

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT**

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
NEW ORLEANS, LOUISIANA**

DECEMBER 31, 2022

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INDEPENDENT AUDITOR'S REPORT

District Attorney of the Orleans Judicial District
619 S. White St.
New Orleans, Louisiana 70119

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District Attorney of the Orleans Judicial District, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the District Attorney of the Orleans Judicial District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District Attorney of the Orleans Judicial District, as of December 31, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District Attorney of the Orleans Judicial District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District Attorney of the Orleans Judicial District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District Attorney of the Orleans Judicial District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District Attorney of the Orleans Judicial District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Change in Accounting Principle

As described in Note 8 to the financial statements, in 2022, the District Attorney of the Orleans Judicial District adopted new accounting guidance, GASB Statement No. 87, Leases. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 7–11), budgetary comparison information (page 52), schedule of proportionate share of the net pension liability (page 53), and the schedule of pension contributions (page 54) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards

generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District Attorney of the Orleans Judicial District's basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of compensation, benefits, and other payments to agency head or chief executive officer, justice system funding schedule - collecting/disbursing entity, and justice system funding schedule - receiving entity are presented for purposes of additional analysis as required by the Louisiana Legislative Auditor and are also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards; schedule of compensation, benefits, and other payments to agency head or chief executive officer; justice system funding schedule - collecting/disbursing entity; and justice system funding schedule - receiving entity are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 31, 2023, on our consideration of the District Attorney of the Orleans Judicial District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District Attorney of the Orleans Judicial District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District Attorney of the Orleans Judicial District's internal control over financial reporting and compliance.

LeBlanc & Associates CPAs, L.L.C.

Metairie, Louisiana
August 31, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

The District Attorney of the Orleans Judicial District (the "District Attorney") management's discussion and analysis is intended to assist the reader in focusing on significant financial issues, provide an overview of the District Attorney's financial activity, and identify changes in the District Attorney's financial position and its ability to address the next and subsequent year challenges. It also identifies any material deviations from the financial plan and identifies individual fund issues or concerns. This is a requirement of the Governmental Accounting Standards Board Statement No. 34 (GASB 34) *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* and is intended to provide the financial results for the fiscal year ending December 31, 2022.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management Discussion and Analysis document introduces the District Attorney's basic financial statements, as required in GASB 34, the financial report is presented in the following order:

- Management's Discussion and Analysis
- Basic Financial Statements
 - Government-Wide Financial Statements
 - Fund Financial Statements
 - Notes to the Financial Statements
- Other Required Supplementary Information
 - Budgetary Comparison Schedule
 - Schedule of District Attorney's Proportionate Share of the Net Pension Liability
 - Schedule of the District Attorney's Pension Contributions
- Other Supplementary Information
 - Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer
 - Justice System Funding Schedule - Collecting/Disbursing Entity
 - Justice System Funding Schedule - Receiving
- Single Audit Section

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements provide a perspective of the District Attorney's Office as a whole. These statements use the full accrual basis of accounting similar to private sector companies. There are two government-wide statements: the Statement of Net Position and the Statement of Activities.

The Statement of Net Position combine and consolidate governmental funds' current financial resources (short-term expendable resources) with capital assets and long-term obligations, regardless of whether or not they are currently available.

Consistent with the full accrual basis method of accounting, the Statement of Activities accounts for current year revenues and expenses regardless of when cash is received or paid. The intent of this statement is to summarize and simplify the user's analysis of the costs of various services.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

FUND FINANCIAL STATEMENTS

The fund statements are reported using the modified accrual method of accounting. Under this basis of accounting, revenues are recorded when received except where they are measurable and available and therefore represent resources that may be appropriated. Expenditures are accounted for in the period that goods and services are used. In addition, capital asset purchases are expensed and not recorded as assets. Debt payments are recorded as expenditures in the current year and future debt obligations are not recorded.

The District Attorney has two types of funds: Governmental Funds and Fiduciary Funds.

Governmental Funds

The Governmental Funds are reported in the fund financial statements and encompass the same function reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the District Attorney's governmental funds, including object classifications. These statements report short-term fiscal accountability focusing on the use of expendable resources and balances of expendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of expendable resources for the near-term. Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

Fiduciary Funds

Fiduciary fund reporting focuses on the custodial fund assets and liabilities. The funds accounted for in this category by the District Attorney are the Asset Forfeiture Custodial Funds, Bond Forfeiture Custodial Funds, and Bail Posting Custodial Funds.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

FINANCIAL ANALYSIS OF THE DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT

	<u>2022</u>	<u>2021</u>
ASSETS		
Current assets	\$ 2,635,931	\$ 1,267,366
Capital assets, net	<u>1,029,942</u>	<u>902,059</u>
Total assets	<u>3,665,873</u>	<u>2,169,425</u>
Deferred outflows of resources	<u>6,247,672</u>	<u>4,420,224</u>
 LIABILITIES		
Current liabilities	1,988,291	1,500,015
Long-term liabilities	<u>15,037,872</u>	<u>12,713,354</u>
Total liabilities	<u>17,026,163</u>	<u>14,213,369</u>
Deferred inflows of resources	<u>2,598,490</u>	<u>2,601,030</u>
 NET POSITION		
Net investment in capital assets	643,854	902,059
Restricted	321,558	149,804
Unrestricted (deficit), (see the Statement of Activities)	<u>(10,676,520)</u>	<u>(11,276,613)</u>
Total net position	<u>\$ (9,711,108)</u>	<u>\$ (10,224,750)</u>

As indicated by the statement above, total net position as of December 31, 2022 and 2021 was \$(9,711,108) and \$(10,224,750), respectively. The decrease in net position is a result of the current period change in net position, the recording of entries in accordance with GASB 68 & 71 including the recording of the net pension liability, and deferred outflows/inflows (see the analysis of the Statement of Activities on page 14). Net position can be separated into three categories: net investment in capital assets, restricted, and unrestricted net position.

Net investment in capital assets net position is a combination of capital assets and right-to-use lease assets at original cost less accumulated depreciation and amortization. The original cost of capital assets as of December 31, 2022 and 2021 is \$3,237,522 and \$1,927,638, respectively, which is an accumulation of capital assets and right-to-use lease assets year after year less any disposals. The accumulated depreciation and amortization is the accumulation of depreciation and amortization expense since acquisition. In accordance with accounting principles generally accepted in the United States of America, depreciation and amortization expense is recorded on the original cost of the asset, less an estimated salvage value, expensed over the estimated useful life of the asset. Total accumulated depreciation and amortization as of December 31, 2022 and 2021 is \$2,207,580 and \$1,025,579, respectively.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Restricted net position is an accumulation of operating results from the Title IV-D Fund, funds received from the U.S. Department of Justice Equitable Sharing Program, and private donors. As of December 31, 2022 and 2021 the restricted net position was \$321,558 and \$149,804, respectively.

The remaining unrestricted net position (deficit) as of December 31, 2022 and 2021 is \$(10,676,520) and \$(11,276,613), respectively. The unrestricted net position (deficit) is an accumulation of prior years' operating results. This balance is directly affected each year by the District Attorney's operating results.

CHANGES IN NET POSITION

	<u>2022</u>	<u>2021</u>
Changes In Net Position:		
Program Revenue		
Fees, Fines & Charges for Services	\$ 478,040	\$ 557,253
Operating Grants & Contributions	<u>17,411,657</u>	<u>14,247,324</u>
Total Program Revenue	<u>17,889,697</u>	<u>14,804,577</u>
General Revenues		
Interest & Other Income	<u>325,903</u>	<u>318,768</u>
Total Revenues	<u>18,215,600</u>	<u>15,123,345</u>
Expenses		
General Governmental	<u>17,659,700</u>	<u>16,172,844</u>
Change in Net Position	555,900	(1,049,499)
Net Position (Deficit) January 1,	(10,224,750)	(9,175,251)
Restatement per Note 5	<u>(42,258)</u>	<u>-</u>
Net Position (Deficit) December 31,	<u>\$ (9,711,108)</u>	<u>\$10,224,750)</u>

ORIGINAL VS. REVISED BUDGET

As required by state law, the District Attorney adopts the original budget for the office prior to the commencement of the fiscal year to which the budget applies. The budget is reviewed and amended, if necessary.

REVENUE BUDGET

In 2022, the District Attorney's actual general fund revenues of \$15,705,547 were greater than the \$14,450,827 budget by \$1,254,720, a variance of approximately 8.7%. The most significant difference between budgeted revenues and actual revenues were On-Behalf Payments. In 2022, the District Attorney's Office actual Title IV-D Fund revenues of \$2,268,458 were less than the budget amount of \$2,396,836 by \$128,378, a variance of approximately 5%.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

EXPENDITURE BUDGET

In 2022, the District Attorney's actual general fund expenditures of \$14,500,030 were greater than the \$14,402,179 budget by \$97,851, a variance of less than 1%. In 2022, the District Attorney's Office actual Title IV-D Fund expenditures of \$2,289,175 were less than the budget amount of \$2,396,836 by \$107,661, a variance of approximately 4%.

CAPITAL ASSETS

The District Attorney's investment in capital assets, net of accumulated depreciation and amortization as of December 31, 2022 and 2021, was \$1,029,942 and \$902,059, respectively. Depreciation and amortization expense for 2022 and 2021 is \$374,553 and \$123,449, respectively. See Note 3 for additional information about changes in capital assets during the current year. The following table provides a summary of capital asset activity:

	Governmental Activities	
	2022	2021
Computer Equipment	\$ 1,406,439	\$ 1,299,217
Vehicles	370,476	370,476
Furniture, Fixtures and Equipment	148,743	114,394
Right-to-Use Leased Vehicles	142,846	143,551
Right-to-Use Leased Building	1,069,276	-
Right-to-Use Leased Equipment	99,742	-
Less: Accumulated Depreciation and Amortization	(2,207,580)	(1,025,579)
 Net Capital Assets	 <u>\$ 1,029,942</u>	 <u>\$ 902,059</u>

NOTES PAYABLE

As a result of prior litigation, the District Attorney was required to obtain funds from the State of Louisiana. Additionally, the District Attorney has settled outstanding lawsuits filed against previous administrations. Details to these agreements are outlined in Note 7.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The operations of the District Attorney's Office are highly reliant upon appropriations from the City of New Orleans and from the State of Louisiana. Due to the heavy reliance of funding from other agencies, the District Attorney's Office could be effected by a downturn in the economy and a decline in funding from the state and local government.

As noted above, the budget is reviewed and amended as necessary.

CONTACTING THE DISTRICT ATTORNEY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the District Attorney's finances, comply with finance-related laws and regulations, and demonstrate the District Attorney's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the District Attorney's Chief of Staff located at 619 S. White Street, New Orleans, LA 70119.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
STATEMENT OF NET POSITION
DECEMBER 31, 2022**

	2022
ASSETS	
Cash and Cash Equivalents	\$ 1,730,131
Restricted Cash	15,826
Receivables	859,007
Prepaid Expenses	30,967
Capital Assets, Net	1,029,942
Total Assets	3,665,873
Total Deferred Outflows of Resources	6,247,672
LIABILITIES	
Current Liabilities:	
Accounts Payable	\$ 256,153
Accrued Salaries and Benefits	153,144
Lease Liability	176,056
Legal Settlement Payable	691,666
Note Payable - State of Louisiana	100,000
Accrued Compensated Absences	611,272
Total Current Liabilities	1,988,291
Long-term Liabilities:	
Lease Liability	19,164
Legal Settlement Payable	1,375,002
Note Payable - State of Louisiana	1,500,000
Net Pension Liability	12,143,706
Total Long-term Liabilities	15,037,872
Total Liabilities	17,026,163
Total Deferred Inflows of Resources	2,598,490
NET POSITION (DEFICIT)	
Net Investment in Capital Assets	\$ 643,854
Restricted	321,558
Unrestricted	(10,676,520)
Total Net Position (Deficit)	\$ (9,711,108)

The notes to the financial statements are an integral part of this statement.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022**

<u>Activities</u>	<u>Expenses</u>	<u>Fees, Fines and Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Net Revenue and Changes in Net Position</u>
Governmental Activities:				
General - Governmental	\$ 17,659,700	\$ 478,040	\$ 17,411,657	\$ 229,997
Total	<u>17,659,700</u>	<u>478,040</u>	<u>17,411,657</u>	<u>229,997</u>
General Revenues:				
Non-Employer Contribution				241,594
Interest Income				2,425
Miscellaneous Income				<u>81,884</u>
Total General Revenues				<u>325,903</u>
Change in Net Position				555,900
Net Position (deficit) - January 1, 2022, as restated (Note 5)				<u>(10,267,008)</u>
Net Position (deficit) - December 31, 2022				<u>\$ (9,711,108)</u>

The notes to the financial statements are an integral part of this statement.

FUND FINANCIAL STATEMENTS
GOVERNMENTAL FUNDS

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
GOVERNMENTAL FUND
BALANCE SHEET
DECEMBER 31, 2022**

	General Fund	Title IV-D Fund	Total Governmental Funds
ASSETS			
Cash and Cash Equivalents	\$ 1,675,790	\$ 54,341	\$ 1,730,131
Restricted Cash	15,826	-	15,826
Receivables	658,647	200,361	859,008
Prepaid Expenses	<u>30,967</u>	<u>-</u>	<u>30,967</u>
Total Assets	<u>\$ 2,381,230</u>	<u>\$ 254,702</u>	<u>\$ 2,635,932</u>
 LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 169,970	\$ 86,186	\$ 256,156
Accrued Salaries and Benefits	<u>135,972</u>	<u>17,171</u>	<u>153,143</u>
Total Liabilities	<u>305,942</u>	<u>103,357</u>	<u>409,299</u>
 Fund Balance			
Nonspendable	30,967	-	30,967
Restricted	22,035	151,345	173,380
Unassigned	<u>2,022,286</u>	<u>-</u>	<u>2,022,286</u>
Total Fund Balance	<u>2,075,288</u>	<u>151,345</u>	<u>2,226,633</u>
Total Liabilities and Fund Balance	<u>\$ 2,381,230</u>	<u>\$ 254,702</u>	<u>\$ 2,635,932</u>

The notes to the financial statements are an integral part of this statement.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2022**

	2022
Total Fund Balance - Governmental Fund at December 31,	\$ 2,226,633
Amounts Reported for Governmental Activities in the Statement of Net Position are different because of:	
Compensated Absences	(611,271)
Capital assets at December 31,	3,237,523
Less: Accumulated depreciation and amortization as of December 31,	(2,207,581)
Deferred Outflows of Resources	6,247,672
Net Pension Liability	(12,143,706)
Deferred Inflow of Resources	(2,598,490)
Note Payable - State of Louisiana	(1,600,000)
Legal Settlement Payable	(2,066,668)
Lease Payable	(195,220)
Net Position (Deficit) - governmental activities at December 31,	\$ (9,711,108)

The notes to the financial statements are an integral part of this statement.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
GOVERNMENTAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>General Fund</u>	<u>Title IV-D Fund</u>	<u>Total Governmental Funds</u>
REVENUES			
On-Behalf Payments	\$ 5,096,077	\$ -	\$ 5,096,077
City Appropriations	8,120,089	-	8,120,089
Grants and Contributions	1,927,032	2,268,458	4,195,490
Fees, Fines and Charges for Services	478,040	-	478,040
Miscellaneous Income	81,884	-	81,884
Interest	2,425	-	2,425
Total Revenues	<u>15,705,547</u>	<u>2,268,458</u>	<u>17,974,005</u>
EXPENDITURES			
Salaries and Fringe Benefits	12,223,981	1,784,754	14,008,735
Operating Services	1,910,442	208,073	2,118,515
Professional Fees	183,204	11,500	194,704
Capital Outlay	124,072	34,535	158,607
Debt Service Principal	53,912	237,377	291,289
Debt Service Interest	4,419	12,936	17,355
Total Expenditures	<u>14,500,030</u>	<u>2,289,175</u>	<u>16,789,205</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,205,517	(20,717)	1,184,800
Other Financing Sources (Uses)			
Leases	-	17,035	17,035
Total Other Financing Sources (Uses)	<u>-</u>	<u>17,035</u>	<u>17,035</u>
Net Change in Fund Balances	<u>1,205,517</u>	<u>(3,682)</u>	1,201,835
Fund Balances - January 1, 2022			<u>1,024,798</u>
Fund Balances- December 31, 2022			<u>\$ 2,226,633</u>

The notes to the financial statements are an integral part of this statement.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	2022
Net Change in Fund Balance - Governmental Fund (Statement E)	\$ 1,201,835
Amounts Reported for Governmental Activities in the Statement of Activities are different because:	
The change in compensated absences reported in the Statement of Activities does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental funds.	8,685
The legal settlement payments require the use of current financial resources and are reported as an expenditure in the governmental funds; however, in the Statement of Activities, they are not reported as expenditures as they decrease the liabilities on the Statement of Net Position.	501,666
Leases provide current financial resources to governmental funds but increases long-term liabilities in the statement of net position. Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	274,255
Capital outlays are reported in governmental funds as expenditures; however, in the Statement of Activities, the cost of those assets are allocated over their estimated useful lives as depreciation or amortization expense. This is the amount by which capital outlays exceed depreciation and amortization in the current period in the Statement of Activities:	
Capital outlays	158,607
Depreciation and amortization expense	(374,553)
Governmental funds report employer contributions to its pension plans as expenditures; however, in the Statement of Activities, pension expense represents the District Attorney's proportionate share of the District Attorney's change in net pension liability	(1,456,189)
Revenue reported in the Statement of Activities for the District Attorney's proportionate share of non-employer contributions to the pension plans does not provide current financial resources and, therefore, is not reported as revenue in the governmental funds.	241,594
Change in net position of governmental activities (Statement B)	\$ 555,900

The notes to the financial statements are an integral part of this statement.

FUND FINANCIAL STATEMENTS
CUSTODIAL FUND

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
STATEMENT OF FIDUCIARY NET POSITION - CUSTODIAL FUND
DECEMBER 31, 2022**

	<u>2022</u>
ASSETS	
Cash and Cash Equivalents	<u>\$ 1,160,426</u>
Total Assets	<u>\$ 1,160,426</u>
NET POSITION	
Restricted for other governments	<u>\$ 1,160,426</u>
Total Net Position	<u>\$ 1,160,426</u>

The notes to the financial statements are an integral part of this statement.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
DECEMBER 31, 2022**

	<u>Custodial Funds</u>
ADDITIONS	
Asset Forfeiture Collections	\$ 95,467
Bail Posting Fee Collections	2,974
Total Additions	98,441
DEDUCTIONS	
Distributions to District Attorney	11,579
Distributions to Other Agencies	168,540
Total Deductions	180,119
Net Decrease in Fiduciary Net Position	(81,678)
NET POSITION	
Net Position at Beginning of Year	1,242,104
Net Position at End of Year	\$ 1,160,426

The notes to the financial statements are an integral part of this statement.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

INTRODUCTION

As provided by Article V, Section 26 of the Louisiana Constitution of 1974, the District Attorney of the Orleans Judicial District (District Attorney) has charge of every criminal prosecution by the State in his or her district, is the representative of the State before the grand jury in his district, and is the legal advisor to the grand jury. The District Attorney performs other duties as provided by law. The District Attorney is elected by the qualified electors of the judicial district for a term of six years. The Orleans Judicial District encompasses the entire Parish of Orleans.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

For financial reporting purposes, the District Attorney includes all funds, activities, etc., that are controlled by the District Attorney as an independently elected parish official. There are no component units included or required to be included as part of the financial reporting entity. The District Attorney is solely responsible for the operations of his office, which include the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursements of funds. Other than certain operating expenditures of the District Attorney that are paid or provided by the City Council as required by Louisiana law, the District Attorney is financially independent. Accordingly, the District Attorney is a separate governmental reporting entity.

Basis of Presentation

The accompanying basic financial statements of the District Attorney have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*.

Government-Wide and Fund Financial Statements

The District Attorney's basic financial statements include both government-wide (reporting the District Attorney as a whole) and fund financial statements (reporting the District Attorney's major funds). All of the District Attorney's judicial and administrative services are classified as governmental activities.

Government-Wide Financial Statements

In the government-wide Statements of Net Position, the governmental activities are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District Attorney's net position is reported in three parts - net investment in capital assets, net of related debt; restricted for Title IV-D Fund as well as funds received from the U.S. Department of Justice equitable sharing program, and private donors; and unrestricted net position.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The government-wide Statement of Activities reports both the gross and net cost of each of the District Attorney's nonfiduciary functions and activities (judicial). These functions are also supported by general government revenues (interest earned). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues and operating and capital grants. Program revenues must be directly associated with the function (judicial). Operating grants include operating-specific and discretionary (either operating or capital) grants. All fiduciary activities are reported only in the fund financial statements. The effect of interfund activity has been removed from these statements.

The net costs (by function) are normally covered by general revenue (interest earned, etc). This government-wide focus is more on the sustainability of the District Attorney as an entity and the change in the District Attorney's net position resulting from the current year's activities.

Deferred Outflows/Inflows of Resources: In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Pensions: For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District Attorneys' Retirement System and the Employees' Retirement System of the City of New Orleans (the "Plans") and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

Basic Financial Statements - Fund Financial Statements

The District Attorney uses funds to maintain his financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain District Attorney functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The funds of the District Attorney are classified into two categories: governmental and fiduciary. The funds of the District Attorney are described below:

A. Governmental

General Fund - The General Fund of the District Attorney is used to account for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended in accordance with state and federal laws and according to District Attorney policy.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Special Revenue Funds

Special Revenue Funds - account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes, or designated by the District Attorney to be accounted for separately. The Special Revenue Funds of the District Attorney consist of the following:

Title IV-D Fund - consists of reimbursement grants from the Louisiana Department of Children and Family 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.

C. Fiduciary

Fiduciary fund reporting includes only custodial funds and focuses on assets held by the District Attorney for other organizations and / or other governmental units. The funds accounted for in this category by the District Attorney are the Asset Forfeiture Custodial Funds, Bond Forfeiture Custodial Funds, and Bail Posting Custodial Funds.

Asset Forfeiture Custodial Funds

The Asset Forfeiture Custodial Funds are used to account for assets seized in narcotics cases in which the District Attorney has received the seized assets, pending the final disposition of the case. The assets may ultimately be returned to the defendant from whom they were seized, transferred to another agency, or divided among the District Attorney, the Parish of Orleans as custodian of judicial funds, and the seizing agency. In the latter instance, the District Attorney is responsible for allocating the assets to the respective agencies net of the expenses incurred in handling the assets.

Bond Forfeiture Custodial Funds

The Bond Forfeiture Custodial Funds are funds that are collected as a result of individuals failing to show up to court after a bond has been posted on their behalf. If the individuals do not follow the required legal proceedings after the bonds have been issued, the District Attorney can then demand the Bail Bondsman to pay the proceeds of the bond. Once the District Attorney receives the funds, they are required to hold the money for a period of at least 6 months. If at this time the defendant has not shown up to court, the District Attorney is to forward the funds to the Orleans Parish Criminal Sheriff's Office. The Orleans Parish Criminal Sheriff's Office is responsible for allocating the assets to the respective agencies net of the expenses incurred in handling the assets.

Bail Posting Custodial Funds

The Bail Posting Custodial Funds are mandatory fees, set by the state legislature, which should be paid at the time a bail bond is posted. These funds are collected on behalf of the Orleans Parish Criminal Sheriff's Office.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus / Basis of Accounting

Fund Financial Statements (FFS)

The amounts reflected in the General Fund 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. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the District Attorney.

The amounts reflected in the General Fund use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District Attorney considers all revenue available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Revenues from charges for services are recorded when earned. Expenditure-driven grants are recorded when the reimbursable expenditure has been incurred. Interest earnings are recorded when the investments have matured and the interest is available.

Expenditures

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

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of fixed assets, debt extinguishments, long-term debt proceeds, et cetera) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Revenues

Deferred revenues arise when resources are received by the District Attorney before it has a legal claim to them, as when grant monies are received before the incurrence of qualifying expenditures. In subsequent periods, when the District Attorney has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized.

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the District Attorney as a whole. These statements included all the financial activities of the District Attorney. Information contained in these columns reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Non-Exchange Transactions*.

Program Revenues – Program revenues included in the Statement of Activities are derived directly from the District Attorney users as a fee for services; program revenues reduce the cost of the function to be financed from the District Attorney’s general revenues.

Cash and Cash Equivalents

Cash, including restricted cash, includes amounts in demand deposits and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the District Attorney may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States. Restricted cash represents amounts restricted through private donors.

Investments

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955 and the District Attorney’s investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. The District Attorney does not currently have any investments.

Budgets

The City of New Orleans provides appropriations to the District Attorney for operations which must be approved and adopted by the City of New Orleans, and is included in the City’s Budget Book located on the City of New Orleans website. All appropriations lapse at year-end. In addition, the District Attorney prepares a budget on the modified accrual basis of accounting for the general fund for service fees, court allocation-fines and costs revenues, state reimbursements, interest, evidence revenues, and grant revenues. Budget amounts included in the accompanying budgetary comparison schedule include the original adopted budget for City of New Orleans appropriations. The budget is legally adopted and amended, as necessary, by the District Attorney.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District Attorney maintains a threshold level of \$500 or more for capitalizing capital assets. Capital assets are recorded in the GWFS, but are not reported in the FFS. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful life:

<u>Description</u>	<u>Estimated Life</u>
Vehicles	7 years
Furniture, Fixtures, and Equipment	7 years
Computer Equipment and Software	4 - 15 years

Leases

The District Attorney is a lessee for several noncancellable leases of vehicles, equipment, and office space. The District Attorney recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The District Attorney recognizes lease liabilities with an initial, individual value of \$500 or more.

At the commencement of a lease, the District Attorney initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or its useful life. If a lease contains a purchase option, and the District Attorney has determined that it is reasonably certain of being exercised, then the lease asset is amortized over the useful life of the underlying asset.

Key estimates and judgments related to leases include how the District Attorney determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The District Attorney uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District Attorney generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District Attorney generally uses its estimated incremental borrowing rate as the discount rate for leases. is reasonably certain to exercise, if any.

The District Attorney monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Fund Balance / Net Position

Fund Balance

In 2011, the District Attorney implemented the requirements of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. In accordance with this statement, in the fund financial statements, fund balances of the governmental fund types are now classified into one of five categories - Nonspendable, Restricted, Committed, Assigned, or Unassigned. The classifications describe the relative strength of the spending constraints placed on the purposes for which resources are used:

- (a) Nonspendable fund balance - amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;
- (b) Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- (c) Committed fund balance - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- (d) Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- (e) Unassigned fund balance - amounts that are available for any purpose that have not been restricted, committed or assigned to specific purposes within the general fund.

While the District Attorney has not established a policy for its use of restricted or unrestricted resources, it does consider a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unassigned fund balance classifications could be used.

In the fund financial statements, governmental funds report restrictions of fund balance amounts that are not available for appropriation or are legally restricted by outside parties to use for a specific purpose. Any designations of fund balance represent tentative management plans that are subject to change. At December 31, 2022, the governmental fund's restricted fund balance amounted to \$173,380.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position

In the government-wide financial statements, equity is classified as net position and displayed in three categories:

1. Net Investment in Capital Assets consists of capital assets net of accumulated depreciation and amortization and net of capital related debt.
2. Restricted net position consists of net position with constraints placed on the use by law through constitutional provisions or enabling legislation.
3. Unrestricted net position are all other net positions that do not meet the definition of "restricted" or "net investment in capital assets." This classification represents net positions that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund.

When an expense is incurred for the purpose for which both restricted and unrestricted net position is available, management applies unrestricted resources first, unless a determination is made to use restricted resources. The policy concerning which to apply first varies with the intended use and legal requirements.

Estimates

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

Recent Accounting Pronouncements

During 2022, the District Attorney implemented GASB Statement No. 87, *Leases* (GASB 87), which establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. As a result, the District Attorney's financial statements have been modified to reflect the recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as inflows or outflows of resources based on the contract payment provisions.

2. CASH AND EQUIVALENTS

Concentration of Credit Risk: The District Attorney maintains their cash in demand deposit accounts at various local banks. The District Attorney maintained cash balances in excess of the FDIC Insurance by \$2,458,425 as of December 31, 2022.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

2. CASH AND EQUIVALENTS (CONTINUED)

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. 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. Louisiana R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 day of being notified by the District Attorney that the fiscal agent has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the District Attorney Office's name.

Interest Rate Risk: This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity is to its fair value to changes in market interest rates. The District Attorney's Office does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

As of December 31, 2022 the total bank balance, including fiduciary funds, of \$3,090,716 was secured from risk by \$632,291 of FDIC coverage and by a pledge of securities owned by the fiscal agent bank in the amount of \$2,913,680.

At December 31, 2022, the District Attorney has cash and cash equivalents (book balances) totaling \$1,745,957, as follows:

Cash and Cash Equivalents (book balances)	\$ 2,890,557
Restricted Cash (book balances)	15,826
Less: Custodial Funds	<u>(1,160,426)</u>
 Cash and Cash Equivalents and Restricted Cash (Statement of Net Position)	 <u>\$ 1,745,957</u>

Restricted Cash: Of the cash listed above, certain bank accounts of the District Attorney are classified as restricted cash because use is completely restricted by the terms of an agreement with an external contributor. As of December 31, 2022, restricted cash totaled \$15,826.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

3. CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2022 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Government Activities				
Capital Assets, Being Depreciated/Amortized				
Computer Equipment	1,299,217	107,222	-	1,406,439
Vehicles	370,476	-	-	370,476
Furniture, Fixtures and Equipment	114,394	34,349	-	148,743
Right-to-Use Leased Vehicles	143,551	-	(705)	142,846
Right-to-Use Leased Equipment	-	99,742	-	99,742
Right-to-Use Leased Building	<u>-</u>	<u>1,069,276</u>	<u>-</u>	<u>1,069,276</u>
Total Capital Assets, Being Depreciated/Amortized	<u>1,927,638</u>	<u>1,310,589</u>	<u>(705)</u>	<u>3,237,522</u>
Less Accumulated Depreciation/Amortization for:				
Computer Equipment	626,491	94,907	-	721,398
Vehicles	282,753	18,169	-	300,922
Furniture, fixtures and equipment	82,157	7,834	-	89,991
Right-to-Use Leased Vehicles	34,178	21,940	-	56,118
Right-to-Use Leased Equipment	-	76,803	-	76,803
Right-to-Use Leased Building	<u>-</u>	<u>962,348</u>	<u>-</u>	<u>962,348</u>
Total Accumulated Depreciation/Amortization	<u>1,025,579</u>	<u>1,182,001</u>	<u>-</u>	<u>2,207,580</u>
Total Capital Assets Being Depreciated/Amortized, Net	<u>\$ 902,059</u>	<u>128,588</u>	<u>(705)</u>	<u>\$ 1,029,942</u>
Governmental Activities - Capital Assets, Net	<u>\$ 902,059</u>	<u>128,588</u>	<u>(705)</u>	<u>\$ 1,029,942</u>

Depreciation and amortization expense of \$374,553 was charged to governmental activities - general for the year ended December 31, 2022.

4. COMPENSATED ABSENCES

Employees can accrue unused vacation days on a yearly basis. Upon termination or resignation, an employee shall be paid unused vacation days up to a maximum of 30 days (232.5 hours) plus that current year's unused vacation days. Each employee accumulates 10 days per year of paid medical leave which can be carried over from year to year. At no time will employees be paid for unused medical leave. Accrued sick time is not available to terminated employees.

At December 31, 2022, employees of the District Attorney had accumulated and vested \$611,272 of employee leave benefits, which was computed in accordance with the provision of GASB No. 16, *Accounting for Compensated Absences*.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

5. CHANGE IN ACCOUNTING PRINCIPLE

For the year ended December 31, 2022, the District Attorney implemented GASB 87. With the implementation, the District Attorney is required to record assets and liabilities related to leased assets.

Net Position for Government Activities as of January 1, 2022 has been restated as follows for the implementation of GASB 87.

Statement of Net Position

Net Position, Beginning of Year, as previously reported	\$ (10,224,750)
Increase in Lease Liability	(386,088)
Increase in Capital Assets	<u>343,830</u>
Total Prior Period Adjustment	(42,258)
Net Position, Beginning of Year, as restated	<u>\$ (10,267,008)</u>

6. PENSION PLANS

District Attorney's Retirement System

Plan Description

The District Attorney and the Assistant District Attorneys are members of the District Attorneys' Retirement System (DARS). DARS is a cost-sharing multiple-employer defined benefit pension plan established on August 1, 1956 in accordance with the provisions of Louisiana Revised Statute 11, Chapter 3 to provide retirement allowances and other benefits for district attorneys and their assistants in each parish throughout the State of Louisiana. It is administered and controlled by a board of trustees. DARS issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on the Louisiana Legislative Auditor's website at www.la.gov.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

6. PENSION PLANS (CONTINUED)

Benefits Provided

Retirement benefits

Members who became eligible for membership on or before July 1, 1990 and who have elected not to be covered by the new provisions of DARS:

Normal Retirement Age:	10 years of service and age 62 18 years of service and age 60 23 years of service and age 55 30 years of service, regardless of age
Normal Retirement Benefit:	3% of the member's final average compensation for each year of service
Early retirement provisions:	10 years of service and age 60 18 years of service and age 55 Retirement benefits are reduced by 3% for each year received in advance of normal retirement age

Members who became eligible for membership on or after July 1, 1990, or who elected to be covered by the new provisions of DARS:

Normal Retirement Age:	10 years of service and age 60 24 years of service and age 55 30 years of service, regardless of age
Normal Retirement Benefit:	3.5% of the member's final average compensation for each year of service
Early retirement provisions:	18 years of service and age 55 Retirement benefits are reduced by 3% for each year received in advance of normal retirement age

Retirement benefits may not exceed 100% of final average compensation.

Disability benefits

A member is eligible to receive disability benefits if he has at least ten years of creditable service and is found to be totally disabled as a result of injuries incurred while in active service. The member receives a benefit equal to 3% (3.5% for members covered under the new retirement benefit provisions) of his final average compensation multiplied by the lesser of his actual service (not to be less than fifteen years) or projected continued service to age sixty.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

6. PENSION PLANS (CONTINUED)

Survivor benefits

Upon the death of a member with less than five years of creditable service, the member's accumulated contributions and interest are paid to the surviving spouse or the designated beneficiary. Upon the death of any active, contributing member with five or more years of service or any member with twenty-three years of service who has not retired, automatic option 2 benefits are payable to the surviving spouse. These benefits are based on retirement benefits accrued at the member's date of death with the option factors used as if the member had continued in service to earliest normal retirement age. If a member has no surviving spouse, the surviving minor children under eighteen or disabled children are paid 80% of the member's accrued retirement benefit divided into equal shares. If a member has no surviving spouse or children, his accumulated contributions and interest are paid to his designated beneficiary. In lieu of periodic payments, the surviving spouse or children may receive a refund of the member's accumulated contributions with interest.

Withdrawal from Service

Upon withdrawal from service, members who are not entitled to a retirement allowance are paid a refund of accumulated contributions upon request. Receipt of such a refund cancels all accrued rights in DARS.

Back Deferred Retirement Option Plan (Back-DROP)

In lieu of receiving a service retirement allowance, any member of DARS who has more than sufficient service for normal retirement may elect to receive a Back-Deferred Retirement Option Program (Back-DROP) benefit.

The Back-DROP benefit is based upon the Back-DROP period selected and the final average compensation prior to the period selected. The Back-DROP period is the lesser of thirty-six months or the service accrued between the time a member first becomes eligible for retirement and his actual date of retirement. At retirement, the member's maximum monthly retirement benefit is based upon his service, final average compensation, and plan provisions in effect on the last day of the creditable service immediately prior to the commencement of the Back-DROP period. In addition to the monthly benefit at retirement, the member receives a lump-sum payment equal to the maximum monthly benefit as calculated above multiplied by the number of months in the Back-DROP period. In lieu of receiving the lump-sum payment, the member may leave the funds on deposit with DARS in an interest bearing account.

Cost of Living Adjustments

The board of trustees of DARS are authorized to grant retired members and surviving beneficiaries of members who have retired, an annual cost of living increase of 3% of their original benefit (not to exceed \$60 per month), and all retired members and surviving beneficiaries who are sixty-five years of age and older a 2% increase in their original benefit. In lieu of other cost of living increases the board may grant an increase to retirees in the form of "Xx(A&B)" where "A" is equal to the number of years of credited service accrued at retirement or death of the member or retiree and "B" is equal to the number of years since death of the member or retiree to June 30th of the initial year of increase and "X" is equal to any amount available for funding such increase up to a maximum of \$1.00. In order for the board of trustees to grant any of these increases, DARS must meet certain criteria detailed in the statute related to funding status and interest earnings.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
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6. PENSION PLANS (CONTINUED)

Contributions (Employer and Non-employer)

According to state statute, contribution requirements for all employers are actuarially determined each year. The District Attorney was required to contribute 9.5% from July 1, 2021 through June 30, 2023 of annual covered payroll. Employees are required to contribute 8% of their annual pay. In addition, DARS also receives non-employer contributions including ad valorem taxes and state revenue sharing funds. The District Attorney's allocation percentage of these additional sources of income, which are not considered special funding situations, are recognized as revenue and excluded from pension expense.

The District Attorney's proportionate share of employer contributions for the measurement period (July 1, 2021 through June 30, 2022) was \$143,858 and the proportionate share of non-employer contributions was \$241,594.

The District Attorney had \$150,955 of contributions to the DARS pension for the year ended December 31, 2022.

The Employees' Retirement System of the City of New Orleans

Plan Description

During 1997, the clerical and administrative employees of the District Attorney, who were not already receiving benefits from any of the other retirement plans sponsored by the City of New Orleans, became members of the Employees' Retirement System of the City of New Orleans (the Retirement System). The City Charter provided that the Retirement Ordinance (Chapter 114 of the Code) govern and control the Retirement System under the management of a board of trustees. The Retirement System is a cost-sharing multiple-employer defined benefit pension plan established on July 1, 1947 to provide retirement allowances and other benefits to all officers and employees of the parish, except those who are already or may be included in the benefits of any other pension or retirement system of the city, the state or any political subdivision of the state. The Retirement System issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on the Louisiana Legislative Auditor's website at www.la.gov.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
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6. PENSION PLANS (CONTINUED)

Benefits Provided

Retirement benefits

Members hired prior to January 1, 2018:

Normal Retirement Age:	5 years of service and age 65 30 years of service, regardless of age Any member whose age and service total 80 points
Normal Retirement Benefit:	2.5% of average compensation times creditable service for the first 25 years plus 4.0% of average compensation times creditable service thereafter
Average Annual Compensation:	Average annual compensation for the highest consecutive 60-month period. Compensation for purposes of calculating a pension is capped at \$200,000 per year
Early Retirement Provisions:	10 years of service and age 60
Early Retirement Benefit:	Normal Retirement benefit, reduced by 3% per year prior to age 62

Members hired on or after January 1, 2018:

Normal Retirement Age:	5 years of service and age 65 20 years of service and age 62 30 years of service, regardless of age Any member whose age and service total 80 points
Normal Retirement Benefit:	2.5% of average compensation times creditable service
Early Retirement Provisions:	10 years of service and age 60
Average Annual Compensation:	Average annual compensation for the highest consecutive 60-month period. Compensation for purposes of calculating a pension is capped at \$150,000 per year, adjusted for inflation as determined by Trustees

A Retirement Incentive Plan was adopted for participating members with a retirement date in 2020.

If a member dies after retirement and before receiving the amount of the member's accumulated contributions in annuity payments, then the lump-sum balance of the member's contributions is paid to the member's beneficiary.

Disability benefits

Ordinary disability retirement benefits are awarded to active members with ten or more years of creditable service if a physician nominated by the board of trustees certifies that the member is mentally or physically totally incapacitated and that such is likely to be permanent.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
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6. PENSION PLANS(CONTINUED)

The member receives a service retirement allowance, if eligible; otherwise the member will receive a disability retirement allowance which will consist of:

1. An annuity which is the actuarial equivalent of the employee's accumulated contributions; and
2. An annual pension, which, together with (1), equals 75% of service allowance that would have been payable at age sixty-five, had a member continued in service to age sixty-five, computed on the average compensation.

Accidental disability retirement benefits are awarded to members whom the board of trustees finds has been totally and permanently incapacitated as a result of an accident sustained in service as a member and occurring while in performance of duty, without willful negligence on the member's part, if a physician nominated by the board certifies that the member is mentally or physically totally incapacitated and that such is likely to be permanent.

The member receives a service retirement allowance, if eligible; otherwise the member will receive an accidental disability retirement allowance which will consist of:

1. An annuity which is the actuarial equivalent of the employee's accumulated contributions; and
2. An annual pension equal to the difference between his annuity and 65% of earnable compensation for the year preceding the date of the accident.

Medical examinations are required once each year during the first five years after retirement and once every three years thereafter until age sixty. Accidental disability benefits are offset by Workmen's Compensation payments, if any.

Survivor benefits

Upon the death of a member during active service, the member's accumulated plan contributions are paid to the member's beneficiary. In addition, if a member has three years of creditable service, an additional lump sum benefit equal to 25% of the member's preceding year's base earnings plus 5% of earnings for each additional year of creditable service (benefit not to exceed compensation made before death) is paid. Also, if at the date of death, the member was eligible for retirement and leaves a surviving spouse, the surviving spouse shall be eligible to elect either Option 2 or lump sum refund of employee's contributions. If, at date of death, the member was ineligible for retirement, but was at least fifty-five years of age and had ten or more years of creditable service or was under age fifty-five and had at least twenty years of creditable service, then the surviving spouse may elect to receive a lump-sum benefit equal to an actuarially reduced amount based upon the members' age and years of creditable service. The benefit will cease when surviving spouse reaches age of eligibility for Social Security. Any death benefit will be offset by Worker's Compensation benefits.

Optional forms of benefits

1. If a member dies before receiving, in annuity payments, the value of his annuity at the time of his retirement, then the balance is payable to his beneficiary.
2. 100% survivor's benefits - reduced retirement benefit continued to the beneficiary at the member's death. If the spouse predeceases the retiree, the benefit reverts back to the maximum amount.
3. 50% survivor's benefits - 50% of reduced retirement benefit continued to the beneficiary at the member's death. If the spouse predeceases the retiree, the benefit reverts to the maximum amount.
4. Other benefits of equal actuarial value may be available upon approval of the board of trustees.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
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6. PENSION PLANS (CONTINUED)

Withdrawal from Service

Upon withdrawal from service, members are entitled to:

1. Effective January 1, 2002, a member who separates with five years of creditable service may allow his accumulated contributions to remain on deposit and service retirement allowance to begin as early as age sixty-five.
2. Prior to January 1, 2002, a member who separated with ten years of creditable service may allow accumulated contributions to remain on deposit and service retirement allowance to begin as early as age sixty (subject to reduction if retirement is elected before age sixty-two). If death occurs before retirement, accumulated contributions are returned with interest.
11. Upon withdrawal without five years of creditable service, the member is entitled to return of accumulated contributions with interest or may allow contributions to remain on deposit for maximum of five years. In the case of employee's death, then accumulated contribution plus interest are paid to the member's beneficiary.
12. If a member re-enters after receipt of refund and continues service thereafter for at least six months, the member may repay the amount of refund plus the amount of employer contributions, with compound interest, to receive prior creditable service again.

Deferred Retirement Option Plan (DROP)

In lieu of receiving a service retirement allowance, any member of the Retirement System who has more than sufficient service for a regular service retirement may elect to participate in the DROP program. However, members who commenced employment after January 1, 2018 and members with less than ten years of service as of January 1, 2018 cannot exceed three years. Other members may participate for up to five years. Effective the date of participation in DROP, the member stops contributing to and earning benefits in the system; employer contributions also end, and the retirement benefit begins being paid into the member's DROP account.

Interest is earned on the DROP account at an annual rate set by the board of trustees. Members of the DROP receive cost of living increases, as they would have received as a retiree. Upon termination of employment at the end of the specified period of DROP participation, the DROP account is paid out. After the DROP period ends and upon continued or re-employment, the member may resume contributions and earn a supplemental benefit based on current covered compensation. If at the end of DROP participation, the member does not terminate employment, payments in DROP shall cease and no further interest shall be earned or credited to the account. Payments shall not be made until employment is terminated.

Cost of Living Adjustments

Cost of living provisions for the Retirement System allows the board of trustees to provide an annual cost of living increase. The board of trustees retains trust earnings or gains in excess of an average 3.5% to provide cost of living increases in benefits to retirees (past or future) not to exceed 3% of the initial benefit per each year of retirement, provided that the Retirement System's funded ratio is at least 95%. Such benefit shall be awarded and paid only when funds are available from this source as determined by the board of trustees.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
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6. PENSION PLANS (CONTINUED)

Contributions (Employer)

Contribution requirements for all employers are determined on the basis of regular interest and mortality tables adopted by the board of trustees, and additional percentage of earnable compensation, known as "Accrued Liability Contributions," determined by an actuary on basis of the amortization period adopted by the board of trustees. The District Attorney was required to contribute 17.66% from January 1, 2022 through December 31, 2022 of annual covered payroll. Employees are required to contribute 6% of their annual pay. The Retirement System does not receive non-employer contributions.

The District Attorney's proportionate share of employer contributions for the measurement period (January 1, 2021 through December 31, 2021) was \$790,331.

The District Attorney's contributions to the Retirement System for the year ended December 31, 2022 were \$897,215.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions

At December 31, 2022, the District Attorney's net pension liability is comprised of its proportional share of the net pension liabilities of the District Attorneys' Retirement System and the Employees' Retirement System of the City of New Orleans as follows:

	<u>DARS</u>	<u>Retirement System CNO</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	2,514,743	9,628,963	12,143,706
Measurement Date	6/30/2022	12/31/2021	
Proportion (%) of Net Pension Liability	2.33 %	3.65 %	
Prior Year Proportionate Share of Net Pension Liability	425,756	8,673,367	9,099,123
Increase (Decrease) From Prior Measurement Date	2,088,987	955,596	3,044,583
Prior Year Proportion of Net Pension Liability	2.39 %	3.04 %	
Increase (Decrease in Proportion (%) of the Net Pension Liability	(0.06)%	0.61 %	
Pension Expense	700,508	1,803,851	2,504,359

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
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6. PENSION PLANS (CONTINUED)

The total pension liabilities for each pension plan used to calculate the net pension liability were determined by an actuarial valuation as of the reported measurement dates. In addition, the District Attorney's allocation of the net pension liabilities was based on the District Attorney's projected contribution effort to the plans for the next fiscal year as compared to the total of projected contributions of all participants, actuarially determined.

At December 31, 2022, the District Attorney reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

District Attorneys' Retirement System:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 177,864	\$ 78,665
Changes of Assumptions	545,476	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	750,714	-
Changes in Proportion and Differences Between District Attorney's Contributions and Proportionate Share of Contributions	4,411	98,102
Contributions Made Subsequent to the Measurement Date	<u>76,856</u>	<u>-</u>
	<u>\$ 1,555,321</u>	<u>\$ 176,767</u>

Employees' Retirement System of the City of New Orleans:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 1,320,397	\$ 161,905
Changes of Assumptions	646,719	77,135
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	1,786,296
Changes in Proportion and Differences Between District Attorney's Contributions and Proportionate Share of Contributions	1,828,020	396,387
Contributions Made Subsequent to the Measurement Date	<u>897,215</u>	<u>-</u>
	<u>\$ 4,692,351</u>	<u>\$ 2,421,723</u>

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
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6. PENSION PLANS (CONTINUED)

Total All Pension Plans:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 1,498,261	\$ 240,570
Changes of Assumptions	1,192,195	77,135
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	750,714	1,786,296
Changes in Proportion and Differences Between District Attorney's Contributions and Proportionate Share of Contributions	1,832,431	494,489
Contributions Made Subsequent to the Measurement Date	<u>974,071</u>	<u>-</u>
	<u>\$ 6,247,672</u>	<u>\$ 2,598,490</u>

The District Attorney's office recognized in pension expense its proportionate share of the Plans' change in net pension liability as follows:

Differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through each pension plan.

Differences between projected and actual investment earnings on pension plan investments were recognized in pension expense using the straight-line amortization method over a closed five-year period.

Changes in assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plans.

Changes in the District Attorney's proportionate share of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in District Attorney's pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plans.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
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6. PENSION PLANS (CONTINUED)

Differences between contributions remitted to the Plans during the measurement period and the employer's proportionate share of contributions are recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plans.

Deferred outflows of resources related to pensions resulting from the District Attorney's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2022 in the amount of \$974,071. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31st	Amount
2023	\$ 1,443,133
2024	749,209
2025	345,410
2026	137,359
	\$ 2,675,111

Actuarial Assumptions

District Attorneys' Retirement System

The total net pension liability in the June 30, 2022 actuarial valuation of DARS was determined using the following actuarial assumptions:

Actuarial Cost Method	Entry Age Normal Cost
Investment Rate of Return	6.10% Net of Investment Expense, including inflation
Projected Salary Increases	5.0% (2.2% inflation, 2.8% merit)
Mortality Rates	Pub-2010 Public Retirement Plans Mortality Table for General Above-Median Employees multiplied by 115% for males and females for current employees, each with full generational projection using the MP2019 scale. Pub-2010 Public Retirement Plans Mortality Table for General Above-Median Healthy Retirees multiplied by 115% for males and females for annuitants and beneficiaries, each with full generational projection using the MP2019 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 115% for males and females for disabled retirees, each with full generational projection using the MP2019 scale.
Expected Remaining Service Lives	5 years (6 years 2018-2020 and 7 years 2016-2017)
Cost of Living Adjustment	Only those previously granted

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
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6. PENSION PLANS (CONTINUED)

The mortality rate assumptions used in the June 30, 2022 valuations were set after reviewing an experience study performed over the period of July 1, 2014 through June 30, 2019. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of DARS's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that these tables would produce liability values approximating the appropriate generational mortality tables.

The estimated long-term expected rate of return on DARS's investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The long-term rate of return is 7.69% for the measurement period ended June 30, 2022.

The best estimates of arithmetic real rates of return for each major asset class based on DARS's target asset allocation as of June 30, 2022 were as follows:

Asset Class	Target Asset Allocation	Rate of Return	
		Real	Nominal
Equities	57.11 %	10.57 %	
Fixed Income	30.19 %	2.95 %	
Alternatives	12.67 %	6.00 %	
Cash	0.03 %	0.00 %	
DARS Total	<u>100.00 %</u>		5.01 %
Inflation			<u>2.68 %</u>
Expected Arithmetic Nominal Return			<u>7.69 %</u>

The discount rate used to measure the total pension liability was 6.10%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined rates, approved by PRSAC, taking into consideration the recommendation of the DARS's actuary. Based on these assumptions DARS's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments were applied to all periods of projected benefit payments to determine the total pension liability.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
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6. PENSION PLANS (CONTINUED)

Sensitivity of the District Attorney's proportionate share of the net pension liability to changes in the discount rate.

The following presents the District Attorney's proportionate share of the net pension liability calculated using the discount rate of 6.10%, as well as what the District Attorney's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.10%) or 1-percentage-point higher (7.10%) than the current rate:

1% Decrease 5.10%	Current Discount Rate 6.10%	1% Increase 7.10%
\$ 4,217,450	\$ 2,514,743	\$ 1,086,506

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued District Attorneys' Retirement System, State of Louisiana financial report.

Employees' Retirement System of the City of New Orleans

The total net pension liability in the January 1, 2022 actuarial valuation of the Retirement System were determined using the following actuarial assumptions:

Actuarial Cost Method	Entry Age Actuarial Cost Method
Investment Rate of Return	7.25% net of investment expense, including inflation
Projected Salary Increases	Age-based annual rates ranging from 3.2% to 10%
Mortality Rates	Healthy Pre-Retirement: PubG-2010 Employee Mortality Tables, amount-weighted, projected generationally with Scale MP-2020
	Healthy Post-Retirement: PubG-2010 General Healthy Retiree Tables, amount-weighted, projected generationally with Scale MP-2020
	Disabled: PubNS-2010 Non-Safety Disabled Retiree Tables, amount-weighted, projected generationally with Scale MP-2020.
Retirement Age Assumptions	Based on Results of 2011-2016 actuarial experience study
Expected Remaining Service Lives	Study 4 years (8 years for periods prior to 2019)
Cost of Living Adjustment	The present value of future retirement benefits is based on benefits currently being paid and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the board of trustees as they were deemed not to be substantively automatic.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
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6. PENSION PLANS (CONTINUED)

The long-term expected rate of return on the Retirement System’s investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage, adding expected inflation, and subtracting expected investment expenses and a risk margin.

The best estimates of arithmetic real rates of return for each major asset class based on the Retirement Systems’ target asset allocation as of December 31, 2021 were as follows:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Weighted Rates of Return</u>
Cash and Cash Equivalents	2.00 %	(0.10)%	0.00 %
Domestic Securities	42.50 %	6.40 %	2.72 %
International Equity Securities	14.00 %	7.41 %	1.04 %
Fixed Income Securities	22.00 %	0.60 %	0.13 %
Real Estate	5.00 %	3.90 %	0.20 %
Hedge funds and GTAA	9.50 %	2.75 %	0.26 %
Private Investments	5.00 %	10.40 %	0.52 %
Total	<u>100.00 %</u>		<u>4.87 %</u>

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates, taking into consideration the recommendation of the Retirement System’s actuary. Based on these assumptions the Retirement Systems’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District Attorney’s proportionate share of the net pension liability to changes in the discount rate

The following presents the District Attorney’s proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the District Attorney’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
\$ 12,825,621	\$ 9,628,963	\$ 6,962,187

Pension plan fiduciary net position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued Employees’ Retirement System of the City of New Orleans’ financial report.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
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7. NOTES PAYABLE

Note Payable - State of Louisiana

On June 27, 2005 the District Attorney received an adverse judgment awarding a total of \$3,300,000 to their previous employees. The District Attorney received a stay until the judgment continued through the appeals process. As of October 1, 2007, the District Attorney reached a settlement agreement with the plaintiffs and agreed to pay a sum of \$3,300,000. As a result of the agreement, the District Attorney received proceeds from the State of Louisiana for \$1,600,000 in order to pay a portion of the judgment to the plaintiffs. Per the agreement with the State of Louisiana, the District Attorney agreed to pay \$100,000 for 16 years; however, the initial payment continues to be deferred on an annual basis. As of December 31, 2022, the note payable to the State of Louisiana was \$1,600,000.

Note Payable - Legal Settlement

During 2021, the District Attorney settled outstanding lawsuits filed against previous administrations. *Jones v. Cannizzaro*, Case No. 18-cv-503, was settled for \$2,050,000 and will be paid in six annual installments of \$341,666, which began in August 2021. *Singleton v. Cannizzaro*, Case No. 17-cv-10721, was settled for \$120,000 and was paid in two annual installments of \$60,000, which began in December 2021. *Jerome Morgan v. Harry F. Connick*, Case No. 17-cv-5319, was settled for \$800,000 and will be paid in three annual installments of \$100,000, \$350,000, and \$350,000, beginning in June 2022. As of December 31, 2022, the amount due is \$2,066,668 and is included in Legal Settlement Payable on the Statement of Net Position. Future payments for the legal settlements are as follows:

2023	\$ 691,666
2024	691,666
2025	341,666
2026	341,670
2027	-
Thereafter	-
Total	<u>\$ 2,066,668</u>

8. LEASES

During the current fiscal year, the District Attorney implemented GASB 87, *Leases*. The District Attorney leases various vehicles, equipment, and office space. As of December 31, 2022, the value of the lease liability was \$195,220. The District Attorney is required to make monthly principal and interest payments as detailed below. The leased vehicles have a stated interest rate of 5.39%. The other leases have an interest rate of 5% based on the District Attorney's estimated incremental borrowing rate. The assets have estimated useful lives consistent with the lease terms. The value of the right-to-use assets as of the end of the current fiscal year was \$1,311,864 and had accumulated amortization of \$1,095,270.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
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DECEMBER 31, 2022**

8. LEASES (CONTINUED)

Lease Description	Commencement Date	Expiration Date	Option Expiration Date	Option Terms	Rental Amount
Vehicles	April 2020	April 2024	N/A	N/A	\$9,900.43 per Quarter. Option to buy vehicles for \$1 at the end of lease term.
Copy Machines	June 2018	June 2021	June 2023	Automatic annual renewal for 12 months unless notified Lessor 30 days prior to renewal	\$1,560.80 per Month
Office Space	July 2018	June 2023	N/A	N/A	01-24 months \$19,725.30 per Month 25-48 months \$20,376.30 per Month 49-60 months \$20,832.00 per Month
Postage Machine	February 2019	February 2022	N/A	N/A	\$510.54 per Month
Postage Machine	August 2022	August 2025	N/A	N/A	\$510.54 per Month

The future principal and interest payments as of December 31, 2022 were as follows:

	Principal Payments	Interest Payments	Total
2023	\$ 176,056	\$ 4,029	\$ 180,085
2024	15,649	378	16,027
2025	3,515	59	3,574
Total	<u>\$ 195,220</u>	<u>\$ 4,466</u>	<u>\$ 199,686</u>

Changes in the District Attorney's lease liability for the year ended December 31, 2022 are as follows:

Balance January 1, 2022*	Additions	Reductions	Balance December 31, 2022	Due within One Year
\$ 469,474	\$ 17,035	\$ (291,290)	\$ 195,220	\$ 176,056

*Beginning balance is reflective of restatement in accordance with implementation of GASB 87. See Note 5.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

9. LITIGATION AND CLAIMS

The District Attorney is a defendant in various lawsuits filed for unspecified damages. Outside counsel for the District Attorney continues to defend these lawsuits in an attempt to obtain the most favorable outcome. In the opinion of the District Attorney's legal counsel, none of the lawsuits are presently determinable.

10. ON-BEHALF PAYMENTS

The State of Louisiana provides direct payments of salaries to assistant district attorneys, as designated by the District Attorney. These payments referred to as "state warrants" provide these Assistant District Attorneys with their base salary. If the District Attorney wishes to pay their Assistant District Attorneys a salary greater than the amount of the state warrant (currently \$50,000 per assistant district attorney per year), the additional amount is paid out of the District Attorney's Payroll Fund.

In accordance with GASB No. 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance*, the amount of state warrants paid directly to the Assistant District Attorneys, as well as the related benefits, has been recognized by the District Attorney as revenues and expenditures. During 2022, the District Attorney recognized \$4,235,449 from the State of Louisiana for On-Behalf Payments. Included in this amount, were all costs relating to pension contributions, which were paid directly to DARS. The total On-Behalf pension contribution for the District Attorney for the year ended December 31, 2022, was \$362,657.

The City of New Orleans makes certain health insurance payments on behalf of the District Attorney for its employees. The District Attorney records these payments as both revenue and an expenditure in the General Fund. The total of the health insurance on-behalf payments for the year ended December 31, 2022 was \$760,628.

The City of New Orleans made one of the legal settlement payments on behalf of the District Attorney. The District Attorney records these payments as both revenue and an expenditure in the General Fund. The total of the legal settlement on-behalf payments for the year ended December 31, 2022 was \$100,000.

11. CITY APPROPRIATIONS

In accordance with GASB No. 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance*, the District Attorney has recognized \$8,120,089 during 2022 for appropriations from the City of New Orleans.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

12. GRANTS AND COOPERATIVE ENDEAVOR AGREEMENT

All grants received by the District Attorney are received on a reimbursable basis, with the exception of the New Orleans Saints grant. The New Orleans Saints grant was received in 2020 and recognized as income in 2020 as costs began to be incurred. Income associated with all other grants is not recognized until the expenditures have occurred. At that point, a request is submitted to the appropriate agency in order to be reimbursed for the expended funds. In some instances, an advance is requested on the grant income in order to obtain the necessary purchases. During 2022, the District Attorney requested reimbursements from the Louisiana Commission on Law Enforcement, City of New Orleans, Department of Children and Family Services, State of Louisiana, United States Department of Justice, and the State of Louisiana Governor's Office of Homeland Security and Emergency Preparedness totaling \$4,245,490. Of this amount, \$4,195,490 is included in Grants and Contributions and \$50,000 is included in Miscellaneous Income on the Statement of Revenues, Expenditures and Changes in Fund Balances during 2022. As of December 31, 2022, grants receivable amounted to \$780,291, and is included in Receivables on the Statement of Net Position.

13. SUBSEQUENT EVENTS

FASB Accounting Standards Codification Topic 855, "Subsequent Events" addresses events which occur after the balance sheet date but before the issuance of financial statements. An entity must record the effects of subsequent events that provide evidence about conditions that existed at the balance sheet date and must disclose but not record the effects of subsequent events which provide evidence about conditions that existed after the balance sheet date. Additionally, Topic 855 requires disclosure relative to the date through which subsequent events have been evaluated and whether that is the date on which the financial statements were issued or were available to be issued. Management evaluated the activity of the District Attorney of the Orleans Judicial District through August 31, 2023, the date the financial statements were issued, and concluded that no subsequent events have occurred that require recognition in the financial statements or disclosure in the Notes to the Financial Statements.

OTHER REQUIRED SUPPLEMENTARY INFORMATION

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND & TITLE IV-D FUND
FOR THE YEAR ENDED DECEMBER 31, 2022**

<u>GENERAL FUND</u>	Original Budget	Final Budget	Actual GAAP Basis	Variance With Final Budget Positive (Negative)
Total Salaries and Related Expenses	\$ 11,711,515	\$ 11,711,515	\$ 12,223,981	\$ (512,466)
Total Operating Expenditures	2,690,664	2,690,664	2,151,977	538,687
Capital Outlay	<u>-</u>	<u>-</u>	<u>124,072</u>	<u>(124,072)</u>
Total Expenditures	<u>\$ 14,402,179</u>	<u>\$ 14,402,179</u>	<u>\$ 14,500,030</u>	<u>\$ (97,851)</u>
Revenues	<u>\$ 14,450,827</u>	<u>\$ 14,450,827</u>	<u>\$ 15,705,547</u>	<u>\$ 1,254,720</u>
Total Revenues	<u>\$ 14,450,827</u>	<u>\$ 14,450,827</u>	<u>\$ 15,705,547</u>	<u>\$ 1,254,720</u>
<u>TITLE IV-D FUND</u>	Original Budget	Final Budget	Actual GAAP Basis	Variance With Final Budget Positive (Negative)
Total Salaries and Related Expenses	\$ 1,901,333	\$ 1,901,333	\$ 1,784,754	\$ 116,579
Total Operating Expenditures	495,503	495,503	469,886	25,617
Other Expenditures	<u>-</u>	<u>-</u>	<u>34,535</u>	<u>(34,535)</u>
Total Expenditures	<u>\$ 2,396,836</u>	<u>\$ 2,396,836</u>	<u>\$ 2,289,175</u>	<u>\$ 107,661</u>
Revenues	<u>\$ 2,396,836</u>	<u>\$ 2,396,836</u>	<u>\$ 2,268,458</u>	<u>\$ (128,378)</u>
Total Revenues	<u>\$ 2,396,836</u>	<u>\$ 2,396,836</u>	<u>\$ 2,268,458</u>	<u>\$ (128,378)</u>

The notes to the financial statements are an integral part of this statement.

**DISTRICT ATTORNEY OF THE ORLEAS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
SCHEDULE OF THE DISTRICT ATTORNEY'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED DECEMBER 31, 2022**

District Attorneys' Retirement System

<u>Measurement Period</u>	<u>Proportion of the Net Pension Liability</u>	<u>Proportionate Share of the Net Pension Liability</u>	<u>Covered Payroll During Measurement Period</u>	<u>Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
6/30/2022	2.334492 %	2,514,743	1,510,800	166.45 %	81.65 %
6/30/2021	2.391455 %	425,756	1,497,700	28.43 %	96.79 %
6/30/2020	2.589501 %	2,051,590	1,618,875	126.73 %	84.86 %
6/30/2019	2.836182 %	912,408	1,667,600	54.71 %	93.13 %
6/30/2018	2.753629 %	886,097	1,827,502	48.49 %	92.92 %
6/30/2017	3.192785 %	861,164	1,823,379	47.23 %	93.57 %
6/30/2016	3.284849 %	628,744	2,134,086	29.46 %	95.09 %
6/30/2015	3.783886 %	203,820	2,241,957	9.09 %	98.56 %

Employees' Retirement System of the City of New Orleans

<u>Measurement Period</u>	<u>Proportion of the Net Pension Liability</u>	<u>Proportionate Share of the Net Pension Liability</u>	<u>Covered Payroll During Measurement Period</u>	<u>Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
12/31/2021	3.650179 %	9,628,963	4,761,084	202.24 %	65.91 %
12/31/2020	3.035848 %	8,673,367	4,161,568	208.42 %	61.72 %
12/31/2019	2.446347 %	7,441,156	4,846,921	153.52 %	57.94 %
12/31/2018	3.225754 %	9,439,051	4,709,573	200.42 %	55.55 %
12/31/2017	3.471406 %	8,259,833	4,422,834	186.75 %	62.22 %
12/31/2016	3.471406 %	8,868,401	4,622,490	191.85 %	58.06 %
12/31/2015	4.434200 %	9,914,329	4,614,293	214.86 %	60.26 %
12/31/2014	4.434202 %	7,512,673	4,676,366	160.65 %	68.64 %

Notes:

Changes in Assumptions:

Effective measurement period ended June 30, 2021 the actuarial valuation of the District Attorney's Retirement System assumed five years as the expected remaining service lives. For the periods ended June 30, 2020, 2019, and 2018, six years was assumed. For periods ended June 30, 2017 and 2016, seven years was assumed. Prior to that time, six years was assumed.

Effective measurement periods ended December 31, 2020, 2019, and 2018, the actuarial valuation of the Employees' Retirement System of the City of New Orleans assumed four years as the expected remaining service lives. Previously, eight years was assumed.

The reports for the District Attorney's Retirement System and The Employees' Retirement System of the City of New Orleans are available on the Louisiana Legislative Auditor's website at www.lia.la.gov.

Information related to June 30, 2014 through 2011 is not available.

See independent auditor's report

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
SCHEDULE OF THE DISTRICT ATTORNEY'S PENSION CONTRIBUTIONS
FOR THE YEAR ENDED DECEMBER 31, 2022**

District Attorneys' Retirement System

<u>Year</u>	<u>Statutorily Required Contributions</u>	<u>Contributions in Relation to the Statutorily Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll During Calendar Year</u>	<u>Contributions as a Percentage of Covered Payroll</u>
2022	150,955	(150,955)	-	1,589,000	9.50 %
2021	97,859	(97,859)	-	1,442,075	6.79 %
2020	63,966	(63,966)	-	1,599,150	4.00 %
2019	42,839	(42,839)	-	1,640,088	2.61 %
2018	10,270	(10,270)	-	1,817,525	0.57 %
2017	-	-	-	1,717,100	-
2016	35,912	(35,912)	-	2,052,114	1.75 %
2015	118,094	(118,094)	-	2,241,071	5.27 %
2014	191,621	(191,621)	-	2,278,118	8.41 %

Employees' Retirement System of the City of New Orleans

<u>Year</u>	<u>Statutorily Required Contributions</u>	<u>Contributions in Relation to the Statutorily Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll During Calendar Year</u>	<u>Contributions as a Percentage of Covered Payroll</u>
2022	897,215	(897,215)	-	5,080,493	17.660 %
2021	728,922	(728,922)	-	4,761,084	15.310 %
2020	928,862	(928,862)	-	4,161,568	22.320 %
2019	1,124,001	(1,124,001)	-	4,846,921	23.190 %
2018	1,095,070	(1,095,070)	-	4,709,573	23.252 %
2017	950,467	(950,467)	-	4,422,834	21.490 %
2016	1,040,615	(1,040,615)	-	4,622,490	22.512 %
2015	1,041,815	(1,041,815)	-	4,614,293	22.578 %
2014	1,018,419	(1,018,419)	-	4,676,366	21.778 %

Notes:

According to state statute, contribution requirements for all employers are actuarially determined each year.

Information related to 2013 through 2011 is not available.

See independent auditor's report

OTHER SUPPLEMENTARY INFORMATION

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDED DECEMBER 31, 2022**

**Agency Head:
Jason Rogers Williams, District Attorney of the Orleans Judicial District**

Purpose	Amount
Salary	\$ 186,403
Benefits - Insurance	14,315 *
Benefits - Retirement	17,708
Benefits - Other	2,607
Security Driver Provided by Government	27,624 **
Travel	149
Registration Fees	825
Conference Travel	1,740
Special Meals	259

* The City of New Orleans pays the employer portion of health insurance for all District Attorney employees, including the District Attorney. The District Attorney's office records this amount as on behalf of payments in the financials statements.

** This individual was also involved in the Investigations Divisions and performed other administrative functions during 2022; however, the District Attorney's office did not have a breakdown of the time allocable to these activities.

See independent auditor's report

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
JUSTICE SYSTEM FUNDING SCHEDULE- COLLECTING/DISBURSING ENTITY
AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION
FOR THE YEAR ENDED DECEMBER 31, 2022**

Identifying Information		
Entity Name	District Attorney of the Orleans Judicial District	
LLA Entity ID #	1323	
Date that reporting period ended	12/31/22	
	First Six Month Period Ended 06/30/22	Second Six Month Period Ended 12/31/22
Cash Basis Presentation		
Beginning Balance of Amounts Collected (i.e. cash on hand)	1,242,104	1,303,559
Add: Collections		
Bond Fees	2,974	-
Asset Forfeiture/Sale	58,481	-
Pre-Trial Diversion Program Fees	5,410	6,045
Other	1,350	1,050
Subtotal Collections	68,215	7,095
Less: Disbursements To Governments & Nonprofits:		
Drug Asset Recovery Team - Asset Forfeiture/Sale	-	585
Gretna Police Department - Asset Forfeiture/Sale	-	11,579
Jefferson Parish Sheriff's Office - Asset Forfeiture/Sale	-	11,579
Orleans Parish Criminal District Court - Asset Forfeiture/Sale	-	11,579
Orleans Parish Sheriff's Office - Asset Forfeiture/Sale	-	5,790
Plaquemines Parish Sherriff's Office - Asset Forfeiture/Sale	-	5,790
Less: Amounts Retained by Collecting Agency		
Asset Forfeiture/Sale	-	11,579
Pre-Trial Diversion Program Fees	5,410	6,045
Other	1,350	1,050
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Asset Forfeitures	-	84,652
Subtotal Disbursements/Retainage	6,760	150,228
Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)	1,303,559	1,160,426
Ending Balance of "Partial Payments" Collected but not Disbursed	-	-
Other Information:		
Ending Balance of Total Amounts Assessed but not yet Collected (i.e. receivable balance)	-	-
Total Waivers During the Fiscal Period (i.e. non-cash reduction of receivable balances, such as time served or community service)	-	-

See independent auditor's report

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
JUSTICE SYSTEM FUNDING SCHEDULE- RECEIVING ENTITY
AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION
FOR THE YEAR ENDED DECEMBER 31, 2022**

Identifying Information		
Entity Name	District Attorney of the Orleans Judicial District	
LLA Entity ID #	1323	
Date that reporting period ended	12/31/22	
	First Six Month Period Ended 06/30/22	Second Six Month Period Ended 12/31/22
Cash Basis Presentation		
Receipts From:		
Orleans Parish Criminal District Court - Criminal Court Costs/Fees	2,183	1,686
Orleans Parish Criminal Sheriff's Office - Criminal Court Costs/Fees	4,880	2,479
City of New Orleans - Criminal Fines - Other	37,931	21,611
Orleans Parish Criminal Sheriff's Office - Bond Fees	118,481	140,865
Orleans Parish Clerk of Criminal District Court - Other	3,500	7,600
Subtotal Receipts	166,975	174,241

See independent auditor's report

OTHER GOVERNMENTAL REPORTING

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

District Attorney of the Orleans Judicial District - Orleans Parish
619 S. White St.
New Orleans, Louisiana 70119

We have audited, in accordance with the 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District Attorney of the Orleans Judicial District (District Attorney), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the District Attorney's basic financial statements, and have issued our report thereon dated August 31, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District Attorney's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District Attorney's internal control. Accordingly, we do not express an opinion on the effectiveness of the District Attorney's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District Attorney's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. Under Louisiana Revised Statute 25:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

LeBlanc & Associates CPAs, L.L.C.

Metairie, Louisiana
August 31, 2023

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

SECTION I –SUMMARY OF AUDITOR’S RESULTS

Financial Statements

- A. The auditor's report expresses an unmodified opinion on the financial statements of the District Attorney of the Orleans Judicial District.
- B. No material weaknesses and no significant deficiencies were disclosed during the audit of the financial statements.
- C. No instances of noncompliance were found that were material to the financial statements of the District Attorney of the Orleans Judicial District which would be required to be reported in accordance with *Government Auditing Standards*.

Federal Awards

- D. No material weaknesses or significant deficiencies in internal control over major federal award programs were disclosed during the audit.
- E. The auditor's report on compliance for the major federal award programs for the District Attorney of the Orleans Judicial District expresses an unmodified opinion on all major federal programs.
- F. Audit findings which are required to be reported in accordance with the Uniform Guidance are included in the Schedule of Findings and Questioned Costs.
- G. The programs tested as major programs were:

Title	Assistance Listing Number
Child Support Enforcement (Title IV-D)	93.563

- H. The threshold for distinguishing Type A and Type B programs is \$750,000.
- I. The District Attorney of the Orleans Judicial District was determined to not be a low-risk auditee under section 520 of the Uniform Guidance.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

SECTION II – FINANCIAL STATEMENT AUDIT FINDINGS

2022-001. Audit reporting package not submitted by the due date of June 30, 2023

Statement of Condition: The audit reporting package was not timely filed on June 30, 2023.

Criteria: According to R.S. 24:513 an audit is to be completed within six months of the close of the entity's fiscal year.

Cause: Key accounting and management personnel left the agency during the time leading up to the due date which caused delays in obtaining documentation.

Effect or Potential Effect: The financial reporting package was submitted to the Louisiana Legislative Auditor late.

Recommendations: Management should begin the process of gathering the applicable information and providing to the auditors well in advance of the reporting deadline.

Management's Corrective Action Plan:

See page 71 of this report.

SECTION III – MAJOR FEDERAL AWARD PROGRAMS FINDINGS AND QUESTIONED COSTS

None

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS & QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

FINANCIAL STATEMENT FINDINGS:

None

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Federal Grantor / Pass-through Grantor Program Title	ALN Number	Project Number	Current Year Expenditures	Amounts Provided to Subrecipients
<u>United States Department of Justice</u>				
Sexual Assault Kit Initiative	16.833	2020-AK-BX-0013	574,509	79,566
Smart Prosecution Initiative	16.825	2019-YX-BX-0011	34,497	
Smart Prosecution Initiative	16.825	2020-YX-BX-0016	153,670	
Emmett Till Cold Case Investigations Program	16.031	15PBJA-21-GG-03617-EMME	4,227	
Postconviction Testing of DNA Evidence	16.820	15PBJA-21-GG-02629-POST	95,913	
Second Chance Act Reentry Initiative	16.812	15PBJA-21-GG-02885-SCAX	20,729	
Capital Case Litigation Initiative	16.746	15PBJA-21-GG-03610-WRNG	63,343	41,414
Services for Trafficking Victims	16.320	15POVC-22-GK-03655-HT	18,161	
<u>Passed through the Louisiana Commission on Law Enforcement and Administration of Criminal Justice</u>				
Crime Victim Assistance	16.575	2020-VA-02/03-6127	127,053	
Crime Victim Assistance	16.575	15POVC-21-GG-00628-ASSI	16,861	
Violence Against Women Formula Grants	16.588	2020-WF-AX-0057	22,549	
Violence Against Women Formula Grants	16.588	15JOVW-21-GG-00542-MUMU	47,508	
Edward Byrne Memorial Competitive Grant Program	16.738	2019-MU-BX-0056	982	
Edward Byrne Memorial Competitive Grant Program	16.738	2020-MU-BX-0026	68,603	
<u>Passed through the City of New Orleans</u>				
COVID-19 - Edward Byrne Memorial Justice Assistance Grant	16.738	2019-DJ-BX-0550	12,809	
COVID-19 - Edward Byrne Memorial Justice Assistance Grant	16.738	2020-DJ-BX-0375	35,371	
Total United States Department of Justice			<u>1,296,785</u>	<u>120,980</u>
<u>United States Department of Health and Human Services</u>				
<u>Passed through the Louisiana Department of Children and Family Services</u>				
Child Support Enforcement (Title IV-D)	93.563	1304LA4004	2,268,458	
Total United States Department of Health and Human Services			<u>2,268,458</u>	

See accompanying notes to schedule of expenditures of federal awards.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Federal Grantor / Pass-through Grantor Program Title	ALN Number	Project Number	Current Year Expenditures	Amounts Provided to Subrecipients
<u>United States Department of Homeland Security</u>				
<u>Passed through the State of Louisiana Governor's Office of Homeland Security and Emergency Preparedness</u>				
COVID-19 Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-DR-4484-LA-Louisiana-COVID	183,279	
			<u>183,279</u>	
Total United States Department of the Treasury		Total Federal Expenditures	<u>\$ 3,748,522</u>	<u>\$ 120,980</u>

See accompanying notes to schedule of expenditures of federal awards.

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
ORLEANS PARISH, LOUISIANA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note A - Basis of Presentation

The accompanying schedule of expenditures of federal awards ("Schedule") includes the federal grant activity for the District Attorney of the Orleans Judicial District under programs of the federal government for the year ended December 31, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note B - Summary of Significant Accounting Policies

- (1) Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited to reimbursement.
- (2) Pass-through entity identifying numbers are presented where available.
- (3) The District Attorney has a certified cost allocation plan and therefore has not elected to use the 10 percent de minimus cost rate.

Note C - Reconciliation of Federal Grant Expenditures to the Financial Statements

The following is a reconciliation of total federal grant expenditures to the grants and contributions revenue reported on page 18 of the financial statements:

Total Federal Expenditures	\$ 3,748,522
Victims Assistant Coordinator - State Warrant	120,000
Prosecutor Led Diversion - Cooperative Endeavor Agreement with the City of New Orleans	114,729
Greater New Orleans Foundation funding	296,016
Goodwill funding	37,203
Amounts Provided to Subrecipients	<u>(120,980)</u>
Total Grants and Contributions Revenue (page 18)	<u>\$ 4,195,490</u>

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

District Attorney of the Orleans Judicial District - Orleans Parish
619 S. White St.
New Orleans, Louisiana 70119

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited District Attorney of the Orleans Judicial District's (District Attorney) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District Attorney's major federal programs for the year ended December 31, 2022. The District Attorney's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District Attorney complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District Attorney and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District Attorney's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District Attorney's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District Attorney's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District Attorney's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District Attorney's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District Attorney's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District Attorney's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

LeBlanc & Associates CPAs, L.L.C.

Metairie, Louisiana
August 31, 2023



JASON ROGERS WILLIAMS
ORLEANS PARISH DISTRICT ATTORNEY

August 31, 2023

LeBlanc & Associates
Certified Public Accountants, LLC
341 N. Causeway Blvd, Suite 701
Metairie, LA 70002

RE: District Attorney of the Orleans Judicial District Independent Audit for the Period
of January 1, 2022 – December 31, 2022

The District Attorney of the Orleans Judicial District (“OPDA”) submits the following:

COMMENT ON LATE FILING

In advance of the June 30, 2023 filing deadline, OPDA submitted a request for non-emergency extension of time to file our annual audit report. As provided in the request letter, the current Chief Accountant and Chief of Staff required additional time to finalize the report with our independent auditors following the retirement of our former Chief Accountant on December 31, 2022 and our former Chief Administrative Officer’s resignation in 2023.

Respectfully submitted,

Micah Ince
Chief of Staff

**DISTRICT ATTORNEY OF THE ORLEANS JUDICIAL DISTRICT
New Orleans, Louisiana**

**Statewide Agreed-Upon Procedures Report
For the period January 1, 2022 through December 31, 2022**

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING STATEWIDE AGREED-UPON PROCEDURES

For the Period of January 1, 2022 – December 31, 2022

Jason Williams
District Attorney of the Orleans Judicial District
New Orleans, Louisiana

and to the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, on the control and compliance (hereafter "C/C") areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the period January 1, 2022 through December 31, 2022. The District Attorney of the Orleans Judicial District's (hereafter "the Agency") management is responsible for those C/C areas identified in the SAUPs.

The Agency has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the period January 1, 2022 through December 31, 2022. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1) WRITTEN POLICIES AND PROCEDURES

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
- i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - ii. **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
 - iii. **Disbursements**, including processing, reviewing, and approving.
 - iv. **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

1) WRITTEN POLICIES AND PROCEDURES (CONTINUED)

- v. **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- vii. **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- viii. **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Results: *After applying the procedures noted above, it was found that the Agency did not have written procedures to address the following:*

- **Ethics - A requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.**
- **Sexual Harassment - Annual reporting**

Regarding the Information Technology Disaster Recovery / Business Continuity section, we performed the procedures and discussed the results with management.

Management's Response:

See attached letter from the Agency dated August 31, 2023

2) BOARD OR FINANCE COMMITTEE

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

2) BOARD OR FINANCE COMMITTEE (CONTINUED)

- ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
- iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Results: *This section is not applicable.*

3) BANK RECONCILIATIONS

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:
 - i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
 - ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
 - iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Results: *No exceptions were noted as a result of applying the procedures above.*

4) COLLECTIONS

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

Results: *No exceptions were noted as a result of applying the procedures above.*

4) COLLECTIONS (CONTINUED)

- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
- i. Employees responsible for cash collections do not share cash drawers/registers;
 - ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit;
 - iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and
 - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not also responsible for collecting cash, unless another employee verifies the reconciliation.

Results: No exceptions were noted as a result of applying the procedures above.

- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

Results: After applying the procedures noted above, it was found that the employees who handle cash are not bonded.

- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
- i. Observe that receipts are sequentially pre-numbered.
 - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - iii. Trace the deposit slip total to the actual deposit per the bank statement.
 - iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
 - v. Trace the actual deposit per the bank statement to the general ledger.

Results: Twenty-two individual receipts, were reviewed for this procedure. Twelve out of the twenty-two individual receipts did not have evidence of a received date and were dated before the deposit date. Therefore, the procedures for measuring the time from collection to deposit could not be performed on those receipts. The remaining ten out of the twenty-two individual receipts did have evidence of a received date (or the date of the receipt matched the deposit date); however, three of those individual receipts were not deposited within one day from the

4) COLLECTIONS (CONTINUED)

date received. All remaining individual receipts were received via electronic transfer and therefore, deposited timely.

Management's Response:

See attached letter from the Agency dated August 31, 2023

5) NON-PAYROLL DISBURSEMENTS (EXCLUDING CARD PURCHASES, TRAVEL REIMBURSEMENTS, AND PETTY CASH PURCHASES)

A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5)

Results: No exceptions were noted as a result of applying the procedures above.

B. For each location selected under #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase;
- ii. At least two employees are involved in processing and approving payments to vendors;
- iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;
- iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and
- v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic fund transfer (EFT), wire transfer, or some other electronic means.

[Note: Findings related to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported]

Results: After applying the procedures noted above, it was found that the person responsible for processing payments is allowed to add/modify vendor files and also mails out the signed checks.

C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity, and
- ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B, as applicable.

5) NON-PAYROLL DISBURSEMENTS (EXCLUDING CARD PURCHASES/PAYMENTS, TRAVEL REIMBURSEMENTS, AND PETTY CASH PURCHASES) (CONTINUED)

Results: No exceptions were noted as a result of applying the procedures above.

D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

Results: No exceptions were noted as a result of applying the procedures above.

Management's Response:

See attached letter from the Agency dated August 31, 2023

6) CREDIT CARDS / DEBIT CARDS / FUEL CARDS / PURCHASE CARDS

A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

Results: No exceptions were noted as a result of applying the procedures above.

B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- i. Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and
- ii. Observe that finance charges and late fees were not assessed on the selected statements.

Results: No exceptions were noted as a result of applying the procedures above.

6) CREDIT CARDS / DEBIT CARDS / FUEL CARDS / PURCHASE CARDS (CONTINUED)

- C. Using the monthly statements or combined statements selected under procedure B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

Results: No exceptions were noted as a result of applying the procedures above.

7) TRAVEL AND TRAVEL-RELATED EXPENSE REIMBURSEMENTS (EXCLUDING CARD TRANSACTIONS)

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
- i. If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov);
 - ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
 - iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy procedure #1A(vii); and
 - iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results: No exceptions were noted as a result of applying the procedures above.

8) CONTRACTS

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management’s representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner’s contract, and:
- i. Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;

8) CONTRACTS (CONTINUED)

- ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter);
- iii. If the contract was amended (e.g. change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented); and
- iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

Results: No exceptions were noted as a result of applying the procedures above.

9) PAYROLL AND PERSONNEL

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Results: No exceptions were noted as a result of applying the procedures above.

- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #9A above, obtain attendance records and leave documentation for the pay period, and:
 - i. Observe that all selected employees or officials documented their daily attendance and leave and leave (e.g., vacation, sick, compensatory);
 - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
 - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
 - iv. Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

Results: After applying the procedures noted above, it was found that two of the five employees selected did not have records of their daily attendance. Agency policy states all non-exempt full-time and all part-time employees must track in some fashion the times in which they have worked each day. The three employees without daily attendance records were exempt employees and the agency policy does not specify how exempt employees should document their time. As a result, there were no daily attendance records to review for two of the five employees. The agency policy states employees must request leave time using a leave request form; therefore, all leave taken during the pay period selected was documented.

9) PAYROLL AND PERSONNEL (CONTINUED)

C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulate leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee's or official's' personnel files, and agree the termination payment to entity policy.

Results: No exceptions were noted as a result of applying the procedures above.

D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc) have been paid, and any associated forms have been filed, by required deadlines.

Results: Per the Child Support and Enforcement Division (Title IV-D Fund) management representation, not all retirement and health insurance contributions were filed by the required deadlines.

Management's Response:

See attached letter from the Agency dated August 31, 2023

10) ETHICS

A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and

- i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
- ii. Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Results: No exceptions were noted as a result of applying the procedures above.

B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

Results: Per management, an ethics designee was appointed internally; however, they did not fulfill all of the requirements of R.S. 42:1170 during the fiscal year.

Management's Response:

See attached letter from the Agency dated August 31, 2023

11) DEBT SERVICE

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Results: This section is not applicable.

12) FRAUD NOTICE

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.

Results: No exceptions were noted as a result of applying the procedures above.

- B. Observe the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Results: No exceptions were noted as a result of applying the procedures above.

13) INFORMATION TECHNOLOGY DISASTER RECOVERY / BUSINESS CONTINUITY

- A. Perform the following procedures, verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."
 - i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred (a) within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.

We performed the procedure and discussed the results with management.

- ii. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

We performed the procedure and discussed the results with management.

13) INFORMATION TECHNOLOGY DISASTER RECOVERY / BUSINESS CONTINUITY (CONTINUED)

- iii. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

We performed the procedure and discussed the results with management.

- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

We performed the procedure and discussed the results with management.

14) PREVENTION OF SEXUAL HARASSMENT

- A. Using the 5 randomly selected employees/officials from procedure #9A, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

Results: No exceptions were noted as a result of applying the procedures above.

- B. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

Results: After applying the procedures noted above, it was found that the Agency has a website, but did not post its sexual harassment policy and complaint procedure on its website.

- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:
 - i. Number and percentage of public servants in the agency who have completed the training requirements;
 - ii. Number of sexual harassment complaints received by the agency;
 - iii. Number of complaints which resulted in a finding that sexual harassment occurred;
 - iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - v. Amount of time it took to resolve each complaint.

Results: No exceptions were noted as a result of applying the procedures above.

Management's Response:

See attached letter from the Agency dated August 31, 2023

CONCLUSION

We were engaged by the Agency to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Agency and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

LeBlanc & Associates CPAs, L.L.C.

Metairie, Louisiana
August 31, 2023



JASON ROGERS WILLIAMS
ORLEANS PARISH DISTRICT ATTORNEY

August 31, 2023

LeBlanc & Associates
Certified Public Accountants, LLC
341 N. Causeway Blvd, Suite 701
Metairie, LA 70002

RE: District Attorney of the Orleans Judicial District Response to Independent Accountant's Report on Applying Statewide Agreed-Upon Procedures for the Period of January 1, 2022 – December 31, 2022

In response to the Independent Accountant's Report on Applying Statewide Agreed-Upon Procedures for the Period of January 1, 2022 – December 31, 2022, the District Attorney of the Orleans Judicial District ("OPDA") submits the following acknowledgements and corrective action measures:

WRITTEN POLICIES AND PROCEDURES

- *1(ix)(4) Ethics – A requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.*
- *1(xii)(3) Sexual Harassment – Annual reporting.*

Results: After applying the procedures noted above, it was found that the Agency did not have written procedures to address [1(ix)4] and 1(xii)(3)].

Management's Response:

With regard to the Ethics procedure, OPDA has added the following to the end of the "Introduction" on p.4 in the 2023 revision of the Human Resources manual (also known as the "employee manual"): "All non-technical changes to this manual or any policies therein will be communicated to all employees, and documentation of that communication will be maintained by OPDA." This sentence will be applicable not just to the ethics policy but to all policies contained in the manual.

With regard to Sexual Harassment reporting, our employee manual included provisions intended to facilitate a harassment-free work environment as well as adherence to training and reporting requirements. Specifically, the manual provided a prohibition on sexual harassment, procedures for reporting and addressing complaints, requirements for employees and supervisors to complete annual training, requirement that the HR

Director provide employees instructions for accessing trainings by September 1 of each year, and requirement that employees provide a copy of the certificate(s) verifying completion of training(s) to the HR Director by December 31 of each year. OPDA has added the following to the end of the "Sexual Harassment Policy" section located on p. 10 of the 2023 manual revision: "Pursuant to Louisiana Revised Statute 42:344, the HR Director is also responsible for compiling an annual report by February 1 of each year containing information from the previous calendar year regarding OPDA's compliance."

COLLECTIONS

- *4(c). – Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.*

Results: After applying the procedures noted above, it was found that the employees who handle cash are not bonded.

Management's Response:

Due to the relatively small dollar value of cash handled by employees, it would be a disproportionate financial burden to require bonding. Accordingly, OPDA does not require employees who handle cash to be bonded.

- *4(d). – Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3A....*

Results: Twenty-two individual receipts, were reviewed for this procedure. Twelve of the twenty-two individual receipts did not have evidence of a received date....

Management's Response:

OPDA policy requires that collection dates be recorded and that deposits be made within one business day of receipt. OPDA acknowledges that (1) employees occasionally fail to record collection dates and that (2) deposits are not always made within one business day.

OPDA acknowledges error on the former, and all staff involved in collections and deposits, as well as their supervisors, will be counseled verbally regarding the importance of adherence to our policy.

The latter is a direct result of staffing issues. With limited staffing resources, unfortunately, it is not feasible to have an employee travel to the bank each time a collection arrives, especially for small dollar deposits.

NON-PAYROLL DISBURSEMENTS

- *5(b) – For each location selected under #5A above, obtain a listing of those*

employees involved with non-payroll purchasing and payment functions....

Results: After applying the procedures noted above, it was found that the person responsible for processing payments is allowed to add/modify vendor files and also mails out the signed checks.

Management's Response:

OPDA acknowledges error. OPDA policy requires that the Chief Accountant be solely responsible for adding/modifying vendor files, while the Accounts Payable Accountant is generally responsible for processing payments. All staff involved in processing payments and adding/modifying vendor files, as well as their supervisors, will be counseled verbally regarding the importance of adherence to our policy.

The Accounts Payable Accountant is continuing to process checks, while the Chief Accountant is now responsible for placing signed checks in envelopes, sealing the envelopes, and placing them in the office's outgoing mail bin for the Courier to mail out. All staff involved in processing payments and mailing out signed checks, as well as their supervisors, will be counseled verbally regarding the importance of adherence to this new process.

PAYROLL AND PERSONNEL

- *9(d) – Obtain management's representation that employer and employee portions of third-party payroll related amounts....*

Results: Per the Child Support and Enforcement Division (Title IV-D Fund) management representation....

Management's Response:

The Child Support and Enforcement Division (Title IV-D Fund) operates as a cost reimbursement entity. Twice per month invoices are sent to DCFS for expenses incurred in that time period and DCFS then submits payments to the Child Support Division for these expenses. Child Support submits payments for retirement and health insurance contributions as soon as funding is available.

ETHICS

- *10(B) – Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.*

Results: Per management, an ethics designee was appointed internally; however, they did not fulfill all of the requirements of R.S. 42:1170 during the fiscal year.

Management's Response:

Management immediately initiated steps to correct this finding. Our ethics designee has reached out to the Board of Ethics to ensure all requirements are fulfilled by the

required deadlines, including completing the necessary training by both the ethics designee and employees, posting notification of the ethics designee throughout the office, and notifying the Board of Ethics of our designee and their contact information.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Micah Ince". The signature is fluid and cursive, with the first name being more prominent.

Micah Ince
Chief of Staff