

Financial Report

*Office of the District Public Defender
32nd JDC Parish of Terrebonne*

Houma, Louisiana

June 30, 2022

Financial Report

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32nd JDC Parish of Terrebonne*

Houma, Louisiana

June 30, 2022

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32nd JDC Parish of Terrebonne
Houma, Louisiana**

June 30, 2022

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FINANCIAL SECTION

INDEPENDENT AUDITOR’S REPORT

To the District Public Defender of the
32nd JDC Parish of Terrebonne,
Houma, Louisiana.

Opinions

We have audited the accompanying financial statements of the governmental activities and the General Fund of the Office of the District Public Defender 32nd JDC Parish of Terrebonne (the “Office”), State of Louisiana, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Office’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 and the General Fund of the Office of the District Public Defender 32nd JDC Parish of Terrebonne as of June 30, 2022, and the respective changes in financial position thereof and the budgetary comparison for the General Fund 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 Office 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 these 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 Office's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently know 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 and 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 Office'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 Office'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.

Report on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, the Schedule of the Office's Proportionate Share of the Net Pension Liability (Asset) and Schedule of the Office's Contributions on pages 5 through 10, 37, and 38, respectively, 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 considered it to be an essential part of the 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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Office's basic financial statements. The Justice System Funding Schedule - Receiving Entity as Required by Act 87 of 2020 Regular Legislative Session, on page 39, and the Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer, on page 40, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer is required by Louisiana Revised Statute 24:513(A)(3). 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. This 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

In accordance with Government Auditing Standards, we have also issued our report dated December 27, 2022 on our consideration of the Office's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 Office's internal control over reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Office's internal control over financial reporting and compliance.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

Houma, Louisiana,
December 27, 2022.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Office of the District Public Defender 32nd JDC Parish of Terrebonne Houma, Louisiana

June 30, 2022

The Management's Discussion and Analysis of the Office of the District Public Defender 32nd JDC Parish of Terrebonne (the "Office") financial performance presents a narrative overview and analysis of the Office's financial activities for the year ended June 30, 2022. This document focuses on the current period's activities, resulting changes, and currently known facts. Please read this document in conjunction with the basic financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

The Office's assets exceeded its liabilities at the close of the year ended June 30, 2022 by \$876,975 (net position), which represents a \$514,728 increase from last fiscal period.

The Office's revenues decreased \$133,977 (or 8.84%) primarily due to a decrease in service fees.

The Office's expenses decreased by \$746,720 (or 46.29%) primarily due to pension expense adjustments.

The Office did not have a deficit fund balance in its General Fund.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Office's basic financial statements. The Office's annual report consists of three parts: (1) management's discussion and analysis (this section), (2) basic financial statements, and (3) various governmental compliance reports and schedules by certified public accountants and management.

The basic financial statements include two kinds of statements that present different views of the Office:

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Office's finances, in a manner similar to a private sector business. The Statement of Net Position presents information on all of the Office's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Office is improving or deteriorating. The Statement of Activities presents information showing how the Office's net position changed during each fiscal period. All changes in net position are reported as soon as the underlying event giving rise to the change occurs regardless of the timing related cash flows.

Thus, revenues and expenses are reported in this Statement for some items that will only result in cash flows in future fiscal periods. The governmental activity of the Office is to provide legal defense to indigents.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. All of the funds of the Office are governmental funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal period. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Both the Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Office maintains one individual governmental fund. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance for the General Fund. The Office adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 11 through 15 of this report.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found in Exhibit F of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the Office's financial position. As of June 30, 2022, assets exceeded its liabilities by \$876,975 (net position). Net position investment in capital assets is reported at \$521,193 (net of accumulated depreciation) and is not available for future spending.

Condensed Statements of Net Position

	<u>June 30,</u>		<u>Dollar</u>
	<u>2022</u>	<u>2021</u>	<u>Change</u>
Current and other assets	\$ 404,970	\$ 879,972	\$(475,002)
Net pension asset	462,122	-	462,122
Capital assets	521,193	23,765	497,428
Total assets	<u>1,388,285</u>	<u>903,737</u>	<u>484,548</u>
Deferred outflows of resources	87,851	129,703	(41,852)
Total assets and deferred outflows of resources	<u>1,476,136</u>	<u>1,033,440</u>	<u>442,696</u>
Current liabilities	90,401	116,780	(26,379)
Net pension liability	-	157,376	(157,376)
Long-term obligations	67,411	65,934	1,477
Total liabilities	<u>157,812</u>	<u>340,090</u>	<u>(182,278)</u>
Deferred inflows of resources	441,349	331,103	110,246
Total liabilities and deferred inflows of resources	<u>599,161</u>	<u>671,193</u>	<u>(72,032)</u>
Net position:			
Net investment in capital assets	521,193	23,765	497,428
Unrestricted	355,782	338,482	17,300
Total net position	<u>\$ 876,975</u>	<u>\$ 362,247</u>	<u>\$ 514,728</u>

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)**Governmental Activities**

Governmental activities increased the Office's net position by \$514,728. Key elements of this increase are as follows:

Condensed Statements of Activities

	June 30,		Dollar Change	Total Percent Change
	2022	2021		
Revenues:				
Service fees	\$ 495,044	\$ 680,790	\$ (185,746)	-27.28%
Grants	880,546	828,550	51,996	6.28%
Charges for services	3,030	5,378	(2,348)	-43.66%
Miscellaneous	2,446	325	2,121	652.62%
Total revenues	<u>1,381,066</u>	<u>1,515,043</u>	<u>(133,977)</u>	-8.84%
Expenses:				
General government	<u>866,338</u>	<u>1,613,058</u>	<u>(746,720)</u>	-46.29%
Increase (decrease) in net position	514,728	(98,015)	612,743	-625.15%
Net position, beginning of year	<u>362,247</u>	<u>460,262</u>	<u>(98,015)</u>	-21.30%
Net position, end of year	<u>\$ 876,975</u>	<u>\$ 362,247</u>	<u>\$ 514,728</u>	142.09%

In total, general government revenues decreased by \$133,977. The decrease in revenues is primarily due to decreased services fees revenue. In total, general government expenses decreased by \$746,720. The decrease in expenses is primarily due to a decrease of \$668,412 in personal services as a result of the pension benefit recognized in fiscal year 2022.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the Office uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the Office's governmental fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Office's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal period. As of June 30, 2022, the Office's governmental fund reported an ending fund balance of \$314,569, a decrease of \$448,623 and is classified as unassigned.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS (Continued)**General Fund Budgetary Highlights**

The budget was amended once during the year ended June 30, 2022. During the year ended June 30, 2022, revenues were below budgetary estimates, and expenditures were above budgetary estimates. Service fee revenue reported an unfavorable budget variance of \$15,798, while personal services reported a favorable variance of \$12,364 and operating costs reported a favorable variance of \$3,959. The Office reported a net unfavorable budget variance of \$39,599.

CAPITAL ASSETS AND DEBT ADMINISTRATION**Capital Assets**

The Office's net investment in capital assets for its governmental activities as of June 30, 2022, amounts to \$521,193 (net of accumulated depreciation). This investment in capital assets includes building, equipment, furniture and fixtures, vehicle, and law books.

	<u>2022</u>	<u>2021</u>
Building	\$487,463	\$ -
Equipment	9,895	12,799
Furniture and fixture	18,737	771
Vehicle	5,098	10,195
Law books	<u>-</u>	<u>-</u>
Totals	<u>\$521,193</u>	<u>\$23,765</u>

The Office purchased the building on 504 Belanger Street, Houma, Louisiana, along with 2 new A/C units, 2 new computers, and a new printer during the year ended June 30, 2022.

Additional information on the Office's capital assets can be found in the Note 4, Exhibit F of this report.

Long-Term Obligations

Long-term obligations consisted of non-current liabilities for compensated absences of \$67,411. For the year ended June 30, 2022, compensated absence liabilities increased \$1,477. The net pension liability to the Parochial Employees Retirement System decreased \$157,376 as the obligation is reported as a net pension asset as of June 30, 2022.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The District Public Defender considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- Revenue from the State Government is based on the amount provided by the State Office, revenue from and all other sources are budgeted based on prior year's level of activities.
- Operations are expected to continue at the same basic level with no expected changes.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Office's finances for all those with an interest in the Office's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the District Public Defender 32nd JDC Parish of Terrebonne, 504 Belanger Street, Houma, Louisiana 70360.

**STATEMENT OF NET POSITION AND GOVERNMENTAL
FUND BALANCE SHEET**

**Office of the District Public Defender
32nd JDC Parish of Terrebonne
Houma, Louisiana**

June 30, 2022

	<u>General Fund</u>	<u>Adjustments (Exhibit B)</u>	<u>Statement of Net Assets</u>
Assets			
Cash	\$ 364,621	\$ -	\$ 364,621
Due from other governmental units	40,349	-	40,349
Net pension asset	-	462,122	462,122
Capital assets:			
Depreciable, net of accumulated depreciation	-	521,193	521,193
Total assets	404,970	983,315	1,388,285
Deferred Outflow of Resources	-	87,851	87,851
Total assets and deferred outflows of resources	<u>\$ 404,970</u>	<u>1,071,166</u>	<u>1,476,136</u>
Liabilities			
Accounts payable and accrued expenditures	\$ 90,401	-	90,401
Non-current liabilities	-	67,411	67,411
Total liabilities	90,401	67,411	157,812
Deferred Inflow of Resources	-	441,349	441,349
Total liabilities and deferred inflow of resources	<u>90,401</u>	<u>508,760</u>	<u>599,161</u>
Fund Balance/Net Position			
Fund balance:			
Unassigned	314,569	(314,569)	-
Total liabilities and fund balance	<u>\$ 404,970</u>	<u>194,191</u>	<u>599,161</u>
Net position:			
Net investment in capital assets		521,193	521,193
Unrestricted		355,782	355,782
Total net position		<u>\$ 876,975</u>	<u>\$ 876,975</u>

See notes to financial statements.

**RECONCILIATION OF THE GOVERNMENTAL FUND
BALANCE SHEET TO THE STATEMENT OF NET POSITION**

**Office of the District Public Defender
32nd JDC Parish of Terrebonne
Houma, Louisiana**

June 30, 2022

Fund Balance - Governmental Fund	\$ 314,569
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental fund.	
Capital assets	\$ 751,332
Less accumulated depreciation	<u>(230,139)</u>
	821,193
Long-term assets are not financial resources and, therefore, are not reported in the governmental fund.	
Net pension asset	462,122
Deferred outflows of resources used in governmental activities are not financial resources and, therefore, are not reported in the governmental fund.	
	87,851
Long term liabilities are not due and payable in the current period and therefore are not reported in the governmental fund.	
Compensated absences payable	(67,411)
Deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the governmental fund.	
	<u>(441,349)</u>
Net Position of Governmental Activities	<u><u>\$ 876,975</u></u>

See notes to financial statements.

**STATEMENT OF ACTIVITIES AND STATEMENT OF
GOVERNMENTAL FUND REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE**

**Office of the District Public Defender
32nd JDC Parish of Terrebonne
Houma, Louisiana**

For the year ended June 30, 2022

	General Fund	Adjustments (Exhibit D)	Statement of Activities
Revenues			
Service fees:			
Terrebonne Parish Consolidated Government	\$ 276,927	\$ -	\$ 276,927
Terrebonne Parish Sheriff	141,693	-	141,693
City Court of Houma	76,424	-	76,424
Grants:			
Louisiana Public Defender Board	880,546	-	880,546
Charges for services	3,030	-	3,030
Miscellaneous:			
Interest	142	-	142
Other	2,304	-	2,304
	<u>1,381,066</u>	<u>-</u>	<u>1,381,066</u>
Expenditures/Expenses			
General government:			
Personal services	944,030	(465,923)	478,107
Professional development	7,265	-	7,265
Operating costs	351,872	-	351,872
Capital outlay	526,522	(526,522)	-
Depreciation	-	29,094	29,094
	<u>1,829,689</u>	<u>(963,351)</u>	<u>866,338</u>
Excess (Deficit) of Revenues Over Expenditures	(448,623)	448,623	-
Change in Net Position	-	514,728	514,728
Fund Balance/Net Position			
Beginning of year	763,192	(400,945)	362,247
End of year	<u>\$ 314,569</u>	<u>\$ 562,406</u>	<u>\$ 876,975</u>

See notes to financial statements.

**RECONCILIATION OF THE STATEMENT OF GOVERNMENTAL
FUND REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE TO THE STATEMENT OF ACTIVITIES**

**Office of the District Public Defender
32nd JDC Parish of Terrebonne
Houma, Louisiana**

For the year ended June 30, 2022

Net Change in Fund Balance - Governmental Fund \$ (448,623)

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	\$ 526,522	
Depreciation expense	<u>(29,094)</u>	497,428

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in the governmental fund.

Pension expense	467,400	
Compensated absences payable	<u>(1,477)</u>	<u>465,923</u>

Change in Net Position of Governmental Activities \$ 514,728

See notes to financial statements.

**STATEMENT OF GOVERNMENTAL FUND REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND**

**Office of the District Public Defender
32nd JDC Parish of Terrebonne
Houma, Louisiana**

For the year ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Service fees:				
Terrebonne Parish Consolidated				
Government	\$ 317,205	\$ 285,448	\$ 276,927	\$ (8,521)
Terrebonne Parish Sheriff	201,459	143,020	141,693	(1,327)
City Court of Houma	130,098	82,374	76,424	(5,950)
Grants:				
Louisiana Public Defender Board	560,650	880,546	880,546	-
Charges for services	5,823	2,882	3,030	148
Miscellaneous:				
Interest	339	2,454	142	
Other	-	16,538	2,304	(14,234)
Total revenues	<u>1,215,574</u>	<u>1,413,262</u>	<u>1,381,066</u>	<u>(29,884)</u>
Expenditures				
Current:				
General government:				
Personal services	975,475	956,394	944,030	12,364
Professional development	4,688	5,789	7,265	(1,476)
Operating costs	427,789	355,831	351,872	3,959
Capital outlay	5,000	504,272	526,522	(22,250)
Total expenditures	<u>1,412,952</u>	<u>1,822,286</u>	<u>1,829,689</u>	<u>(7,403)</u>
Expenditures Over Revenues	(197,378)	(409,024)	(448,623)	(39,599)
Fund Balance				
Beginning of year	<u>761,674</u>	<u>763,192</u>	<u>763,192</u>	<u>-</u>
End of year	<u>\$ 564,296</u>	<u>\$ 354,168</u>	<u>\$ 314,569</u>	<u>\$ (39,599)</u>

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS**Office of the District Public Defender
32nd JDC Parish of Terrebonne
Houma, Louisiana**

June 30, 2022

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Office of the District Public Defender 32nd JDC Parish of Terrebonne (the "Office") conform to accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of significant accounting policies:

a) Reporting Entity and Period

GASB No. 14, *"The Financial Reporting Entity"*, GASB No. 39, *"Determining Whether Certain Organizations Are Component Units-an amendment of GASB Statement No. 14"*, and GASB No. 61, *"The Financial Reporting Entity: Omnibus and amendment of GASB Statements No. 14 and No. 34"* established the criterion for determining which component units should be considered part of the Office for financial reporting purposes. The basic criteria are as follows:

1. Legal status of the potential component unit including the right to incur its own debt, levy its own taxes and charges, expropriate property in its own name, sue and be sued, and the right to buy, sell and lease property in its own name.
2. Whether the governing authority appoints a majority of the board members of the potential component unit.
3. Fiscal interdependency between the Office and the potential component unit.
4. Imposition of will by the Office on the potential component unit.
5. Financial benefit/burden relationship between the Office and the potential component unit.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a) Reporting Entity and Period (Continued)

The Office has reviewed all of its activities and determined that there are no potential component units which should be included in its financial statements.

The Office is operated by the District Public Defender. The District Public Defender's authority is contingent upon the approval of the Louisiana Public Defender Board (the "Board") and the Board may relieve the District Public Defender of his duties.

b) Basis of Presentation

The Office's basic financial statements consist of the government-wide statements on all activities of the Office and the governmental fund financial statements.

Revenue and expenditure/expense classification and presentation used in the Office's basic financial statements is in accordance with Board policies.

Government-Wide Financial Statements:

The government-wide financial statements include the Statement of Net Position and the Statement of Activities for all activities of the Office. The government-wide presentation focuses primarily on the sustainability of the Office as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. Governmental activities generally are financed through taxes, intergovernmental revenues and other non-exchange revenues.

Fund Financial Statements:

The daily accounts and operations of the Office are organized on the basis of a fund and accounts groups, each of which is considered a separate accounting entity. The operation of the fund is accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues and expenditures. Government resources are allocated to and accounted for in the fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The following is the governmental fund of the Office:

General Fund - The General Fund is the general operating fund of the Office. It is used to account and report for all financial resources except those that are required to be accounted for in another fund.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Government-Wide Financial Statements:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Fund Financial Statements:

All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other uses) in net current assets. Governmental funds are maintained on the modified accrual basis of accounting.

Governmental fund revenues resulting from exchange transactions are recognized in the fiscal year in which the exchange takes place and meets the government’s availability criteria (susceptible to accrual). Available means that the resources will be collected within the current fiscal period or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal period. For this purpose, the Office considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Court costs on fines and forfeitures imposed by the Office and courts are recorded in the period they are collected by intermediate collectors. Interest income on investments is recorded as revenue when the investments have matured, and the income is available. Grants and miscellaneous revenues are recorded as revenues when received in cash by the Office because they are generally not measurable until actually received.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Allocations of cost such as depreciation are not recognized in the governmental funds.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d) Use of Estimates

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

e) Operating Budgetary Data

As required by the Louisiana Revised Statutes 39:1303, the District Public Defender adopted a budget for the General Fund. The budgetary practices include public notice of the proposed budget, public inspection and a public hearing on the budget prior to adoption. Any amendment involving the transfer of monies from one function to another or increases in expenditures must be approved by the District Public Defender. The Office amended its budget once during the year. All budgeted amounts which are not expended, or obligated through contracts, lapse at year-end.

The General Fund budget is adopted on a basis materially consistent with accounting principles generally accepted in the United States of America.

The General Fund budget presentation is included in the basic financial statements.

f) Accounts Receivable

The financial statements for the Office contain no allowance for uncollectible accounts. Uncollectible amounts due for receivables are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. These amounts are not considered to be material in relation to the financial position or operations of the fund.

g) Capital Assets

The accounting treatment over equipment (capital assets) depends on whether the assets are reported in the government-wide or fund financial statements.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g) Capital Assets (Continued)

Government-Wide Financial Statements:

In the government-wide financial statements, fixed assets are accounted for as capital assets. Capital assets purchased or acquired with an original cost of \$500 or more are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their estimated fair value at the date of donation. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	40 years
Equipment	5-12 years
Furniture and fixtures	5 years
Vehicle	5 years
Law books	5 years

Fund Financial Statements:

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

h) 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 and so will not be recognized as an outflow of resources (expenses/expenditures) 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 and so will not be recognized as an inflow of resources (revenue) until then.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) Vacation and Sick Leave

After one year of service, employees receive ten days of vacation. After ten years of employment an additional day will be earned each year maxing out at 20 days. Unused vacation at year-end may be carried forward to following years. Also, employees have 40 hours of sick leave per year. Upon termination, unused vacation for the year will be paid on a pro-rated basis, but sick leave will not be paid.

j) Pensions

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

k) Fund Equity

Government-Wide Statements:

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets. As of June 30, 2022, there were no outstanding balances of debt.
- b. Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributions or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net position that do not meet the definition of “restricted” or “net investment in capital assets.”

When both restricted and unrestricted resources are available for use, it is the Office’s policy to use restricted resources first, then unrestricted resources as they are needed. As of June 30, 2022, the Office did not have restricted net position.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k) Fund Equity (Continued)

Fund Financial Statements:

Governmental funds' fund balances classified as fund balance. Fund balance is further classified as follows:

- a. Non-spendable - amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to maintain intact.
- b. Restricted - amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed - amounts that can be used only for specific purposes determined by formal action of the District Public Defender. Commitments may be established, modified, or rescinded only through approval of the District Public Defender.
- d. Assigned - amounts that do not meet the criteria to be classified as either restricted or committed but that are intended to be used for specific purposes. Assignments may be established, modified or rescinded only through approval of the District Public Defender.
- e. Unassigned - all other spendable amounts.

For the classification of governmental fund balances, the Office considers an expenditure to be made from the most restrictive first when more than one classification is available. The Office's fund balance was classified as unassigned as of June 30, 2022.

l) New GASB Statements

During the year ending June 30, 2022, the Office implemented the following GASB Statements:

Statement No. 87, "*Leases*" increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I) New GASB Statements (Continued)

that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. This Statement did not affect the Office's financial statements.

Statement No. 89, "*Accounting for Interest Cost Incurred before the End of a Construction Period*" establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5-22 of Statement No. 62, "*Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*", which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This Statement did not affect the Office's financial statements.

Statement No. 91, "*Conduit Debt Obligations*" provides a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. This Statement did not affect the Office's financial statements.

Statement No. 92, "*Omnibus 2020*" establishes accounting and financial reporting requirements for specific issues related to leases, intra-entity transfers of assets, postemployment benefits, government acquisitions, risk financing and insurance related activities of public entity risk pools, fair value measurements, and derivative instruments. This Statement did not affect the Office's financial statements.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I) New GASB Statements (Continued)

Statement No. 93, “*Replacement of Interbank Offered Rates*” some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR) most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates. This Statement will preserve the consistency and comparability of reporting hedging derivative instruments and leases after governments amend or replace agreements to replace an IBOR. This Statement did not affect the Office’s financial statements.

Statement No. 97, “*Certain Component Unit Criteria and Accounting and Report for Internal Revenue Code Section 457 Deferred Compensation Plans*” provides for purposes of determining whether a primary government is financially accountable for a potential component unit, the absence of a governing board should be treated the same as the appointment of a voting majority of a governing board if the primary government performed the duties that a governing board typically would perform. This Statement also requires that the financial burden criterion in paragraph 7 of Statement No. 84 “*Fiduciary Activities*”, be applicable to only defined pension plans and defined OPEB plans that are administered through trusts. The Statement also requires that IRC Section 457 deferred compensation plan be classified as either a pension plan or as an other employee benefit plans depending on whether the plan meets the definition of a pension plan and clarifies that Statement No. 84 should be applied to all arrangements organized under IRC Section 457 to determine whether those arrangements should be reported as fiduciary activities. The requirements of this Statement that the absence of a governing board for a potential component unit should be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform and limit the financial burden criterion in paragraph 7 of Statement No. 84, be applicable to only defined pension plans and defined OPEB plans that are administered through trusts are effective immediately. This Statement did not affect the Office’s financial statements.

Statement No. 98, “*The Annual Comprehensive Financial Report*” establishes the term annual comprehensive financial report and its acronym ACFR. The new term and acronym replace instance of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. This Statement was developed in response to concerns raised by stakeholders that the common pronunciation of the acronym sounds like a profoundly objectionable racial slur. This Statement did not affect the Office’s financial statements.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I) New GASB Statements (Continued)

The GASB has issued the following Statements which will become effective in future years as shown below:

Statement No. 94, “*Public-Private and Public-Public Partnerships and Availability Payment Arrangements*” improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The requirements of this Statement are effective for the years beginning after June 15, 2022. Management has yet to determine the effect of this Statement on the financial statements.

Statement No. 96, “*Subscription-Based Information Technology Arrangements*” provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITA) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset - an intangible asset - and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this Statement are effective for the years beginning after June 15, 2022. Management has yet to determine the effect of this Statement on the financial statements.

Statement No. 99, “*Omnibus 2022*” provides objectives to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements and accounting and financial report for financial guarantees. The requirements of this Statement apply to all financial statements at dates varying from upon issuance to fiscal periods beginning after June 15, 2023. Management has yet to determine the effect of this Statement on the financial statements.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l) New GASB Statements (Continued)

Statement No. 100, “*Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62*” provides guidance to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. Management has yet to determine the effect of this Statement on the financial statements.

Statement No. 101, “*Compensated Absences*” provides guidance to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. Management has yet to determine the effect of this Statement on the financial statements.

m) Subsequent Events

Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that effect the financial statements. Subsequent events have been evaluated through December 27, 2022, which is the date the financial statements were available to be issued.

Note 2 - DEPOSITS

Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States or other federally insured investments, certificates of deposit of any bank domiciled or having a branch office in the State of Louisiana, guaranteed investments contracts and investment grade (A-1/P-1) commercial paper of domestic corporations.

Note 2 - DEPOSITS (Continued)

Bank Deposits

State law requires deposits (cash) of all political subdivisions to be fully collateralized at all times. Acceptable collateralization includes the FDIC insurance and securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision or with an unaffiliated bank or with a trust company for the account of the political subdivision.

The year-end balances of deposits are as follows:

	Bank Balance	Reported Amount
Cash	\$375,681	\$364,621

Custodial credit risk is the risk that in the event of a bank failure, the Office's deposits may not be returned to it. The Office has a written policy for custodial credit risk. As of June 30, 2022, \$125,681 of the Office's bank balance of \$375,681 was exposed to custodial credit risk because it was not fully covered by FDIC insurance.

As of June 30, 2022, cash was adequately collateralized in accordance with state law by securities held by unaffiliated banks for the account of the Office. The GASB, which promulgates the standards for accounting and financial reporting for state and local governments, considers these securities subject to custodial credit risk. Even though the deposits are considered subject to custodial credit risk under the provisions of GASB, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten days of being notified by the depositor that the fiscal agent has failed to pay deposited funds upon demand.

Note 3 - DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units as of June 30, 2022 consisted of the following:

	Amount
Terrebonne Parish Sheriff	\$13,077
Terrebonne Parish Consolidated Government	20,411
City Court of Houma	6,861
Total	\$40,349

Note 3 - DUE FROM OTHER GOVERNMENTAL UNITS (Continued)

The amounts due from the Terrebonne Parish Sheriff's Office are for court costs on fines and forfeitures imposed by the Office, bond fees, and court-ordered reimbursements. Amounts due from Terrebonne Parish Consolidated Government are for money collected for various items such as traffic citations.

Note 4 - CHANGES IN CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022 was as follows:

	<u>Balance July 1, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2022</u>
Capital assets being depreciated:				
Building	\$ -	\$504,272	\$ -	\$504,272
Equipment	183,483	2,830	-	186,313
Furniture and fixtures	11,841	19,420	-	31,261
Vehicle	25,486	-	-	25,486
Law books	4,000	-	-	4,000
	<u>224,810</u>	<u>526,522</u>	<u>-</u>	<u>751,332</u>
Total capital assets being depreciated				
Less accumulated depreciation for:				
Building	-	(16,809)	-	(16,809)
Equipment	(170,684)	(5,734)	-	(176,418)
Furniture and fixtures	(11,070)	(1,454)	-	(12,524)
Vehicle	(15,291)	(5,097)	-	(20,388)
Law books	(4,000)	-	-	(4,000)
	<u>(201,045)</u>	<u>(29,094)</u>	<u>-</u>	<u>(230,139)</u>
Total accumulated depreciation				
Total capital assets, net	<u>\$ 23,765</u>	<u>\$497,428</u>	<u>\$ -</u>	<u>\$521,193</u>

Note 5 - ACCOUNTS PAYABLE AND ACCRUED EXPENDITURES

Accounts payable and accrued expenditures as of June 30, 2022 consisted of the following:

	<u>Amount</u>
Contract attorneys	\$27,221
Salaries and benefits	<u>63,180</u>
Total	<u>\$90,401</u>

Note 6 - NON-CURRENT LIABILITIES

Non-current liabilities consist of accumulated unpaid vacation and net pension liability.

The following is a summary of the changes in long-term obligations of the Office as of June 30, 2022:

	<u>Payable June 30, 2021</u>	<u>Obligations</u>		<u>Payable June 30, 2022</u>
		<u>Retired</u>	<u>Generated</u>	
Compensated absences	\$ 65,934	\$ (28,387)	\$29,864	\$67,411
Net pension liability	<u>157,376</u>	<u>(157,376)</u>	<u>-</u>	<u>-</u>
	<u>\$223,310</u>	<u>\$(185,763)</u>	<u>\$29,864</u>	<u>\$67,411</u>

Compensated absences are described in Note 1i.

Note 7 - GOVERNMENTAL FUND REVENUES AND EXPENDITURES

For the year ended June 30, 2022, the major sources of governmental fund revenues and expenditures were as follows:

Revenues:	
State government:	
Grants	\$ 880,546
Local government:	
Statutory fines, fees, court costs and other	495,044
Charges for services	3,030
Investment earnings	142
Other	<u>2,304</u>
Total revenues	<u>\$ 1,381,066</u>
Expenditures:	
Personnel services:	
Salaries	\$ 801,135
Insurance	45,927
Payroll taxes	<u>96,968</u>
Total personnel services	<u>944,030</u>
Professional development:	
Dues, licenses and registrations	5,819
Travel	<u>1,446</u>
Total professional development	<u>7,265</u>
Operating costs:	
Library and research	22,175
Contract services - attorney/legal	224,259
Contract services - other	16,635
Lease - office	15,242
Insurance	35,553
Supplies	20,418
Repairs and maintenance	9,603
Utilities and telephone	6,620
Other	<u>1,367</u>
Total operating costs	<u>351,872</u>
Capital outlay	<u>526,522</u>
Total expenditures	<u>\$ 1,829,689</u>

Note 8 - PENSION PLAN

Plan Description. The Office contributes to Plan A of the Parochial Employees' Retirement System of Louisiana ("System"), a cost-sharing, multiple-employer defined benefit pension plan established by Act 205 of the 1952 regular session of the Legislature of the State of Louisiana to provide retirement benefits to all employees of any parish in the State of Louisiana or any governing body or a parish which employs persons serving the parish. Act 765 of 1979, revised the System to create Plan A and Plan B to replace the "regular plan" and the "supplemental plan". Plan A was designated for employers out of Social Security. Plan B was designated for those employers that remained in Social Security on the revision date. The System is governed by Louisiana Revised Statutes, Title 11, Section 1901 through 2025, specifically and other general laws of the State of Louisiana.

Benefits Provided. The System provides retirement, deferred retirement, disability and death benefits. Retirement benefits are generally equal to 3.0% of the member's final average compensation multiplied by the years of creditable service. For members hired prior to January 1, 2007 they may retire with full benefits at any age upon completing 30 years of service, retire at age 55 after completing 25 years of service, retire at age 60 after completing ten years of service or retire at age 65 after completing seven years of service. For members hired after January 1, 2007 they may retire with full benefits at age 55 after completing 30 years of service, retire at age 62 after completing ten years of service or retire at age 67 after completing seven years of service. Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for the System. When a member enters DROP their status changes from active to retired even though they continue to work and draw their salary for up to three years.

During participation in DROP, employer contributions are payable into a DROP Fund, but employee contributions cease. The election to participate in DROP is irrevocable once participation begins. Upon termination of employment a participant in DROP may receive a lump sum equal to payments into the participant's account, an annuity or a roll over to an individual retirement account. Members hired before January 1, 2007 with five or more years of service who become disabled may receive retirement benefits determined in the same manner as retirement benefits. Members hired after January 1, 2007 with seven or more years of service who become disabled may receive retirement benefits determined in the same manner as retirement benefits. Death benefits are payable to eligible surviving dependents based on the deceased member's years of creditable service and compensation and the dependent's relationship to the deceased member. The System provides permanent benefit increases, cost of living adjustments (COLA) as approved by the State Legislature.

Note 8 - PENSION PLAN (Continued)

Contributions. According to state statute, contributions for all employers are actuarially determined each year. For the plan year ending December 31, 2021, the actuarially determined employer contribution rate was 10.38% of member's compensation. However, the actual rate for the plan years ended June 30, 2022 and 2021 was 12.25%.

According to state statute, the System also receives $\frac{1}{4}$ of 1.00% of ad valorem taxes collected within the respective parishes, except for Orleans and East Baton Rouge parishes. The System also receives revenue sharing funds each year as appropriated by the Legislature. Tax monies and revenue sharing monies are apportioned between Plan A and Plan B in proportion to the members' compensation. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities.

Contributions to the System from the Office were \$79,702 for the year ended June 30, 2022.

Pension Asset. As of June 30, 2022, the Office reported an asset of \$462,122 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2021 and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of that date. The Office's proportion of the net pension asset was based on a projection of the Office's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2021, the Office's proportion was .098106%, which was an increase of .008352% from its proportion measured as of December 31, 2020.

Pension Benefit. For the year ended June 30, 2022, the Office recognized pension benefit of \$390,536.

Note 8 - PENSION PLAN (Continued)

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. As of June 30, 2022, the Office reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$27,921	\$ (33,493)
Net difference between projected and actual earnings on pension plan investments	-	(399,727)
Change in proportionate share	-	(8,129)
Changes in assumptions	24,101	-
Office contributions subsequent to the measurement date	<u>35,829</u>	<u>-</u>
	<u>\$87,851</u>	<u>\$(441,349)</u>

The Office reported \$35,829 as deferred outflows of resources related to pensions resulting from Office contributions subsequent to the measurement date, which will be recognized as a reduction of the net pension asset in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2023	\$ (79,530)
2024	(159,489)
2025	(107,462)
2026	<u>(42,846)</u>
Total	<u>\$(389,327)</u>

Note 8 - PENSION PLAN (Continued)

Actuarial Assumptions. A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2021 are as follows:

Valuation Date	December 31, 2021
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	4 years
Inflation Rate	2.30%
Investment Rate of Return	6.40%, net of investment expense, including inflation.
Projected Salary Increases	4.75% (2.30% Inflation, 2.45% Merit).
Mortality Rates	Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2018 scale for annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2018 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale for disabled annuitants.
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System 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.

Note 8 - PENSION PLAN (Continued)

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing method (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best estimates 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 rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.10% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.00% for the year ended December 31, 2021.

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2021 are as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income	33.00%	0.85%
Equity	51.00%	3.23%
Alternatives	14.00%	0.71%
Real assets	<u>2.00%</u>	<u>0.11%</u>
Totals	<u>100.00%</u>	4.90%
Inflation		<u>2.10%</u>
Expected Arithmetic Nominal Rate		<u>7.00%</u>

Discount Rate. The discount rate used to measure the collective pension liability was 6.40% as of December 31, 2021. 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 contribution rates, which are in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System'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.

Note 8 - PENSION PLAN (Continued)

Sensitivity of the Office’s Proportionate Share of the Collective Net Pension (Liability) Asset to Changes in the Discount Rate. The following presents the Office’s proportionate share of the Collective Net Pension (Liability) Asset using the discount rate of 6.40%, as well as what the Office’s proportionate share of the Net Pension (Liability) Asset would be if it were calculated using a discount rate that is one percentage-point lower (5.40%) or one percentage-point higher (7.40%) than the current rate:

	<u>1.00% Decrease (5.40%)</u>	<u>Current Discount Rate (6.40%)</u>	<u>1.00% Increase (7.40%)</u>
Office’s proportionate share of the net pension liability (asset)	<u>\$ (82,387)</u>	<u>\$ 462,122</u>	<u>\$ 918,248</u>

Payables to the Pension Plan

As of June 30, 2022 the Office had payables to the pension plan as follows:

	<u>Amount</u>
Quarterly contributions	
Employer	\$ 18,299
Employees	<u>15,117</u>
Total	<u>\$ 33,416</u>

Pension Plan Fiduciary Net Position. The Parochial Employees’ Retirement System of Louisiana issued a stand-alone audit report on their financial statements for the year ended December 31, 2021. Access to the audit report can be found on the System’s website, www.persla.org or on the Louisiana Legislative Auditor’s website, www.lla.la.gov.

Note 9 - RISK MANAGEMENT

The Office is exposed to various risks of loss related to workers compensation; torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Office carries commercial insurance. No settlements were made during the year that exceeded the Office insurance coverage.

REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF THE OFFICE'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY (ASSET)**

**Office of the District Public Defender
32nd JDC Parish of Terrebonne
Houma, Louisiana**

June 30, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Office's proportion of the net pension liability (asset)	<u>0.09811%</u>	<u>0.08975%</u>	<u>0.09000%</u>	<u>0.09661%</u>	<u>0.08705%</u>	<u>0.08218%</u>	<u>0.10526%</u>
Office's proportionate share of the net pension liability (asset)	<u>\$ (462,122)</u>	<u>\$ 157,376</u>	<u>\$ 4,237</u>	<u>\$ 428,803</u>	<u>\$ (64,616)</u>	<u>\$ 169,257</u>	<u>\$ 277,072</u>
Office's covered-employee payroll *	<u>\$ 650,628</u>	<u>\$ 587,577</u>	<u>\$ 570,692</u>	<u>\$ 593,936</u>	<u>\$ 521,243</u>	<u>\$ 498,409</u>	<u>\$ 603,508</u>
Office's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	<u>-71.027%</u>	<u>26.784%</u>	<u>0.742%</u>	<u>72.197%</u>	<u>-12.397%</u>	<u>33.959%</u>	<u>45.910%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>110.46%</u>	<u>104.00%</u>	<u>99.89%</u>	<u>88.86%</u>	<u>101.98%</u>	<u>94.15%</u>	<u>92.23%</u>

*For the valuation year ended December 31st.

The schedule is provided prospectively beginning with the District's fiscal year ended June 30, 2016 and is intended to show a ten year trend. Additional years will be reported as they become available.

SCHEDULE OF OFFICE’S CONTRIBUTIONS

**Office of the District Public Defender
32nd JDC Parish of Terrebonne
Houma, Louisiana**

June 30, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contributions	\$ 79,702	\$ 73,609	\$ 69,110	\$ 67,847	\$ 71,996	\$ 57,479	\$ 88,610
Contributions in relation to the contractually required contribution	<u>79,702</u>	<u>73,609</u>	<u>69,110</u>	<u>67,847</u>	<u>71,996</u>	<u>57,479</u>	<u>88,610</u>
Contribution deficiency (excess)	<u>\$ -</u>						
Office’s covered-employee payroll *	<u>\$ 646,537</u>	<u>\$ 600,891</u>	<u>\$ 581,453</u>	<u>\$ 589,977</u>	<u>\$ 599,613</u>	<u>\$ 450,781</u>	<u>\$ 634,563</u>
Contributions as a percentage of covered-employee payroll	<u>12.33%</u>	<u>12.25%</u>	<u>11.89%</u>	<u>11.50%</u>	<u>12.01%</u>	<u>12.75%</u>	<u>13.96%</u>

*For the contribution year ended June 30th.

The schedule is provided prospectively beginning with the District’s fiscal year ended June 30, 2016 and is intended to show a ten year trend. Additional years will be reported as they become available.

SUPPLEMENTARY INFORMATION SECTION

JUSTICE SYSTEM FUNDING SCHEDULE -
RECEIVING ENTITY AS REQUIRED BY ACT 87
OF THE 2020 REGULAR LEGISLATIVE SESSION

Office of the District Public Defender
32nd JDC Parish of Terrebonne
Houma, Louisiana

June 30, 2022

	<u>First Six Month Period Ended December 31, 2021</u>	<u>Second Six Month Period Ended June 30, 2022</u>
Collections:		
Terrebonne Parish Consolidated Government, Criminal Court Fees	\$ 172,310	\$ 116,701
Terrebonne Parish Sheriff's Office, Bond Fees	54,228	42,522
Terrebonne Parish Sheriff's Office, Drug Court Fees	-	720
Terrebonne Parish Sheriff's Office, C.O.R. Fees	8,890	7,914
Terrebonne Parish Sheriff's Office, Criminal Fines	24,210	19,540
City Court of Houma, Criminal Court Fees	<u>44,981</u>	<u>35,371</u>
Subtotal receipts	<u>304,619</u>	<u>222,768</u>
Ending balance of amounts assessed but not received	<u>\$ -</u>	<u>\$ -</u>

**SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER
PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER**

**Office of the District Public Defender
32nd JDC Parish of Terrebonne
Houma, Louisiana**

June 30, 2022

Agency Head Name: Anthony Champagne, Chief Defender

Purpose

Salary	\$ 98,280
Benefits - insurance	9,978
Benefits - retirement	11,671
Benefits - other	-
Car allowance	-
Vehicle provided by government	-
Per diem	-
Reimbursements	-
Travel	-
Registration fees	-
Conference travel	-
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Meals	-
	<hr/>
	<u>\$ 119,929</u>

Note: Anthony Champagne is the Chief Defender for the Board and functions as Chief Executive Officer.

SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS

**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**

To the District Public Defender of the
32nd JDC Parish of Terrebonne,
Houma, Louisiana.

We have audited, in accordance with the 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, the financial statements of the governmental activities and the General Fund of the Office of the District Public Defender 32nd JDC Parish of Terrebonne (the “Office”), State of Louisiana, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Office’s basic financial statements and have issued our report thereon dated December 27, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Office’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 Office’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Office’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 combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Office’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 over financial reporting 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 have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Office's financial statements are free of 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 instance of noncompliance or other matters required to be reported under *Government Auditing Standards*.

Office's Response to Management Letter Comments

The Office's responses to certain matters we reported to management of the Office in a separate letter dated December 27, 2022 are described in the accompanying Management's Corrective Action Plan. The Office's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this 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 Office's internal control over financial reporting or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Office's internal control over financial reporting and compliance. Accordingly, this communication is not suitable for any other purpose.



Certified Public Accountants.

Houma, Louisiana,
December 27, 2022.

SCHEDULE OF FINDINGS AND RESPONSES

**Office of the District Public Defender
32nd JDC Parish of Terrebonne
Houma, Louisiana**

For the year ended June 30, 2022

Section I - Summary of Auditor's Results

a) Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified that are
not considered to be a material weakness? Yes None reported

Noncompliance material to financial statements noted? Yes No

b) Federal Awards

The Office of the District Public Defender 32nd JDC Parish of Terrebonne did not expend federal awards during the year ended June 30, 2022.

**Section II - Internal Control Over Financial Reporting and Compliance and Other Matters
Material to the Basic Financial Statement Findings**

There were no internal control over financial reporting or compliance and other matters findings were reported during the audit for the year ended June 30, 2022.

Section III - Federal Award Findings and Questioned Costs

Not applicable.

REPORTS BY MANAGEMENT

SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES

**Office of the District Public Defender
32nd JDC Parish of Terrebonne
Houma, Louisiana**

For the year ended June 30, 2022

Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Basic Financial Statements

Internal Control Over Financial Reporting

No findings were reported during the audit for the year ended June 30, 2021.

Compliance and Other Matters

No findings material to the basic financial statements were reported during the audit for the year ended June 30, 2021.

Section II - Federal Award Findings and Questioned Costs

The Office of the District Public Defender 32nd JDC Parish of Terrebonne did not expend federal awards during the year ended June 30, 2021.

Section III - Management Letter

2021-001 Unclaimed Funds

Recommendation - We recommend the Office follow the recommendation from the State to forward unclaimed funds to the Department of the Treasury.

Management's Response - Unresolved - The Office will follow the recommendation from the State and will continue to research the status of outstanding checks promptly. See management letter comment 2022-001.

MANAGEMENT'S CORRECTIVE ACTION PLAN

**Office of the District Public Defender
32nd JDC Parish of Terrebonne
Houma, Louisiana**

For the year ended June 30, 2022

Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Basic Financial Statements

Internal Control Over Financial Reporting

No findings were reported during the audit for the year ended June 30, 2022.

Compliance and Other Matters

No findings material to the basic financial statements were reported during the audit for the year ended June 30, 2022.

Section II - Federal Award Findings and Questioned Costs

The Office of the District Public Defender 32nd JDC Parish of Terrebonne did not expend federal awards during the year ended June 30, 2022.

Section III - Management Letter

2022-001 Unclaimed Funds

Recommendation - We recommend the Office follow the recommendation from the State to forward unclaimed funds to the Department of the Treasury.

Management's Response - The Office will follow the recommendation from the State and will continue to research the status of outstanding checks promptly.

STATEWIDE AGREED-UPON PROCEDURES

INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES

To the District Public Defender of the
32nd JDC Parish of Terrebonne,
Houma, Louisiana.

We have performed the procedures described in Schedule 3 on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA) Statewide Agreed-Upon Procedures (SAUP) for the fiscal period July 1, 2021 through June 30, 2022. 32nd JDC Parish of Terrebonne's (the "Office") management is responsible for those C/C areas identified in the SAUPs.

The Office 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 the LLA's SAUPs for the fiscal period July 1, 2021 through June 30, 2022. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purpose. 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 described in Schedule 3.

We were engaged by the Office to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the 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 these 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 Office and to meet out 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.

Bourgeois Bennett, L.L.C.

Certified Public Accountants

Houma, Louisiana,
December 27, 2022.

**SCHEDULE OF PROCEDURES AND ASSOCIATED
FINDINGS OF THE STATEWIDE AGREED-UPON PROCEDURES**

**Office of the District Public Defender
32nd JDC Parish of Terrebonne
Houma, Louisiana**

For the year ended June 30, 2022

The required procedures and our findings are as follows:

Procedures Performed on the Office's Written Policies and Procedures:

1. Obtain and inspect the Office's written policies and procedures and observe that they address each of the following categories and subcategories if applicable to public funds and the Office's operations:
 - a) Budgeting, including preparing, adopting, monitoring, and amending the budget.
 Performance: Obtained and read the Office's budgeting policy and found it to address all the functions listed above.
 Exceptions: There were no exceptions noted.
 - b) 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 documentation required to be maintained for all bids and price quotes.
 Performance: Obtained and read the written policy for purchasing.
 Exceptions: The policy does not contain a provision for how vendors are added to the vendor list.
 - c) Disbursements, including processing, reviewing, and approving.
 Performance: Obtained and read the written policy for disbursements and found it to address all the functions list above.
 Exceptions: There were no exceptions noted.
 - d) Receipts/Collections, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of each type of revenue or agent 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).
 Performance: Obtained and read the written policy for receipts and found it to address all the functions listed above.
 Exceptions: There were no exceptions noted.

Procedures Performed on the Office's Written Policies and Procedures: (Continued)

- e) 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.
Performance: Obtained and read the Office's payroll/personnel policy.
Exceptions: The policy does not address the approval process for employee pay rates or approval and maintenance of pay rate schedules.

- f) Contracting, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
Performance: Obtained and read the Office's contracting policy and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.

- g) Credit Cards (and debit cards, fuel cards, P-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).
Performance: Obtained and read the Office's credit card policy and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.

- h) Travel and Expense Reimbursement, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
Performance: Obtained and read the written policy for travel and expense reimbursement and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.

- i) 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 Office's ethics policy.
Performance: Obtained and read the Office's ethics policy.
Exceptions: The Office's ethics policy does not include a provision for the requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the Office's ethics policy.

- j) Debt Service, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
Not applicable as the Office cannot issue debt.

Procedures Performed on the Office's Written Policies and Procedures: (Continued)

- k) 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.

Performance: Obtained and read the Office's policy manual.

Exceptions: The Office does not have an information technology disaster recovery/business continuity policy.

- l) Sexual Harassment, including R.S. 42:342-344 requirements for agency responsibilities and prohibitions, annual employee training, and annual reporting.

Performance: Obtained and read the written sexual harassment policy.

Exceptions: The policy does not contain a provision for annual reporting.

Procedures Performed on the Office's Board or Finance Committee:

2. 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:

- a) 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, or other equivalent document.

Performance: The Office does not have a board; therefore, this step is not applicable.

Exceptions: There were no exceptions noted.

- b) 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 and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds.

Performance: The Office does not have a board; therefore, this step is not applicable.

Exceptions: There were no exceptions noted.

- c) 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.

Performance: The Office does not have a board; therefore, this step is not applicable.

Exceptions: There were no exceptions noted.

Procedures Performed on the Office's Bank Reconciliations:

3. Obtain a listing of the Office's bank accounts from management and management's representation that the listing is complete. Ask management to identify the main operating account. Select the Office'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 each randomly selected account, and observe that:

Performance: Obtained the listing of bank accounts from management and received management's representation that the listing is complete in a separate letter.

Exceptions: There were no exceptions noted.

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

Performance: Obtained monthly bank reconciliation for the month of June for the operating bank account.

Exceptions: There were no exceptions noted.

- b) Bank reconciliations include evidence that a member of management/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

Performance: Obtained the Office's documentation of bank reconciliations and observed that the reconciliations were reviewed by a member of management who does not handle cash.

Exceptions: There were no exceptions noted.

- c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Performance: Obtained the Office's bank reconciliations and observed that bank reconciliations tested had 12 items outstanding for more than 12 months.

Exceptions: There was no documentation of research for reconciling items outstanding for more than 12 months.

Procedures Performed on the Office's Collections (Excluding Electronic Funds Transfers):

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/check/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).

Performance: Obtained the listing of deposit sites from management and received management's representation in a separate letter that this listing is complete. The Office has one deposit site.

Exceptions: There were no exceptions noted.

**Procedures Performed on the Office's Collections (Excluding Electronic Funds Transfers):
(Continued)**

5. For each deposit site randomly 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., 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:

Performance: Obtained the listing of collection locations from management and received management's representation in a separate letter that this listing is complete. The Office has one deposit site. There are 2 collections locations.

Exceptions: There were no exceptions noted.

a) Employees that are responsible for cash collections do not share cash drawers/registers.

Performance: Inspected policy manuals, inquired of management and observed that employees do not share cash drawers/registers. Administrative Assistants collect cash at windows and subsequently place funds into lockbox which they have no access to.

Exceptions: There were no exceptions noted.

b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee or official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.

Performance: Inspected policy manuals, inquired of management and observed employees collecting cash are not responsible for preparing/making deposit.

Exceptions: There were no exceptions noted.

c) Each employee responsible for collecting cash is not 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.

Performance: Inspected policy manuals, inquired of management and observed employees collecting cash are not responsible for making deposits.

Exceptions: There were no exceptions noted.

d) 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 responsible for collecting cash, unless another employee/official verifies the reconciliation.

Performance: Inspected policy manuals, inquired of management and observed employees performing reconciliations do not collect cash.

Exceptions: There were no exceptions noted.

**Procedures Performed on the Office's Collections (Excluding Electronic Funds Transfers):
(Continued)**

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

Performance: Obtained a listing of all employees who have access to cash and inquired of management if these employees are covered by a bond or insurance policy for theft. Observed that the bond or insurance policy was enforced during the fiscal period.

Exceptions: There were no exceptions noted.

7. Randomly select 2 deposit dates for each of the 5 bank accounts randomly selected for procedures #3 under "Procedures Performed on the Office's Bank Reconciliations" above (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 document other than bank statements when randomly 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:

- a) Observe that receipts are sequentially pre-numbered.

Performance: Obtained supporting documentation for the randomly selected deposits and observed that receipts were sequentially pre-numbered.

Exceptions: There were no exceptions noted.

- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

Performance: Traced supporting documentation to the deposit slip.

Exceptions: There were no exceptions noted.

- c) Trace the deposit slip total to the actual deposit per the bank statement.

Performance: Traced deposit slip total to actual deposit per bank statement.

Exceptions: There were no exceptions noted.

- d) 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 cash is stored securely in a locked safe or drawer).

Performance: Observed that the deposits tested were made within one business day of receipt or within one week if the depository is more than 10 miles from collection location or the deposit is less than \$100.

Exceptions: There were no exceptions noted.

- e) Trace the actual deposit per the bank statement to the general ledger.

Performance: Traced the actual deposit per the bank statement to the general ledger.

Exceptions: There were no exceptions noted.

Procedures Performed on the Office's Non-Payroll Disbursements (Excluding Card Purchases/Payments, Travel Reimbursements, and Petty Cash Purchases):

8. 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).

Performance: Obtained a listing of locations that process payments from management and management's representation that the listing is complete in a separate letter. The Office only has 2 locations that process payments.

Exceptions: There were no exceptions noted.

9. For each location randomly selected under #8 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 Office has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

Performance: Obtained a listing of employees involved in non-payroll purchasing and payment functions and received management's representation in a separate letter that the listing is complete.

Exceptions: There were no exceptions noted.

- a) At least 2 employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

Performance: Obtained a listing of employees involved in initiating a purchase request, approving a purchase, and placing an order/making a purchase. Observed at least 2 employees are involved.

Exceptions: There were no exceptions noted.

- b) At least 2 employees are involved in processing and approving payments to vendors.

Performance: Obtained a listing of employees involved in processing and approving payments to vendors. Observed at least 2 employees are involved.

Exceptions: There were no exceptions noted.

- c) The employees responsible for processing payments is prohibited from adding/modifying vendor files unless another employee is responsible for periodically reviewing changes to vendor files.

Performance: Obtained a listing of employees involved in processing payments to vendors. Observed if any employees involved are adding/modifying vendor files.

Exceptions: The same employee who processes payments can also add/modify vendor files.

- d) 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.

Performance: Obtained a listing of employees involved with signing and mailing checks.

Exceptions: The same employee who processes payments mails the signed checks.

Procedures Performed on the Office's Non-Payroll Disbursements (Excluding Card Purchases/Payments, Travel Reimbursements, and Petty Cash Purchases): (Continued)

10. For each location randomly selected under #8 above, obtain the Office'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:

Performance: Obtained the Office's general ledger for the fiscal period and obtained management's representation in a separate letter that the listing is complete.

Exceptions: There were no exceptions noted.

- a) Observe whether the disbursement matched the related original itemized invoice, and that supporting documentation indicates that deliverables included on the invoice were received by the Office.

Performance: Obtained the disbursements and observed that the disbursement and the related original invoice were in agreement and evidence that the deliverables was received.

Exceptions: There were no exceptions noted.

- b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Performance: Observed the 5 disbursements included evidence of segregation of duties.

Exceptions: There were no exceptions noted.

Procedures Performed on the Office's Credit Cards, Debit Cards, Fuel Cards, P-Cards:

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-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.

Performance: Inquired of management about a listing of active credit cards, bank debit cards, fuel cards, and P-cards. The Office does not have any credit cards, therefore, this step is not applicable.

Exceptions: There were no exceptions noted.

12. 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:

**Procedures Performed on the Office's Credit Cards, Debit Cards, Fuel Cards, P-Cards:
(Continued)**

- a) 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) was reviewed and approved, in writing, (or electronically approved), by someone other than the authorized card holder.

Performance: The Office does not have any credit cards, therefore, this step is not applicable.

Exception: There were no exceptions noted.

- b) Observe that finance charges and late fees were not assessed on the randomly selected statements.

Performance: The Office does not have any credit cards, therefore, therefore, this step is not applicable.

Exceptions: There were no exceptions noted.

- 13. Using the monthly statements or combined statements randomly selected under #12 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:

- a) An original itemized receipt that identifies precisely what was purchased.

Performance: The Office does not have any credit cards, therefore, this step is not applicable.

Exceptions: There were no exceptions noted.

- b) Written documentation of the business/public purpose.

Performance: The Office does not have any credit cards, therefore, this step is not applicable.

Exceptions: There were no exceptions noted.

- c) Documentation of the individuals participating in meals (for meal charges only).

Performance: The Office does not have any credit cards, therefore, this step is not applicable.

Exceptions: There were no exceptions noted.

Procedures Performed on the Office's Travel and Travel-Related Expense Reimbursements (Excluding Card Transactions):

14. 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 randomly selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

Performance: Obtained the general ledger for travel and travel-related expense reimbursements. Management's representation of the listing was confirmed in a separate letter. There was only one travel and travel-related expense reimbursement during the fiscal period.

Exceptions: There were no exceptions noted.

- a) If reimbursed using a per diem, observe that 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).

Performance: Inspected travel and expense reimbursements and observed per diem rates were the GSA rates.

Exceptions: There were no exceptions noted.

- b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

Performance: Inspected travel and expense reimbursements to observe that expenses using actual costs were supported by an itemized receipt.

Exceptions: There were no exceptions noted.

- c) 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 (procedures #lh).

Performance: Inspected travel and expense reimbursements to observe that expenses included the business purpose.

Exceptions: There were no exceptions noted.

- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving the reimbursement.

Performance: Inspected travel and expense reimbursements to observe that expenses included approval by someone other than the person receiving reimbursement.

Exceptions: There were no exceptions noted.

Procedures Performed on the Office's Contracts:

15. 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. 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:

Performance: Obtained a listing of all contract vendors and received management's representation of completeness in a separate letter that the listing is complete.

Exceptions: There were no exceptions noted.

- a) 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.

Performance: Inspected supporting contract documentation and inquired of client about any contracts subject to Louisiana Public Bid Law. No contracts were subject to Louisiana Public Bid Law.

Exceptions: There were no exceptions noted.

- b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).

Performance: The Office does not have a board.

Exceptions: There were no exceptions noted.

- c) If the contract was amended (e.g., change order), observe that 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).

Performance: Inspected contracts and inquired of management about amendments to contracts in the fiscal year. No contracts were amended during the fiscal year.

Exceptions: There were no exceptions noted.

- d) 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 that the invoice and related payment agreed to the terms and conditions of the contract.

Performance: Inspected payments for 5 contracts, obtained supporting invoices, agreed invoice to the contract terms, and observed invoices related to the payment agreed to terms and conditions of the contract.

Exceptions: There were no exceptions noted.

Performed on the Office's Payroll and Personnel:

16. 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.

Performance: Obtained the listing of employees with their related salaries from management and received management's representation in a separate letter. Randomly selected 5 employees and agreed paid salaries to authorized salaries or pay rates per the personnel files.

Exceptions: There were no exceptions noted.

17. Randomly select one pay period during the fiscal period. For the 5 employees or officials randomly selected under # 16 above, obtain attendance records and leave documentation for the pay period, and:

- a) Observe that all randomly selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).

Performance: Selected pay period for the first week of March to test leave taken during that period. Inspected daily attendance and leave record for proper documentation.

Exceptions: There were no exceptions noted.

- b) Observe that supervisors approved the attendance and leave of the randomly selected employees or officials.

Performance: Inspected the approval of attendance and leave by the supervisors for the randomly selected employee or officials.

Exceptions: There were no exceptions noted.

- c) Observe that any leave accrued or taken during the pay period is reflected in the Office's cumulative leave records.

Performance: Inspected any leave accrued or taken during the pay period was reflected in the cumulative leave records.

Exceptions: There were no exceptions noted.

- d) Observe that the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

Performance: Inspected and agreed the rate paid to employees to the authorized salary/pay rate found within the personnel file.

Exceptions: There were no exceptions noted.

Procedures Performed on the Office's Payroll and Personnel: (Continued)

18. 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 2 employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, and the Office's policy on termination payments. Agree the hours to the employees' or officials' cumulative leave records, agree the pay rates to the employees' or officials' authorized pay rates in the employees' or officials' personnel files and agree the termination payment to the Office's policy.

Performance: Inquired of management of its termination policy, those employees or officials that terminated during the fiscal period and management's representation that the list is complete in a separate letter. Agreed the hours to the employees' cumulative leave records, agreed the pay rates to the employees' authorized pay rates in the employees' personnel files and agreed the termination payment to the Office policy.

Exceptions: There were no exceptions noted.

19. 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, and workers' compensation premiums, etc.) have been paid, and associated forms have been filed, by required deadlines.

Performance: Obtained management's representation of the timely filing of payroll forms and inspected payroll reporting forms to confirm that all payments were submitted to the applicable agencies by the required deadlines.

Exceptions: There were no exceptions noted.

Procedure Performed on the Office's Ethics:

20. Using the 5 randomly selected employees/officials from procedure #16 under "Procedures Performed on the Office's Payroll and Personnel", obtain ethics documentation from management and:

- a) Observe that the documentation demonstrates each employee or official completed one hour of ethics training during the fiscal period.

Performance: Observed that randomly selected employee's files included documentation of ethics training completed during the fiscal year

Exceptions: 2 of the 5 employees tested did not have documentation of completion of one hour of ethics training.

- b) Observe that the Office maintains documentation which demonstrates each employee or official were notified of any changes to the Office's ethics policy during the fiscal period, as applicable.

Performance: There were no changes to the ethics policy during the fiscal period, therefore, no notification needed.

Exceptions: There were no exceptions noted.

Procedures Performed on the Office's Debt' Service:

21. 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 that the State Bond Commission approval was obtained for each bond/note issued.

Not applicable as the Office cannot issue debt.

22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing of bonds/notes and other debt instruments 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 assets funds, or other funds required by the debt covenants).

Not applicable as the Office cannot issue debt.

Procedures Performed on the Office's Fraud Notice:

23. Obtain a listing of misappropriations of public funds or 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 Office reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the Office is domiciled.

Performance: Inquired of management of any misappropriations of public funds or assets, none were noted.

Exceptions: There were no exceptions noted.

24. Observe that the Office 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.

Performance: Observed that the fraud notice is posted on the premises and website concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Exceptions: There were no exceptions noted.

Procedures Performed on the Office's Information Technology Disaster Recovery/Business Continuity:

25. Perform the following procedures, verbally discuss the results with management, and report "We performed the procedure and discussed the results with management".

- a) Obtain and inspect the Office'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 within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

Performance: We performed the procedures and discussed the results with management.

Procedures Performed on the Office's Information Technology Disaster Recovery/Business Continuity: (Continued)

- b) Obtain and inspect the Office'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.

Performance: We performed the procedures and discussed the results with management.

- c) Obtain a listing of the Office'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 randomly 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.

Performance: We performed the procedures and discussed the results with management.

Procedures Performed on the Office's Sexual Harassment:

- 26. Using the 5 randomly selected employees/officials from procedure #16 under "Procedures Performed on the Payroll and Personnel" above, 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.

Performance: Examined sexual harassment training documentation for the 5 employees tested.

Exceptions: 2 of the 5 employees tested did not have documentation of completion of one hour of sexual harassment training.

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

Performance: Inquired of management regarding the sexual harassment policy and complaint procedure on its website. Sexual harassment policy was posted on the premise.

Exceptions: There were no exceptions noted.

- 28. Obtain the Office'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:

- a) Number and percentage of public servants in the Office who have completed the training requirements.

Performance: Inquired of management regarding the Office's annual sexual harassment report for the fiscal period.

Exceptions: There was no report filed during the fiscal period.

Procedures Performed on the Office's Sexual Harassment: (Continued)

- b) Number of sexual harassment complaints received by the Office.
Performance: Inquired of management regarding the Office's annual sexual harassment report for the fiscal period.
Exceptions: There was no report filed during the fiscal period.
- c) Number of complaints which resulted in a finding that sexual harassment occurred;
Performance: Inquired of management regarding the Office's annual sexual harassment report for the fiscal period.
Exceptions: There was no report filed during the fiscal period.
- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action.
Performance: Inquired of management regarding the Office's annual sexual harassment report for the fiscal period.
Exceptions: There was no report filed during the fiscal period.
- e) Amount of time it took to resolve each complaint.
Performance: Inquired of management regarding the Office's annual sexual harassment report for the fiscal period.
Exceptions: There was no report filed during the fiscal period.

Management's Overall Response to Exceptions:

- 1b Management will consider adding the required provision to the existing purchasing policy.
- 1e Management will consider adding the required provision to the existing payroll/personnel policy.
- 1i Management will consider adding the required provisions to the existing ethics policy.
- 1k Management will develop and adopt an information technology disaster recovery/business continuity policy.
- 1l Management will consider adding the required provision to the sexual harassment policy.
- 3c Management will research and maintain documentation for items outstanding longer than 12 months from the bank reconciliations.
- 9c Management will consider having an employee that does not process payments add/modify the vendor files.
- 9d Management will consider having an employee that does not process payments mail signed checks.
- 20a Management will ensure all employees complete one hour of ethics training.
- 26 Management will ensure all employees complete one hour of sexual harassment training.
- 28a-e Management will prepare and make public the annual sexual harassment report containing the applicable requirements of R.S. 42:344 on or before the February one deadline.