESTMENTS

Cash includes amounts in demand deposit, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. The District is authorized to open depositories in only those banks with branch offices in the state.

State statutes authorize the District Attorney to invest in United States bonds, treasury notes and bills, or certificates or time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a non-profit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. In accordance with GASB Statement 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, the District Attorney has stated their investments at cost. Investments with a maturity at time of purchase of greater than one year are presented at fair value. Fair value is determined by obtaining "quoted" year end market prices. The District Attorney had no investments with an original maturity greater than one year at time of purchase and thus no amounts at fair value are listed in the balance sheet.

H. FIXED ASSETS

Fixed assets are recorded as expenditures at the time purchased, and the related assets are capitalized (reported) in the general fixed assets account group. General fixed assets provided by the parish police jury are not recorded within the general fixed assets account group. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical

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Notes to the Financial Statements
As of and for the Year Ended December 31, 2001

cost or estimated cost if historical cost is not available. Approximately 4 per cent of fixed assets costs have been estimated.

I. COMPENSATED ABSENCES

The District Attorney has the following policy relating to vacation and sick leave:

Vacations

Clerical personnel are granted ten working days per year for the first through fifth year of service, fifteen working days per year for the sixth through twelfth year; and twenty working days per year for service beyond twelve years. Primarily all of the clerical personnel's salaries are paid by the police jury's criminal court fund. This part of the vacation liability applies to the police jury and not the District Attorney's office. However, vacation time must be taken before the end of the year or it is forfeited. The District Attorney does not allow vacation time to accumulate or vest beyond year end.

All District Attorneys and the administrative and investigative assistants are authorized ten working days per year for the first year of service, then fifteen working days per year for the second through tenth year of service; and twenty-five days per year after ten years of service.

Vacation time must be used before the end of the year or it is forfeited. The District Attorney does not allow vacation time to accumulate or vest beyond year end.

Sick Leave

Each employee shall accrue sick leave at the rate of one day per month, the first five years, then one and a half days per month for all years thereafter. Accumulated sick leave cannot exceed 180 days. Employees cannot be paid for accrued sick leave when they resign, retire or are terminated.

The cost of current leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current year expenditure in the governmental funds when the leave is actually taken. As of December 31, 2001, the District Attorney did not have a liability for accrued vacation leave since this benefit does not vest past year end. Therefore the financial statements do not contain a liability for unpaid vacation pay. The District Attorney does not accrue a liability for nonvesting accumulating rights to receive sick pay benefits as allowed by GASB C60.611.

J. TOTAL COLUMNS ON STATEMENTS

The total columns on the 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 generally accepted accounting principles.

**DISTRICT ATTORNEY OF THE THIRTY-FIRST
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Notes to the Financial Statements
As of and for the Year Ended December 31, 2001

Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

2. DEPOSITS AND INVESTMENTS

Deposits

At December 31, 2001, the District Attorney has cash and cash equivalents (book balances) totaling \$246,476 as follows:

Demand deposits	\$ 111,871
Interest-bearing demand deposits	<u>134,605</u>
 Total Book Balances	 <u>\$ 246,476</u>

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. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 2001, the District Attorney has \$ 266,589 in deposits (collected bank balances). These deposits are secured from risk by \$ 252,897 of federal deposit insurance and \$13,692 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) 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 District Attorney that the fiscal agent has failed to pay deposited funds upon demand.

Investments

The District Attorney invests only in certificates of deposit and participates in the Louisiana Asset Management Pool, Inc. (LAMP), which is an external local government investment pool. In accordance with GASB Statement 3, *Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements*, the investment in LAMP at year end is not categorized in the three risk categories provided by this statement because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. The corporation is governed by a board of directors comprising the State Treasurer, representatives from various organizations of local government, the Government Finance Officers Association of Louisiana, and the Society of Louisiana CPA's. Only local governments having contracted to participate in LAMP have

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Notes to the Financial Statements
As of and for the Year Ended December 31, 2001

an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

The fair value of the position in the pool is the same as the value of the pool shares.

Investments are categorized into the following three categories of credit risk in accordance with GASB 3 to give an indication of the level of risk assumed by the District Attorney.

Category 1 – includes investments that are insured or registered, or securities held by the government or its agent in the District Attorney’s name.

Category 2 – includes investments that are uninsured and unregistered, with securities held by the counterparty’s trust department or agent in the District Attorney’s name.

Category 3 – includes investments that are uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the District Attorney’s name.

At year end the District Attorney’s investment balances were as follows:

Investment Type	Category 1	Category 3	Carrying Amount	Fair Value
Certificates of Deposit	\$ 196,708	\$ 19,722	\$ 216,430	\$ 216,430
Total	<u>196,708</u>	<u>19,722</u>	216,430	<u>216,430</u>
Investments not subject to categorization:				
Louisiana Assets Management Pool			278,645	278,645
Total Investments			<u>495,075</u>	<u>\$ 495,075</u>

3. RECEIVABLES

Accounts receivable at December 31, 2001, are as follows:

**DISTRICT ATTORNEY OF THE THIRTY-FIRST
JUDICIAL DISTRICT
Jennings, Louisiana**

Notes to the Financial Statements
As of and for the Year Ended December 31, 2001

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>
Due from other governments		
Fines and forfeitures	\$ 28,162	\$ -0-
LACE program reimbursement	11,700	-0-
Title IV-D administrative payments	-0-	17,990
	<u> </u>	<u> </u>
Total	\$ 39,862	\$ 17,990
	<u> </u>	<u> </u>

4. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	<u>Cost/Basis Beginning 1/1/01</u>	<u>Additions</u>	<u>Deletions</u>	<u>Adjustments</u>	<u>Cost/Basis Ending 12/31/01</u>
Automobiles	49,144	14,995	17,321	-0-	46,818
Improvements	56,172	13,383	-0-	-0-	69,555
Equipment and furniture	138,723	66,058	3,528	-0-	201,253
Other	-0-	1,500	-0-		1,500
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	244,039	95,936	20,849	-0-	319,126
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

5. PENSION PLANS

A. Louisiana District Attorney's Retirement System

Plan Description. The District Attorney and assistant District Attorneys are members of the Louisiana District Attorneys Retirement System (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

Assistant District Attorneys who earn, as a minimum, the amount paid by the state for assistant District Attorneys and are under the age of 60 at the time of original employment and all District Attorneys are required to participate in the System. For members who joined the System before July 1, 1990, and who elected not to be covered by the new provisions, the following applies: Any member with 23 or more years of creditable service regardless of age may retire with a 3 per cent benefit reduction for

**DISTRICT ATTORNEY OF THE THIRTY-FIRST
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Notes to the Financial Statements
As of and for the Year Ended December 31, 2001

each year below age 55, provided that no reduction is applied if the member has 30 or more years of service. Any member with at least 18 years of service may retire at age 55 with a 3 per cent benefit reduction for each year retiring below the age of 60. In addition, any member with at least 10 years of service may retire at age 60 with a 3 per cent benefit reduction for each year retiring below the age of 62. The retirement benefit is equal to 3 per cent of the member's average final compensation multiplied by the number of years of his membership service, not to exceed 100 per cent of his average final compensation.

For members who joined the System after July 1, 1990, or who elected to be covered by the new provisions the following applies: Members are eligible to receive normal retirement benefits if they are age 60 and have 10 years of service credit, are age 55 and have 24 years of service credit, or have 30 years of service credit regardless of age. The normal retirement benefit is equal to 3.5 per cent of the member's final-average compensation multiplied by years of membership service. A member is eligible for early retirement if he is age 55 and has 18 years of service credit. The early retirement benefit is equal to the normal retirement benefit reduced 3 per cent for each year the member retires in advance of normal retirement age. Benefits may not exceed 100 per cent of average final compensation. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana District Attorneys Retirement System, 2109 Decatur Street, New Orleans, Louisiana 70116-2091, or by calling (504) 947-5551.

Funding Policy. Plan members are required by state statute to contribute 7.0 per cent of their annual covered salary and the District Attorney is required to contribute at an actuarially determined rate. The current rate is 0 per cent of annual covered payroll. Contributions to the System also include .2 per cent of the ad valorem taxes collected throughout the state and revenue sharing funds as appropriated by the legislature. The contribution requirements of plan members and the District Attorney are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the result of the valuation for the prior fiscal year. The District Attorney's contributions to the System for the years ending December 31, 2001, 2000, and 1999 were \$0, \$0, and \$0, respectively, equal to the required contributions for each year.

B. Parochial Employees' Retirement System of Louisiana (PERS)

Plan Description. Substantially all employees, exclusive of the District Attorney and the assistant District Attorneys of the District Attorney's office are members of the Parochial Employees' Retirement System of Louisiana (System), a cost-sharing multiple-employer defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All participating employees of the District Attorney are members of Plan A.

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All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 per cent of their final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only prior to January 1, 1980, the benefit is equal to one per cent of their final average salary plus \$24 for each year of supplemental-plan-only service earned prior to January 1, 1980. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

The system issues an annual publicly available report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System of Louisiana, Post Office Box 14619, Baton Rouge, Louisiana, 70898-4619, or by calling (225) 928-1361.

Funding Policy. Under Plan A, members are required by state statute to contribute 9.50% of their annual covered salary and the District Attorney of the Thirty-First Judicial District is required to contribute at a statutory rate based on actuarially determined computations. The current rate is 7.75% of covered payroll. Contributions to the System also include one-fourth of one per cent of the taxes shown to be collectible (except for Orleans and East Baton Rouge parishes) by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the District Attorney of the Thirty-First Judicial District are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the result of the valuation for the prior fiscal year. The District Attorney of the Thirty-First Judicial District's contribution to the System under Plan A for the year ending December 31, 2001, 2000 and 1999 was \$5,822, \$ 2,180 and \$ 1,938, respectively, equal to the required contribution for each year.

6. CHANGES IN AGENCY FUND LIABILITIES

A summary of changes in agency fund liabilities due to others follows:

**DISTRICT ATTORNEY OF THE THIRTY-FIRST
JUDICIAL DISTRICT**
Jennings, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2001

	Escrow Fund	Drug Assets Seizure Fund	Worthless Checks Escrow	Total
Balance at January 1, 2001	\$ 11,270	\$ 271,667	\$ 6,132	\$ 289,069
Additions:				
Bond forfeitures collected	\$ 93,000	\$ 0	\$ 0	\$ 93,000
Restitution collected	28,854	0	165,942	194,796
Funds seized and auction proceeds	0	76,713	0	76,713
Interest earned	0	4,411	0	4,411
 Total Additions	 \$ 121,854	 \$ 81,124	 \$ 165,942	 \$ 368,920
Deductions:				
Distributed to victims	\$ 24,275	\$ 0	\$ 120,221	\$ 144,496
Distributed to defendants	0	295	0	295
Distributed to sheriff	25,929	73,306	12,385	111,620
Distributed to District Attorney	30,640	62,042	29,934	122,616
Distributed to criminal court fund	25,814	36,859	0	62,673
Distributed to indigent defender board	20,988	0	0	20,988
Distributed to state police	0	40,443	0	40,443
Distributions to other governments	0	224	0	224
Proceedings and forfeiture expenses	0	3,305	0	3,305
Total Deductions	127,646	216,474	162,540	506,660
 Balance at December 31, 2001	 \$ 5,478	 \$ 136,317	 \$ 9,534	 \$ 151,329

7. CONTINGENCIES

The District Attorney participates in a number of Federal and State Financial Assistance Programs. These programs are subject to further financial and compliance audits by the grantor agencies. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. Based on prior experience, the District Attorney feels such amounts, if any, would be immaterial to the financial statements.

**DISTRICT ATTORNEY OF THE THIRTY-FIRST
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Notes to the Financial Statements
As of and for the Year Ended December 31, 2001

The District Attorney is the defendant in a number of lawsuits as of year end. Legal counsel has determined that potential liability, if any, will not exceed commercial insurance coverage as of the issuance date of these financial statements. Accordingly, no provision for losses, exceeding available insurance coverage, has been recorded in the accompanying financial statements.

8. EXPENDITURES OVER BUDGET APPROPRIATIONS

The following individual funds had an unfavorable budget variance for the year ended December 31, 2001:

Fund	Budget Category	Budgeted Amount	Actual Amount	Unfavorable Variance
General	Expenditures	811,500	1,090,664	279,164
Worthless Check	Expenditures	22,900	34,852	11,952
Title IV-D	Expenditures	64,150	70,476	6,326
Partial Intervention	Expenditures	0	4,049	4,049

All of the above unfavorable variances were funded by either current year excess of revenues over budgeted amounts or prior year fund balances.

9. ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES

The Jefferson Davis Parish Police Jury's General Fund and Criminal Court Fund, and the State of Louisiana pay a portion of the salaries and benefits of the District Attorney's office. These on-behalf payments have been recorded in the accompanying financial statements, in accordance with Governmental Accounting Standards Board Statement 24 as intergovernmental revenues and expenditures as follows:

Intergovernmental Revenues:	
State	\$ 149,204
Parish	212,533
Total	<u>\$ 361,737</u>
Expenditures:	
Salaries and related benefits	<u>\$ 361,737</u>

The above amounts include \$0 paid to the District Attorneys Retirement System and \$14,194 paid to the Parochial Employees' Retirement System of Louisiana for pension contributions for the District Attorney's employees.

**DISTRICT ATTORNEY OF THE THIRTY-FIRST
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Notes to the Financial Statements
As of and for the Year Ended December 31, 2001

10. RELATED PARTY TRANSACTIONS

The District Attorney's office has reimbursed the Police Jury for the following expenses:

General Fund – reimburse portion of salary and benefits	\$ 1,540
Title IV-D Fund – reimburse portion of program salaries	\$ 31,626
Worthless Check Fund- reimburse for remodeling	\$ 15,000

Certain operating expenditures of the District Attorney's office are paid by the Parish Police Jury, as required by Louisiana law, and are not included in the accompanying financial statements. These expenditures include among other things the provision of office facilities including utilities and insurance. A complete listing of the nature and amount of these expenditures was not available for disclosure.

11. RISK MANAGEMENT

The District Attorney's office is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District Attorney carries commercial insurance for errors and omissions. All other risks of loss are covered by commercial insurance provided by the Police Jury. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

SUPPLEMENTAL INFORMATION SCHEDULES

SPECIAL REVENUE FUNDS

WORTHLESS CHECK FUND

The Worthless Check Collection Fee Special Revenue Fund consists of fees collected in accordance with Louisiana Revised Statute 16:15, which provides for a specific fee whenever the District Attorney's office collects and processes a worthless check. Expenditures from this fund are at the sole discretion of the District Attorney and may be used to defray the salaries and the expenses of the office of the District Attorney, but may not be used to supplement the salary of the District Attorney.

TITLE IV-D PROGRAM

The Title IV-D Special Revenue Fund consists of incentive payments and reimbursement grants from the Louisiana Department of Social Services, 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 fund 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.

DRUG FORFEITURE

The Drug Forfeiture Special Revenue Fund consists of 20% of the fines collected and bonds forfeited under the Seizure and Controlled Dangerous Substances Property Forfeiture Act of 1989 as prescribed under LRS 40:2616. At the discretion of the District Attorney these funds are put in this special revenue fund instead of the general fund as allowed by law. As provided by LRS 40:2616, these funds can be used for public purposes including, but not limited to use for prosecution, rewards, support and continuing legal education in furtherance of chapter 26 of Title 40.

PRE-TRIAL INTERVENTION SPECIAL REVENUE FUND

The Pre-Trial Intervention Special Revenue Fund was established by the District Attorney to isolate the program revenues and expenditures. The program is a diversion program which is offered to selected non-violent offenders as an alternative to prosecution. Participants receive coordinated assistance in job placement, educational and vocational referrals, personal and group counseling, and referrals to other community agencies appropriate to their needs. The revenues for this fund are derived from charges for services to participants and operating transfers from other funds of the District Attorney.

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
Jennings, Louisiana

COMBINING BALANCE SHEET-SPECIAL REVENUE FUNDS

As of December 31, 2001

	Worthless Check Fund	Title IV-D Program Fund	Drug Forfeiture Fund	Pretrial Intervention Fund	Total (Memorandum Only)
ASSETS					
Cash and cash equivalents	\$ 8,654	\$ 1,832	\$ 27,804	\$ 17,938	\$ 56,228
Investments	16,704	17,105	139,833	0	173,642
Receivables:					
Due from other governments	0	17,990	0	0	17,990
TOTAL ASSETS	\$ 25,358	\$ 36,927	\$ 167,637	\$ 17,938	\$ 247,860
 LIABILITIES AND EQUITY					
Liabilities:					
Accounts payable	\$ 0	\$ 2,799	\$ 1,532	\$ 0	\$ 4,331
Payroll deductions and withholdings	0	1,368	0	0	1,368
Due to other funds	0	4,000	1,712	0	5,712
Total Liabilities	0	8,167	3,244	0	11,411
Equity					
Fund balances -unreserved -undesignated	25,358	28,760	164,393	17,938	236,449
Total Fund Equity	25,358	28,760	164,393	17,938	236,449
TOTAL LIABILITIES AND EQUITY	\$ 25,358	\$ 36,927	\$ 167,637	\$ 17,938	\$ 247,860

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT

Jennings, Louisiana

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-SPECIAL REVENUE FUND TYPES**

Year Ended December 31, 2001

	<u>Worthless Check Fund</u>	<u>Title IV-D Program Fund</u>	<u>Drug Forfeiture Fund</u>	<u>Pretrial Intervention Fund</u>	<u>Total</u>
REVENUES					
Commissions on fines and forfeitures and fees for collection of worthless checks	\$ 30,434	\$ 0	\$ 36,859	\$ 0	\$ 67,293
Intergovernmental revenues:					
Federal	0	46,326	0	0	46,326
State	0	23,865	0	0	23,865
Charges for services	0	0	0	14,056	14,056
Use of money and property	665	856	6,488	0	8,009
Total revenues	<u>31,099</u>	<u>71,047</u>	<u>43,347</u>	<u>14,056</u>	<u>159,549</u>
EXPENDITURES					
Current:					
Salaries and related benefits	0	37,055	0	0	37,055
Advertising, dues and subscriptions	0	0	18,256	0	18,256
Communications	0	1,639	0	0	1,639
Professional services	10,876	0	0	0	10,876
Insurance	4,979	0	0	0	4,979
Office supplies	15	108	2,917	0	3,040
Travel and seminars	0	40	0	0	40
Other expenditures	3,982	8	27,961	49	32,000
Intergovernmental expenditures:					
Distributions to other govts. - LACE	0	0	0	0	0
Distributions to Police Jury	15,000	31,626	0	0	46,626
Grants to other governments	0	0	0	0	0
Capital outlay	0	0	0	4,000	4,000
Total expenditures	<u>34,852</u>	<u>70,476</u>	<u>49,134</u>	<u>4,049</u>	<u>158,511</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(3,753)</u>	<u>571</u>	<u>(5,787)</u>	<u>10,007</u>	<u>1,038</u>
OTHER FINANCING SOURCES (USES)					
Operating transfers in	0	0	0	0	0
Operating transfers out	0	0	0	0	0
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>(3,753)</u>	<u>571</u>	<u>(5,787)</u>	<u>10,007</u>	<u>1,038</u>
FUND BALANCES AT BEGINNING OF YEAR	<u>29,111</u>	<u>28,189</u>	<u>170,180</u>	<u>7,931</u>	<u>235,411</u>
FUND BALANCES AT END OF YEAR	<u>\$ 25,358</u>	<u>\$ 28,760</u>	<u>\$ 164,393</u>	<u>\$ 17,938</u>	<u>\$ 236,449</u>

AGENCY FUNDS

ESCROW AGENCY FUND

The Escrow Agency Fund was created to account for collections by the District Attorney's office which are to be distributed to other agencies and victims of crimes. This fund is custodial in nature and does not involve measurement of results of operations.

DRUG ASSET SEIZURE AGENCY FUND

The Drug Asset Seizure Agency Fund was established in compliance with Louisiana Revised Statute 40:2616, which provides that the proceeds of any sale and any monies forfeited or obtained by judgement or settlement under the Seizure and Controlled Dangerous Substances Property Forfeiture Act of 1989 shall be deposited into a special trust fund until the court determines equitable distribution of these funds. This agency fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations. The law provides that the District Attorney shall administer expenditures from this fund in the following priority:

- For satisfaction of any bona fide security interest or lien.
- Thereafter, for payment of all proper expenses of the proceedings for forfeiture and sale, including expenses of seizure, maintenance of custody, advertising, and court costs.
- The remaining funds are to be allocated 60% to the law enforcement agency or agencies making the seizure, 20% to the criminal court fund, and 20% to any District Attorney's office that handles the forfeiture action for the state.

WORTHLESS CHECKS ESCROW AGENCY FUND

This fund was established to account for collections of worthless check restitution and fees to be distributed to victims and other government agencies. This fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations.

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
Jennings, Louisiana

COMBINING BALANCE SHEET-AGENCY FUNDS
As of December 31, 2001

	<u>Escrow Fund</u>	<u>Drug Assets Seizure Fund</u>	<u>Worthless Checks Escrow Fund</u>	<u>Total (Memorandum Only)</u>
ASSETS AND OTHER DEBITS				
Assets:				
Cash and cash equivalents	\$ 5,462	\$ 134,605	\$ 9,534	\$ 149,601
Receivables:				
Due from other funds	0	1,712	0	1,712
Other	<u>16</u>	<u>0</u>	<u>0</u>	<u>16</u>
TOTAL ASSETS AND OTHER DEBITS	<u>\$ 5,478</u>	<u>\$ 136,317</u>	<u>\$ 9,534</u>	<u>\$ 151,329</u>
LIABILITIES, EQUITY, AND OTHER CREDITS				
Liabilities:				
Due to other funds	\$ 0	\$ 0	\$ 0	\$ 0
Due to others	<u>5,478</u>	<u>136,317</u>	<u>9,534</u>	<u>151,329</u>
TOTAL LIABILITIES	<u>\$ 5,478</u>	<u>\$ 136,317</u>	<u>\$ 9,534</u>	<u>\$ 151,329</u>

**OTHER REPORTS REQUIRED BY
GOVERNMENTAL AUDITING STANDARDS**

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

Honorable Michael C. Cassidy
District Attorney
Thirty-First Judicial District
Jennings, Louisiana

I have audited the general purpose financial statements of the District Attorney of the Thirty-First Judicial District, a component unit of the Jefferson Davis Parish Police Jury, as of and for the year ended December 31, 2001, and have issued my report thereon dated June 3, 2002. I conducted my 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 District Attorney of the Thirty-First Judicial District'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 a 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 2001-1.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the District Attorney of the Thirty-First Judicial District'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. However, I noted certain matters involving the internal control over financial reporting and its operation that I consider to be reportable conditions. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgement, could adversely affect the District Attorney of the Thirty-First Judicial District's ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as item 1996-1.

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. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be

material weaknesses. However, of the reportable conditions described above I consider item 1996-1 to be material weaknesses.

This report is intended for the information of the District Attorney, management, others within this organization, and the Louisiana Legislative Audit Advisory Council and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.



Certified Public Accountant

Jennings, Louisiana
June 3, 2002

**DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2001**

SECTION I - SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unqualified opinion on the general purpose financial statements of the District Attorney of the Thirty-First Judicial District.
2. One reportable condition was disclosed during the audit of the financial statements and is reported in the Independent Auditor's Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards. This reportable condition was also reported as a material weakness.
3. One instance of noncompliance material to the financial statements of the District Attorney of the Thirty-First Judicial District, which would be required to be reported in accordance with Government Auditing Standards, was disclosed during the audit.
4. Since the District Attorney of the Thirty-First Judicial District did not require a Single Audit, a report on reportable conditions concerning internal control over major federal award programs was not applicable.
5. Since the District Attorney of the Thirty-First Judicial District did not require a Single Audit, an auditor's report on compliance for the major federal award programs was not applicable.
6. Since the District Attorney of the Thirty-First Judicial District did not require a Single Audit, a report of audit findings relative to the major federal award programs was not applicable.
7. A management letter was not issued.
8. The programs tested as major programs included:

<u>CFDA No.</u>	<u>Program Name</u>
Not applicable	Not applicable

9. The threshold used for distinguishing between Type A and B federal award programs was not applicable.
10. A statement as to whether the auditee qualified as a low-risk auditee under OMB Circular Q-133 was not applicable.

SECTION II – INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

Reportable Conditions – Current Year Findings:

Finding 2001-1: Bid Law Non-compliance

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2001

Condition: Review of purchasing procedures disclosed one instances of non-compliance with Louisiana Revised Statute 38:2212, commonly referred to as the Public Bid Law.

Cause: On June 1, 2001, the District Attorney's General Fund purchased various office furnishings and fixtures from a single vendor, General Office Supply, in the amount of \$25,154.05. Inquires with personnel indicated that this acquisition was not advertised for bids as required pursuant to LRS38:2212.

Effect of Condition: The effect of this condition is non-compliance with LRS 38:2212 and the possibility that the furniture and fixtures were not purchased at the best available price.

Recommendation: I recommend that management review the requirements of LRS 38:2212 and apply them to all future purchases of materials and supplies.

Auditee Response: The purchase of these furniture and office fixtures were made in conjunction with a recommendation obtained from an professional interior decorator. The acquisition was approved based on the understanding that it was part of her overall professional services being provided. In the future all materials and supplies in excess of the \$15,000 will be advertised for public bid.

Reportable Conditions – Prior Year Findings:

Finding 1996-1 : Drug Seizure Agency Fund Controls and Procedures

Condition: The Drug Seizure Agency Fund, which was established to account for collections of fines and assets forfeited under the Seizure and Controlled Dangerous Substances Property Forfeiture Act of 1989 as prescribed under LRS 40:2616, lacks adequate accounting controls and procedures. This condition existed in the prior year and has been improved somewhat, however improvements do not warrant removal of this condition.

Cause: The Drug Seizure Agency Fund subsidiary ledger of amounts due to defendants and others is not being reconciled to the balance in the bank statement.

Effect of Condition: This condition represents a significant deficiency in the design or operation of internal control, which could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. In addition, not reconciling the subsidiary ledger of this account causes the build-up of unresolved case deposits to go unmonitored. Over time this may cause noncompliance with the State Unclaimed Property laws, since these unresolved case deposits if not pursued within the proper legal time frames should be returned to the defendant or submitted to the State Unclaimed Property Division.

Recommendation: I recommend that the subsidiary ledger of amounts due to defendants and others be maintained and reconciled on at least a monthly basis to the amount contained in the bank account. All deposits and collections made into or from this bank account should flow through the subsidiary ledger activity sheets. These reconciliations and the underlying workpapers should be reviewed and

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2001

approved monthly by someone in an authoritative position above the person responsible for preparing the necessary documents.

Auditee Response: We are continuing to improve our procedures in this area.

SECTION III -INTERNAL CONTROL AND COMPLIANCE MATERIAL TO MAJOR FEDERAL AWARDS

Not applicable since the auditee did not require a Single Audit.

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SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
For the Year Ended December 31, 2001

SECTION I – Internal Control and Compliance Material to the Financial Statements:

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken (Yes, No, Partially)	Planned Corrective Action/ Partial Corrective Action Taken	Additional Explanation
96-1	1996	The Drug Seizure Agency Fund subsidiary ledger of amounts due to defendants and others is not being reconciled to the balance in the bank statement.	Partially	Administrative personnel are in the process of developing monthly procedures needed in order to eliminate finding.	N/A

SECTION II - Internal Control and Compliance Material to the Federal Awards:

No findings reported.

SECTION III – Management Letter:

No findings reported.

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MANAGEMENT'S CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
For the Year Ended December 31, 2001

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

Finding 2001-1: Bid Law Non-compliance

Auditor's Recommendation: I recommend that management review the requirements of LRS 38:2212 and apply them to all future purchases of materials and supplies.

Management's Corrective Action Plan: In the future all materials and supplies in excess of the \$15,000 will be advertised for public bid.

Finding 1996-1: Drug Seizure Agency Fund Controls and Procedures

Recommendation: I recommend that the subsidiary ledger of amounts due to defendants and others be maintained and reconciled on at least a monthly basis to the amount contained in the bank account. All deposits and collections made into or from this bank account should flow through the subsidiary ledger activity sheets. These reconciliations and the underlying workpapers should be reviewed and approved monthly by someone in an authoritative position above the person responsible for preparing the necessary documents.

Management's Corrective Action Plan: We are continuing to improve our procedures in this area.

Section II- Internal Control and Compliance Material to Federal Awards:

No findings reported.

Section III- Management Letter:

No findings reported.