

ORLEANS PUBLIC DEFENDERS
FINANCIAL AND COMPLIANCE AUDIT
TOGETHER WITH
INDEPENDENT AUDITORS' REPORT
FOR THE YEAR ENDED JUNE 30, 2021

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INDEPENDENT AUDITORS' REPORT

To the District Defender
Orleans Public Defenders
New Orleans, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of **Orleans Public Defenders** (“**OPD**”) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise **OPD**'s basic financial statements as listed in the Table of Contents.

Management's Responsibility 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; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to **OPD**'s preparation and fair presentation of the financial statements 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 **OPD**'s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and the major fund information of **OPD** as of June 30, 2021, and the respective changes in financial position for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on page 5 through 9 and budgetary comparison information on page 28 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise **OPD's** basic financial statements. The Schedule of Compensation, Benefits and Other Payments to Chief District Defender, and the Justice System Funding Reporting Schedule (receiving entity) 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 Chief District Defender, and the Justice System Funding Reporting Schedule (receiving entity) are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Compensation, Benefits and Other Payments to Chief District Defender, and the Justice System Funding Reporting Schedule (receiving entity) are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 18, 2022, on our consideration of **OPD's** internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering **OPD's** internal control over financial reporting and compliance.

Bruno & Tervalon LLP

New Orleans, LA
June 18, 2022

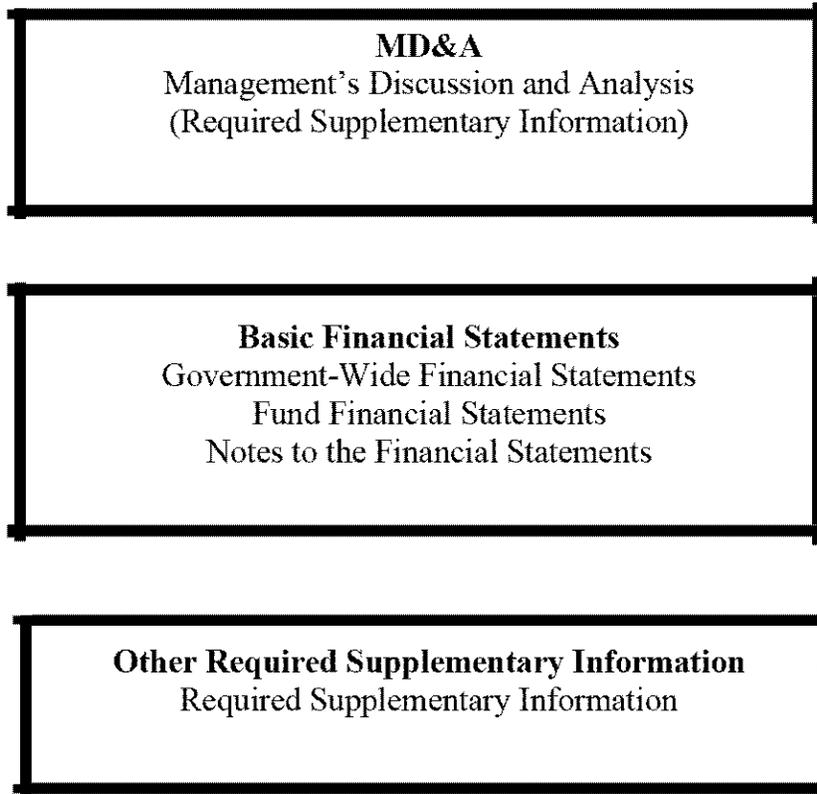
MANAGEMENT'S DISCUSSION AND ANALYSIS

ORLEANS PUBLIC DEFENDERS

MANAGEMENT'S DISCUSSION AND ANALYSIS For the Year Ended June 30, 2021

The Orleans Public Defenders' ("OPD") Management's Discussion and Analysis is intended to assist the reader in focusing on significant financial issues, provide an overview of OPD's financial activity, and identify changes in OPD's financial position and its ability to address the next and subsequent years' challenges. It also identifies any material deviations from the financial plan and identifies individual fund issues or concerns. This is a requirement of the Governmental Accounting Standards Board Statement No. 34 (GASB 34) *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* and is intended to provide the financial results for the year ended June 30, 2021.

The following is an illustration on how this financial report is presented.



As indicated in the illustration, GASB 34 requires the presentation of two basic types of financial statements: Government-Wide Financial Statements and Fund Financial Statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of OPD's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of OPD's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of OPD is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed

ORLEANS PUBLIC DEFENDERS

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2021

(Continued)

during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of 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 government-wide financial statements can be found on pages 11 and 12 of this report.

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. **OPD**, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of **OPD** are categorized as 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 year. Such information may be useful in evaluating a government's near-term financing requirements.

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. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and net change in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

OPD maintains one governmental fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and net change in fund balance for the general fund, which is considered to be the major fund.

OPD adopts an annual 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 13 through 16 of this report.

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 on pages 17 through 26 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning **OPD's** budgetary comparison schedule for its major governmental fund. The required supplementary information can be found on page 28 of this report.

ORLEANS PUBLIC DEFENDERS

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2021

(Continued)

Financial Analysis of OPD

Summary of Net Position

| | As of | | Variance |
|----------------------------------|------------------|------------------|--------------|
| | June 30, 2021 | June 30, 2020 | |
| Assets | | | |
| Current assets | \$ 3,539,684 | \$ 1,621,492 | \$ 1,918,192 |
| Capital assets, net | 24,825 | 47,134 | (22,309) |
| Total assets | 3,564,509 | 1,668,626 | 1,895,883 |
| Liabilities | | | |
| Current liabilities | 15,634 | 40,511 | (24,877) |
| Long-term liabilities | 88,152 | 92,502 | (4,350) |
| Total liabilities | 103,786 | 133,013 | (29,227) |
| Net Position | | | |
| Net investment in capital assets | 24,825 | 47,134 | (22,309) |
| Restricted | 111,783 | 120,942 | (9,159) |
| Unrestricted | 3,324,115 | 1,367,537 | 1,956,578 |
| Total net position | \$ 3,460,723 | \$ 1,535,613 | \$ 1,925,110 |

As indicated by the statement above, total net position at June 30, 2021 is \$3,460,723. Net position is separated into three categories: net investment in capital assets, restricted and unrestricted.

Net investment in capital assets of \$24,825 is a combination of capital assets at original cost less accumulated depreciation. The original cost of capital assets is \$189,292, which is an accumulation of capital assets year after year less any capital disposals. Accumulated depreciation is the accumulation of depreciation expense since acquisition. In accordance with accounting principles generally accepted in the United States of America, depreciation expense is recorded on the original cost of the asset, less an estimated salvage value, and expensed over the estimated useful life of the asset. Total accumulated depreciation is \$164,467.

Restricted net position of \$111,783 represents contributions from non-profit organizations whose use has been limited by donor-imposed stipulations that will either expire by passage of time or can be fulfilled and removed by actions of the organization pursuant to those stipulations.

The remaining \$3,324,115 of net position is unrestricted. Unrestricted net position is an accumulation of prior years' operating results. This balance is directly affected each year by OPD's operating results.

ORLEANS PUBLIC DEFENDERS

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2021

(Continued)

OPD received increased funding during the post pandemic period as a result of renewed effort in the post pandemic operations in order to address the increased need for public defense. These are reflected in the \$1.9 million increase in current assets and a resulting \$1.5 million increase in receivables for the same period.

Result of Operations

| | For the Year Ended June 30, 2021 | For the Year Ended June 30, 2020 | Variance |
|--------------------------------------|--|--|---------------------|
| Revenues | | | |
| District Assistance Funds | \$ 3,434,031 | \$ 3,288,819 | \$ 145,212 |
| City appropriation | 3,684,609 | 2,033,052 | 1,651,557 |
| Court costs on fines and forfeitures | 1,525,354 | 1,736,754 | (211,400) |
| Other program revenues | 1,342,456 | 1,112,948 | 229,508 |
| General revenues | <u>33,002</u> | <u>40,064</u> | <u>(7,062)</u> |
| Total revenues | <u>10,019,452</u> | <u>8,211,637</u> | <u>1,807,815</u> |
| Expenses | | | |
| Public defense | <u>8,094,342</u> | <u>7,648,750</u> | <u>445,592</u> |
| Total expenses | <u>8,094,342</u> | <u>7,648,750</u> | <u>445,592</u> |
| Change in net position | <u>\$ 1,925,110</u> | <u>\$ 562,887</u> | <u>\$ 1,362,223</u> |

As indicated above, for the year ended June 30, 2021, net position increased by \$1,925,110 due primarily to an increase in City as well as State funding, this is despite an increase in personnel and contract services. The city appropriation revenue increased by \$1,651,557 as a result of increased post pandemic hiring to replenish retrenched and furloughed staff.

Total expenses for the year ended June 30, 2021, increased as compared to the year ended June 30, 2020 by \$445,592 due primarily to an increase in personnel, benefits, and contract services. Operating revenues for the year ended June 30, 2021 increased when compared to operating revenues for the year ended June 30, 2020 due to an increase in City appropriations, State funding and other program revenues.

Capital Assets

At June 30, 2021, OPD has \$24,826 (net of accumulated depreciation of \$164,467) invested in furniture, fixtures and equipment. During the year ended June 30, 2021, OPD disposed of furniture, fixtures and equipment of \$11,699.

ORLEANS PUBLIC DEFENDERS

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2021
(Continued)

Economic Factors and Next Year's Budget

The major factor affecting the budget is the local revenue received from court costs on fines and forfeitures, which includes fees received from traffic, municipal, juvenile and criminal courts. Additionally, OPD receives grants, bond funds, a city appropriation, and a district allotment from the Louisiana Public Defender Board.

Budgetary Highlights

As required by state law, OPD adopts the original budget prior to the commencement of the fiscal year to which the budget applies.

Budgetary Comparison Data
For the Year Ended June 30, 2021

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> |
|---------------------------------|----------------------------|-------------------------|---------------------|
| Revenues | <u>\$ 7,630,052</u> | <u>\$ 9,524,242</u> | <u>\$ 9,594,448</u> |
| Total revenues | <u>7,630,052</u> | <u>9,524,242</u> | <u>9,594,448</u> |
| Expenses | | | |
| Operating expenditures | <u>7,619,000</u> | <u>8,094,000</u> | <u>8,076,387</u> |
| Capital expenditures | <u>10,000</u> | <u>-</u> | <u>-</u> |
| Total expenditures | <u>7,629,000</u> | <u>8,094,000</u> | <u>8,076,387</u> |
| Net change in fund balance | <u>1,052</u> | <u>1,430,242</u> | <u>1,518,061</u> |
| Fund balance, beginning of year | <u>463,708</u> | <u>588,137</u> | <u>1,164,346</u> |
| Fund balance, end of year | <u>\$ 464,760</u> | <u>\$ 2,018,379</u> | <u>\$ 2,682,407</u> |

OPD amended its original budget for the year ended June 30, 2021, to reflect a decrease in Traffic and Municipal Court collections and an increase in District Assistance Funds and City Appropriations. Also, **OPD** amended its original budget to increase expenditures-specifically personnel and benefits, and professional services-as a result of increased District Assistance Funds and City Appropriations.

Contacting OPD Financial Management

This financial report is designed to provide citizens, taxpayers, funding sources and creditors with a general overview of OPD's finances and demonstrate OPD's accountability for money it receives. If you have questions about this report or need additional information, contact Mr. Derwyn D. Bunton, Chief District Defender, at 2601 Tulane Avenue, Suite 700, New Orleans, Louisiana 70119.

Basic Financial Statements

ORLEANS PUBLIC DEFENDER

STATEMENT OF NET POSITION

June 30, 2021

ASSETS

| | <u>Governmental Activities</u> |
|---|------------------------------------|
| Current Assets | |
| Cash (Notes 1 and 2) | \$ 1,307,742 |
| Court costs on fines and forfeitures receivable | 161,111 |
| Appropriation and State receivable | 1,604,925 |
| Grants receivable (Note 3) | 422,613 |
| Reimbursements and application fees receivable | <u>43,293</u> |
| Total Current Assets | <u>3,539,684</u> |
| Noncurrent Assets: | |
| Capital assets, net (Notes 1 and 4) | <u>24,825</u> |
| Total noncurrent assets | <u>24,825</u> |
| Total Assets | <u>\$ 3,564,509</u> |

LIABILITIES AND NET POSITION

| | |
|---|---------------------|
| Current Liabilities | |
| Accounts payable | \$ <u>15,634</u> |
| Total Current Liabilities | <u>15,634</u> |
| Long-Term Liabilities | |
| Compensated absences (Note 5) | <u>88,152</u> |
| Total Long-Term Liabilities | <u>88,152</u> |
| Total Liabilities | <u>103,786</u> |
| Net Position | |
| Net investment in capital assets | 24,825 |
| Restricted | 111,783 |
| Unrestricted | <u>3,324,115</u> |
| Total Net Position | <u>3,460,723</u> |
| Total Liabilities and Net Position | <u>\$ 3,564,509</u> |

The accompanying notes are an integral part of the financial statements

ORLEANS PUBLIC DEFENDER

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2021

Expenses

| | |
|--------------------------------------|------------------|
| General Government (Public defense): | |
| Personnel services and benefits | \$ 6,536,433 |
| Professional development | 16,951 |
| Other operating costs | 1,518,650 |
| Depreciation | <u>22,308</u> |
| Total Program Expenses | <u>8,094,342</u> |

Program Revenues

| | |
|--|------------------|
| District assistance funds (Note 6) | 3,434,031 |
| City appropriation | 3,684,609 |
| Court costs on fines and forfeitures | 1,525,354 |
| Operating grants (Note 7) | 1,155,620 |
| Bond funds | 180,264 |
| Reimbursements and application fees receivable | 5,447 |
| Probation assessments | <u>1,125</u> |
| Total Program Revenues | <u>9,986,450</u> |

Net program revenues 1,892,108

General Revenues:

| | |
|------------------------------|---------------|
| Contributions | <u>33,002</u> |
| Total General Revenue | <u>33,002</u> |

Change in Net Position 1,925,110

Net Position at Beginning of Year 1,535,613

Net Position at End of Year \$ 3,460,723

The accompanying notes are an integral part of the financial statements

ORLEANS PUBLIC DEFENDER

BALANCE SHEET - GOVERNMENTAL FUND

June 30, 2021

| | <u>General Fund</u> |
|---|---------------------|
| ASSETS | |
| Current Assets: | |
| Cash | \$ 1,307,742 |
| Court costs on fines and forfeitures receivable | 161,111 |
| District Assistance funds receivable | 61,842 |
| Grants receivable | 324,111 |
| City Appropriation receivable | <u>843,237</u> |
| Total assets | <u>\$ 2,698,043</u> |
| LIABILITIES AND FUND BALANCE | |
| Current Liabilities: | |
| Accounts payable | <u>\$ 15,636</u> |
| Total liabilities | 15,636 |
| Fund Balance: | |
| Restricted | 111,783 |
| Unassigned | <u>2,570,624</u> |
| Total fund balance | <u>2,682,407</u> |
| Total liabilities and fund balance | <u>\$ 2,698,043</u> |

The accompanying notes are an integral part of the financial statements

ORLEANS PUBLIC DEFENDERS

**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUND
TO THE STATEMENT OF NET POSITION
June 30, 2021**

| | | |
|--|------------------|---------------------|
| Total fund balance - Governmental Fund | | \$ 2,682,407 |
| Amount reported the 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 (Note 4): | | |
| Cost of capital assets | \$ 189,292 | |
| Accumulated depreciation | <u>(164,467)</u> | 24,825 |
| Receivables not available to meet the liabilities of the current period may not be included as governmental fund revenue or receivables: | | |
| City of New Orleans appropriation receivable | 686,472 | |
| Grant receivable | 111,878 | |
| Court costs on fines and forfeitures receivable | | |
| Reimbursements and application fees | <u>43,293</u> | 841,643 |
| Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental fund (Note 1) | | |
| | | <u>(88,152)</u> |
| Net position of governmental activities | | <u>\$ 3,460,723</u> |

The accompanying notes are an integral part of the financial statements

ORLEANS PUBLIC DEFENDER

STATEMENT OF REVENUES, EXPENDITURES AND NET CHANGE
IN FUND BALANCE - GOVERNMENTAL FUND
For the Year Ended June 30, 2021

| | <u>General Fund</u> |
|--------------------------------------|---------------------|
| REVENUES (NOTE 10) | |
| District assistance funds | \$ 3,434,031 |
| City appropriation | 3,224,949 |
| Court costs on fines and forfeitures | 1,525,356 |
| Bond funds | 184,388 |
| Probation assessments | 1,125 |
| Grants | 1,186,150 |
| Reimbursements and application fees | 5,447 |
| Other revenue | <u>33,002</u> |
| Total revenues | <u>9,594,448</u> |
| EXPENDITURES (NOTE 10) | |
| Personnel services and benefits | 6,540,786 |
| Professional development | 16,951 |
| Other operating costs | <u>1,518,650</u> |
| Total expenditures | <u>8,076,387</u> |
| Net Change in fund balance | 1,518,061 |
| Fund balance at Beginning of Year | <u>1,164,346</u> |
| Fund balance at End of Year | <u>\$ 2,682,407</u> |

The accompanying notes are an integral part of the financial statements

ORLEANS PUBLIC DEFENDERS

**RECONCILIATION OF THE STATEMENT OF REVENUES EXPENDITURES AND NET CHANGE IN
FUND BALANCE-GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2021**

| | | |
|---|----------------|---------------------|
| Total net change in fund balance | | \$ 1,518,061 |
| Amounts reported for governmental activities | | |
| the Statement of Net Position are different because: | | |
| The Governmental Fund reported capital outlays as | | |
| expenditures whereas in the Statement of Activities | | |
| these costs are depreciated over their estimated lives: | | |
| Depreciation expense | | (22,308) |
| Receivables not available to meet the liabilities of the | | |
| fiscal year may not be included as governmental fund | | |
| revenue or receivables: | | |
| City of New Orleans appropriation revenue | \$ 686,472 | |
| Grant revenue | <u>111,878</u> | |
| | | 798,350 |
| Receivables of the previous fiscal year that were not | | |
| available to meet the liabilities of that year, but which | | |
| were collected during the current fiscal year, are | | |
| included as governmental fund revenue of the current | | |
| fiscal year: | | |
| City of New Orleans appropriation revenue | (226,811) | |
| Grant revenue | (142,405) | |
| Court costs on fines and forfeitures | <u>(4,126)</u> | |
| | | (373,342) |
| In the statement of activities, the cost of compensated | | |
| absences is measured by the amounts earned during | | |
| the year, while in the governmental fund expenditures | | |
| are recognized based on the amounts actually paid for | | |
| leave used. This is the net amounts of vacation and sick | | |
| leave used (earned) in excess of the amount earned | | |
| (used) in the current period. | | |
| | | <u>4,349</u> |
| Change in net position of governmental activities | | <u>\$ 1,925,110</u> |

The accompanying notes are an integral part of the financial statements

ORLEANS PUBLIC DEFENDER

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

Note 1 – Background and Summary of Significant Account Policies

Background

Orleans Public Defenders (“**OPD**”), established in compliance with Louisiana Revised Statutes 15:146 et seq., provides counsel to represent indigents (needy individuals) in criminal, quasi-criminal, juvenile, municipal and traffic cases at the District Court level. The 41 judicial district encompasses the Parish of Orleans, Louisiana. All duties and responsibilities for the management of personnel, property and funds are by virtue of Act 307 those of the District Defender. Revenues to finance **OPD**'s operations are provided primarily by District Assistance Funds from the Louisiana Public Defender Board (LPDB), City of New Orleans budget appropriations, and court costs on fines imposed by the various courts within the district.

Summary of Significant Accounting Policies

A. Reporting Entity

For financial reporting purposes, in conformance with GASB Codification Section 2100, **OPD** is a part of the District Court System of the State of Louisiana. However, **OPD** operates autonomously from the State of Louisiana and independently from the District Court System. Therefore, **OPD** reports as an independent reporting entity and the financial statements include only the transactions of **OPD**.

B. Basis of Presentation

The accompanying financial statements of **OPD** have been prepared in conformity with accounting principles generally accepted in the United States of America 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.

C. Government-Wide Financial Statements (GWFS)

The statement of net position and statement of activities display information about the reporting government as a whole. They include the only fund of the reporting entity which is the General Fund. The **OPD** has no business-type activities.

The statement of net position reports net position as the difference between all other elements in a statement of net position and should be displayed in three components: net investment in capital assets, restricted net position (distinguishing between major categories of restrictions), and unrestricted net position.

Net investment in capital assets - This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding debt attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the position of the debt attributable to the unspent proceeds is not included in this component of net position. Rather, that portion is included in the same component of net position as the unspent proceeds.

Restricted - This component reports those net position with externally imposed constraints placed on their use by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted - Unrestricted net position is the balance (deficit) of all other elements in a statement of net position remaining after net investment in capital assets and restricted net position.

ORLEANS PUBLIC DEFENDER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2021

The statement of activities presents a comparison between program revenues of the OPD and the cost of the function. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflow of Resources, and Net Position, effective fiscal year 2013. This standard provides guidance for reporting the financial statement elements of deferred outflows of resources and deferred inflows of resources. Deferred outflows represent the consumption of the government's net position that is applicable to a future reporting period. A deferred inflow represents the acquisition of net position that is applicable to a future reporting period. Because deferred outflows and deferred inflows are, by definition, neither assets nor liabilities.

D. Fund Financial Statements (FFS)

OPD implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The following classifications describe the relative strength of the spending constraints:

- Nonspendable fund balance- Amounts that are not expendable form (such as inventory) or are required to be maintained intact.
- Restricted fund balance- amounts constrained to specific purposes by their provider (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- Committed fund balance - amounts constrained to specific purposes by **OPD** itself, using its highest level of decision-making authority. To be reported as committed, amounts cannot be used for any other purpose unless **OPD** takes the same highest-level action to remove or change the constraint.
- Assigned fund balance - amounts **OPD** intends to use for a specific purpose. Intent can be expressed by the District Defender or by an official to which the District Defender delegates the authority
- Unassigned fund balance- amounts that are available for any purpose. Positive amounts are reported only in the general fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, **OPD** considers restricted funds to have been spent first.

At June 30, 2021, **OPD** had no nonspendable, committed, or assigned fund balances.

ORLEANS PUBLIC DEFENDER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2021

OPD uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain **OPD** functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The funds of **OPD** are classified as governmental.

The governmental funds account for all of **OPD's** general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the funds from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of **OPD**. The following is a description of **OPD's** governmental fund:

- **General Fund**- the operating fund of **OPD** which accounts for all financial resources. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to **OPD**.

E. Basis of Accounting/Measurement Focus

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. These statements include all the financial activities of **OPD**.

The GWFS were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Fund Financial Statements (FFS)

Governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and net change in fund balance reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the governmental-wide statements and the statements for governmental funds are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

FFS report detailed information about **OPD**. The focus of governmental fund financial statements is on major funds rather than reporting funds by type.

Governmental funds are maintained on the modified accrual basis of accounting wherein revenues are recognized in the accounting period in which they become available and measurable. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, **OPD** considers

ORLEANS PUBLIC DEFENDER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2021

revenues to be available if they are collected within 60 days of the end of the current fiscal period. **OPD** uses the following practices in recording revenues and expenditures.

- Revenues - Court costs on fines and forfeitures are recorded in the month the amounts are collected by the appropriate courts. Interest income on time deposits is recorded when the time deposits have matured.
- Expenditures- Expenditures are recognized in the accounting period in which the liability is incurred.

F. Budgetary Data

OPD's Governing Authority as of July, 2008, is the District Defender by virtue of Act 307.

OPD utilizes the following budget practices:

- In the last quarter of the year, a budget for the following year is prepared and submitted to the Governing Authority for approval. The budget may be amended during the year, if requested, with the approval of the Governing Authority.
- The budget records are maintained in the accounting department with all other public records of this program and can be reviewed by making arrangements with the Governing Authority.
- The budget is based on prior year experience as to receipts and disbursements and takes into consideration increases in costs of services and supplies, taxes, insurance and equipment, as well as the increased costs of salaries and fringe benefits when raises and/or new positions are authorized. The budget as a whole is based on the amount of money that is available and the disbursements that are necessary to maintain the efficient operation of this program.
- Monthly financial reports are submitted to the Governing Authority, which in part list the amount of the budget that has been used for that period and indicates a favorable or unfavorable difference as to the budget amount attributed to the period of time being reported.
- All budgetary appropriations lapse at the end of the fiscal year and **OPD** does not use a system of encumbrance accounting.
- The budget for the general fund expenditures is prepared on a basis consistent with accounting principles generally accepted in the United States of America.

G. Cash and Cash Equivalents

Cash includes amounts in demand deposits and interest-bearing time deposits. Cash equivalents include amounts in time deposits with original maturities of ninety (90) days or less. Under state law, **OPD** may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law or any other State of the United States, or under the laws of the United States.

ORLEANS PUBLIC DEFENDER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2021

H. Capital Assets

Capital assets are stated at historical cost at the date of purchased or at fair market value at the date of donation, if donated. Additions, improvements, and expenditures greater than \$1,000 that significantly extend the useful life of an asset are capitalized.

Depreciation is provided over the estimated useful lives of assets using the straight-line method. The estimated useful lives of furniture, fixtures and equipment range from three (3) to seven (7) years (see NOTE 4).

I. Compensated Absences

Employees earn one and one-half (1 ½,) days of annual leave each month. Sick leave is earned at the rate of one (1) day each month. A maximum of 40 hours of annual leave and 120 hours of sick leave may be carried over to the subsequent year. Upon termination of employment, any unused accrued annual leave is payable to the employee while any unused sick leave is forfeited.

J. 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.

Note 2 – Cash

At June 30, 2021, **OPD** has cash in demand deposit accounts (book balances) totaling \$1,307,742. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance, or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of **OPD** in a holding or custodial bank that is mutually acceptable to both parties.

Custodial credit risk is the risk that in the event of failure of a financial institution or counterparty, **OPD** would not be able to recover its deposits, investments or collateral securities that are in the possession of an outside party. At June 30, 2021, **OPD** has \$1,517,749 in deposits (collected bank balances) at two financial institutions. These deposits are secured from risk by \$250,000 of federal deposit insurance per bank, with the remaining balance collateralized by pledged securities held by the custodial bank in the name of **OPD**. At June 30, 2021, **OPD** has \$0 in under collateralized deposit balances.

ORLEANS PUBLIC DEFENDER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021

Note 3 – Grants Receivable

At June 30, 2021, **OPD** has grants receivable consisting of the following:

| | | |
|---|----|---------|
| Gaining Opportunity from Arrest to Re-Entry Project | \$ | 46,129 |
| Safety and Justice Challenge Grant | | 72,136 |
| City of New Orleans Grant | | 224,348 |
| Justice Assistance Grant | | 80,000 |
| Total grants receivable | \$ | 422,613 |

Note 4 – Capital Assets

Capital assets and depreciation activity as of and for the year June 30, 2021, are as follows:

| | Beginning Balance | Additions | Deletions | Ending Balance |
|--------------------------------------|----------------------|-------------|-------------|-------------------|
| Furniture, fixtures and equipment | \$ 200,991 | \$ - | \$ (11,699) | \$ 189,292 |
| Less: accumulated depreciation | (153,858) | (22,308) | 11,699 | (164,467) |
| Net capital assets | \$ 47,133 | \$ (22,308) | \$ - | \$ 24,825 |

Note 5 – Compensated Absences

The following schedule summarizes the change in long-term compensated absences for the year ended June 30, 2021:

| | | |
|---------------------------------------|----|-----------|
| Compensated absences at July 1, 2020 | \$ | 92,502 |
| Additions | | 379,416 |
| Deductions | | (383,766) |
| Compensated absences at June 30, 2021 | \$ | 88,152 |

Note 6 – District Assistance Fund

During the year ended June 30, 2021, **OPD** was awarded and received grant funds from the Louisiana Public Defender Board's (LPDB) District Assistance Fund in the amount of \$3,434,031.

The District Assistance Fund is a grant-in-aid program intended to provide supplemental financial assistance in felony cases to district public defender boards that have a need for such supplemental funding and that are willing to comply with the standards, guidelines, and policies of the LPDB.

ORLEANS PUBLIC DEFENDER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2021

Funding under the program is being provided to assist qualified districts in improving the quality of indigent defense on a continuous basis especially with respect to the following major goals:

- 1) To lower attorney caseloads to levels consistent with LPDB and national caseload standards.
- 2) To increase the pool of qualified attorneys certified under the LPDB's capital and appellate programs.
- 3) 3) To provide more effective attorney unit support in the form of investigators, secretaries, and other forms of office support.
- 4) To improve criminal defense knowledge and skill through training, specialized continuing legal education, and better supervision; and
- 5) To defray expert witness/testing costs.

Note 7 – Grants

OPD received grant funding from the following sources during the year ended June 30, 2021:

| | |
|--------------------------------|---------------------|
| City of New Orleans | \$ 374,695 |
| Department of Corrections | 341,925 |
| Yale University | 47,500 |
| Casey Family Programs | 23,000 |
| Greater New Orleans Foundation | 52,000 |
| Foundation for Louisiana | 41,500 |
| Promise of Justice Initiative | 15,000 |
| New Orleans Saints | 100,000 |
| Partners fo Justice | <u>160,000</u> |
| Total | <u>\$ 1,155,620</u> |

Note 8 – Operating Lease

OPD leases office space under a non-cancellable operating lease that ends July 31, 2022, with a monthly lease payment of \$24,500. **OPD** also leases three (3) copiers under non-cancellable operating leases that end February 28, 2022, with monthly lease payments totaling \$984. Future minimum lease payments under these leases are as follows:

| For the Year Ending June 30 | |
|--------------------------------|-------------------|
| 2022 | \$ 305,813 |
| 2023 | <u>24,500</u> |
| Total | <u>\$ 330,313</u> |

ORLEANS PUBLIC DEFENDER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2021

Note 9 – Classification of Net Position

On the GWFS, net position is separated into three categories: net investment in capital assets, restricted, and unrestricted.

The restricted balance on the GWFS represents the portion of previously recognized grant revenues for which donor-imposed restrictions have not yet been met. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the government considers restricted funds to have been spent. On the GWFS, restricted net position as of June 30, 2021, consists of the following:

| | | |
|----------------|----|----------------|
| Expert fees | \$ | 7,879 |
| Newman's Own | | 9,410 |
| Client welfare | | 742 |
| Fellowships | | <u>93,752</u> |
| Total | \$ | <u>111,783</u> |

Note 10 – Governmental Fund Revenues and Expenditures

For the year June 30, 2021, the major sources of governmental fund revenues and expenditures were as follows:

Governmental Fund Revenues and Expenditures

Revenues

| | | |
|--|----------------|------------------|
| State Government | | |
| Appropriations - general | \$ | 3,434,031 |
| Grants | | <u>519,724</u> |
| Total | | <u>3,953,755</u> |
| Local Government | | |
| Appropriations - general | 3,224,949 | |
| Grants | 227,426 | |
| Statutory fines, forfeitures, fees court costs, and other | 1,525,354 | |
| Other | <u>184,388</u> | |
| Total | | <u>5,162,116</u> |
| Other Grants and Contributions | | |
| Non-profit organizations | 439,000 | |
| Other | <u>33,002</u> | |
| Total | | <u>472,002</u> |
| Charges for Services | | <u>6,574</u> |
| Total revenues | \$ | <u>9,594,448</u> |

ORLEANS PUBLIC DEFENDER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021

Note 10 – Governmental Fund Revenues and Expenditures, Continued

For the year ended June 30, 2021, the major sources of governmental fund revenues and expenditures were as follows:

Governmental Fund Revenues and Expenditures

Expenditures

Personnel Services and Benefits

| | | |
|---------------|----------------|------------------|
| Salaries | \$ 4,969,642 | |
| Insurance | 750,800 | |
| Payroll taxes | 426,117 | |
| Other | <u>394,227</u> | |
| Total | | <u>6,540,786</u> |

Professional Development

| | | |
|-----------------------------------|------------------|---------------|
| Dues, licenses, and registrations | <u>\$ 16,951</u> | |
| Total | | <u>16,951</u> |

Operating Costs

| | | |
|------------------------------------|----------------|------------------|
| Library and research | \$ 37,283 | |
| Contract services - attorney/legal | 781,675 | |
| Contract services - other | 107,261 | |
| Lease - office | 294,000 | |
| Lease - autos and other | 14,098 | |
| Travel - transportation | 3,413 | |
| Insurance | 59,882 | |
| Supplies | 30,094 | |
| Repairs and maintenance | 3,922 | |
| Utilities and telephone | 38,824 | |
| Other | <u>148,200</u> | |
| Total | | <u>1,518,650</u> |

| | | |
|--------------------|--|----------------------------|
| Total expenditures | | <u><u>\$ 8,076,387</u></u> |
|--------------------|--|----------------------------|

Note 11 – Pension Plan

OPD's employees participate in the federal social security program. **OPD** is required to remit an amount to the Social Security Administration equal to the employee's contribution up to an established limit. **OPD** does not guarantee any of the benefits granted by the Social Security Administration.

ORLEANS PUBLIC DEFENDER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2021

Note 12 – Risk Management

OPD is exposed to various risks of loss related to torts, theft of, and damage to and destruction of assets for which **OPD** carries commercial insurance. Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated.

Note 13 – COVID 19 Pandemic

OPD's operations may continue to be affected by the recent and ongoing outbreak of the coronavirus disease 2019 (COVID 19) which was declared a pandemic by the World Health Organization in March 2020. The ultimate disruption which may be caused by the outbreak is uncertain; however, it may result in an adverse impact on **OPD's** subsequent financial statements. Possible effects may include, but not limited to, disruption of **OPD's** operations and related revenue, unavailability of products and supplies used in operations and possible decline in assets held by **OPD**, including property and equipment.

Supplementary Information

ORLEANS PUBLIC DEFENDERS

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
For the Year Ended June 30, 2021**

| | <u>Original Budget</u> | <u>Amended Budget</u> | <u>Actual</u> | Variance With Final Budget Positive/ (Negative) |
|--------------------------------------|------------------------|-----------------------|---------------|--|
| Revenues | | | | |
| District assistance funds | \$ 3,021,000 | \$ 3,373,000 | \$ 3,434,031 | \$ 61,031 |
| City appropriation | 2,033,052 | 3,426,442 | 3,224,949 | (201,493) |
| Court costs on fines and forfeitures | 1,586,000 | 1,496,000 | 1,525,356 | 29,356 |
| Grants | 850,000 | 1,000,000 | 1,186,150 | 186,150 |
| Bond funds | 101,000 | 193,000 | 184,388 | (8,612) |
| Reimbursements and application fees | 7,800 | 5,300 | 5,447 | 147 |
| Probation assessments | 1,200 | 500 | 1,125 | 625 |
| Other revenue | 30,000 | 30,000 | 33,002 | 3,002 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total revenues | 7,630,052 | 9,524,242 | 9,594,448 | 70,206 |
| Expenditures | | | | |
| Personnel services and benefits | | | | |
| Salaries | 4,760,000 | 5,000,000 | 4,969,642 | (30,358) |
| Accrued leave | 360,000 | 370,000 | 379,416 | 9,416 |
| Hospitalization insurance | 700,000 | 750,000 | 750,800 | 800 |
| Payroll taxes | 360,000 | 400,000 | 426,117 | 26,117 |
| Workers' compensation | 10,000 | 10,000 | 10,458 | 458 |
| Professional development | 25,000 | 15,000 | 16,951 | 1,951 |
| Other operating costs: | | | | |
| Contract services - attorneys/legal | 611,000 | 786,000 | 781,675 | (4,325) |
| Contract services - other | 149,000 | 119,000 | 107,261 | (11,739) |
| Lease - building | 294,000 | 294,000 | 294,000 | - |
| Lease - equipment | 15,000 | 15,000 | 14,098 | (902) |
| Supplies | 50,000 | 35,000 | 30,094 | (4,906) |
| Travel & Lodging | 25,000 | 5,000 | 3,413 | |
| Insurance | 60,000 | 60,000 | 59,882 | (118) |
| Library and research | 40,000 | 40,000 | 37,283 | (2,717) |
| Utilities and telephone | 50,000 | 40,000 | 38,823 | (1,177) |
| Repair and maintenance | 10,000 | 5,000 | 3,922 | (1,078) |
| Other | 100,000 | 150,000 | 152,554 | 2,554 |
| Capital outlays | 10,000 | - | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total expenditures | 7,629,000 | 8,094,000 | 8,076,387 | (17,613) |
| Net change in fund balance | 1,052 | 1,430,242 | 1,518,061 | 87,819 |
| Fund balance - June 30, 2020 | 463,708 | 588,137 | 1,164,346 | 576,209 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Fund balance - June 30, 2021 | \$ 464,760 | \$ 2,018,379 | \$ 2,682,407 | \$ 664,028 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

ORLEANS PUBLIC DEFENDER

**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO CHIEF DISTRICT DEFENDER
For the Year Ended June 30, 2021**

Chief District Defender Name: Derwyn D. Bunton

| <u>PURPOSE</u> | <u>AMOUNT</u> |
|--------------------------|-------------------|
| Salary | \$ 128,853 |
| Benefits - insurance | 8,917 |
| Benefits - payroll taxes | 9,857 |
| Mobile phone | <u>634</u> |
| | <u>\$ 148,261</u> |

ORLEANS PUBLIC DEFENDERS

**JUSTICE SYSTEM FUNDING SCHEDULE-RECEIVING ENTITY
AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION
For the Year Ended June 30, 2021**

Cash Basis Presentation

| | First Six Month Period Ended 12/31/2020 | Second Six Month Period Ended 06/30/2021 |
|--|--|---|
| Receipts From: | | |
| Orleans Parish Criminal District Court- Application Fees | \$ 1,661 | \$ 1,507 |
| Orleans Parish Criminal Sheriff-Criminal Bond Fees | 76,862 | 105,537 |
| Orleans Parish Criminal Sheriff-Bail Bond | 59,625 | 92,729 |
| Municipal & Traffic Court of New Orleans- Seat Belt | 71,257 | 26,685 |
| Municipal & Traffic Court of New Orleans- Traffic Fines | 149,062 | 227,946 |
| Municipal & Traffic Court of New Orleans- Municipal | <u>5,138</u> | <u>7,391</u> |
| Total Receipts | <u>\$ 363,605</u> | <u>\$ 461,795</u> |

See independent auditors' report.

INDEPENDENT AUDITORS' 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 Defender
Orleans Public Defenders
New Orleans, Louisiana

We have audited, 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, the financial statements of the governmental activities and the major fund of Orleans Public Defenders (“**OPD**”), as of June 30, 2021, and the related notes to the financial statements, which collectively comprise the OPD’s basic financial statements, and have issued our report thereon dated June 18, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered **OPD**’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of **OPD**.’s internal control. Accordingly, we do not express an opinion on the effectiveness of **OPD**’s internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Bruno & Tervalon LLP

New Orleans, Louisiana
June 18, 2022

NEW ORLEANS PUBLIC DEFENDERS

SCHEDULE OF FINDINGS AND RESPONSES

For the Year Ended June 30, 2021

We have audited the financial statements of Orleans Public Defenders as of and for the year ended June 30, 2021 and have issued our report thereon dated June 18, 2022. 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 audit of the financial statements as of and for the year ended June 30, 2021 resulted in unmodified opinions

Section I. Summary of Auditors' Results

- A. Significant deficiencies in internal control were disclosed by the audit of the financial statements: None reported Material weaknesses: No
- B. Noncompliance which is material to the financial statements: No
- C. Significant deficiencies in internal control over major programs: Not applicable Material weaknesses: Not applicable
- D. The type of report issued on compliance for major programs: Not applicable
- E. Any audit findings which are required to be reported under *the Uniform Guidance*: Not applicable
- F. Major programs: Not applicable
- G. Dollar threshold used to distinguish between Type A and Type B programs: Not applicable
- H. Auditee qualified as a low-risk auditee under *the Uniform Guidance*: Not applicable
- I. A management letter was issued: No

Section II. Internal Control and Compliance Material to the Financial Statements

No matters were reported.

Section III. Federal Award Findings and Questioned Costs

Not applicable.

NEW ORLEANS PUBLIC DEFENDERS

SCHEDULE OF PRIOR YEAR FINDINGS

For the Year Ended June 30, 2021

Section I. Internal Control and Compliance Material to the Financial Statements

No matters were reported.

Section II. Federal Award Findings and Questioned Costs

Not applicable.

ORLEANS PUBLIC DEFENDER

**EXIT CONFERENCE
For the Year Ended June 30, 2021**

A discussion was held with members of management to discuss the audit report. The following persons participated in that discussion:

ORLEANS PUBLIC DEFENDERS

| | |
|----------------------|------------------------------|
| Mr. Derwyn D. Bunton | Chief District Defender |
| Ms. Dannielle Berger | Chief Administrative Officer |

BRUNO & TERVALON LLP, CERTIFIED PUBLIC ACCOUNTANTS

| | |
|-------------------------------|---------|
| Mr. Jonald J. Walker III, CPA | Partner |
| Mr. JohnPaul C. Ogbuokiri, | Manager |