

**DISTRICT ATTORNEY OF THE
TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana**

Audit of Financial Statements

December 31, 2017



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Independent Auditor's Report

Honorable Charles Ballay
District Attorney of the Twenty-Fifth Judicial District
Plaquemines Parish, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the District Attorney of the Twenty-Fifth Judicial District (the District Attorney), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the District Attorney'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.

Auditor's Responsibility

Our responsibility is to express opinions 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 auditor's 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 the entity'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 the entity'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 opinions.

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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District Attorney of the Twenty-Fifth Judicial District, as of December 31, 2017, and the respective changes in financial position for the year then ended in accordance with the 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 and budgetary comparison information on pages 4 - 9 and 41 and 42, respectively, and the supplementary schedules required by GASB Statement No. 68 on pages 43 and 44, 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 opinions on the financial statements that collectively comprise the District Attorney's basic financial statements. The schedule of compensation, benefits, and other payments to agency head is presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 agency head is 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 21, 2018, on our consideration of the District Attorney of the Twenty-Fifth Judicial District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District Attorney of the Twenty-Fifth Judicial District's internal control over financial reporting and compliance.



A Professional Accounting Corporation

Metairie, LA
June 21, 2018

DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana

Management's Discussion and Analysis
For the Year Ended December 31, 2017

As management of the District Attorney of the Twenty-Fifth Judicial District, Parish of Plaquemines, Louisiana (the District Attorney), we present this narrative overview and analysis of the financial activities of the District Attorney for the fiscal year ended December 31, 2017.

This Management's Discussion and Analysis (MD&A) is designed to provide an objective and easy comprehensive analysis of the District Attorney's financial activities based on currently known facts, decisions, or conditions. It is intended to provide a broad overview of the District Attorney's finances. It is also intended to provide readers with an analysis of the District Attorney's fiscal policies that have been adopted. This section is specifically designed to focus on significant financial issues, provide a broad view of the District Attorney's financial activity, identify changes in the District Attorney's financial position (its ability to address the next and subsequent year challenges), identify any deviations from the financial plan (the approved budget), and identify individual fund issues or concerns.

As with other sections of this financial report, the information contained within this MD&A should be considered only a part of a greater whole. All sections of this report should be read and evaluated including the footnotes and the other Required Supplementary Information (RSI) that is provided in addition to this MD&A.

Overview of the Financial Statements

This discussion and analysis is intended to present an introduction to the District Attorney's financial statements. The District Attorney's basic financial statements consist of the following:

1. Government-Wide Financial Statements
2. Fund Financial Statements
3. Notes to the Financial Statements

1. Government-Wide Financial Statements

Government-wide financial statements are designed by Governmental Accounting Standards Board (GASB) Statement No. 34, as amended by GASB Statement No. 63, to change the way in which government financial statements are presented. For the first time, concise entity-wide statement of net position and statement of activities are provided to give the user of the financial statements a broad overview of the District Attorney's financial position and results of operations in a manner similar to a private-sector business.

The statement of net position provides information on all of the District Attorney's assets and liabilities using the accrual basis of accounting, which is similar to accounting used by most private-sector companies. The difference between the assets and liabilities is reported as net position. Increases or decreases in net position over time could become a useful indicator of whether the financial position of the District Attorney is improving or weakening.

DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana

Management's Discussion and Analysis
For the Year Ended December 31, 2017

The statement of activities depicts the change in the District Attorney's net position during the most recent year. 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. Revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected fees).

Governmental Activities

The governmental activities of the District Attorney include the general government, commissions on fines and forfeitures, court costs, and federal and state grant funds.

2. 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. The District Attorney, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District Attorney are considered governmental funds.

Governmental funds are used to account for the District Attorney's services and are reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on how money flows into and out of those funds, and the balances left at year-end that are available for spending. These funds are reported using modified accrual accounting, which measures cash and all other financial assets that can be converted to cash. The governmental fund statements provide a detailed short-term view of the District Attorney's general government operations and the basic services it provides. Governmental fund information assists in determining whether there are more or fewer financial resources that can be spent in the near future to finance the District Attorney's programs.

Since 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. This method provides a better understanding of the long-term impact of the government's near-term financing decisions. The governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities. These reconciliations are located on pages 15 and 17.

**DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana**

**Management's Discussion and Analysis
For the Year Ended December 31, 2017**

3. Notes to the Financial Statements

The notes to the financial statements provide additional information that is necessary for a full understanding of the data provided in the government-wide and fund financial statements. These notes can be found on pages 18 through 39 of this report.

4. Required Supplementary Information

In addition to the basic financial statements and associated notes, this report presents certain required supplementary information. This information can be found beginning on page 41 of this report.

Budgetary Comparison Schedules - The District Attorney adopts a budget for its General Fund and Worthless Checks Collection Fee Fund each fiscal year. A budgetary comparison schedule has been provided for these funds to demonstrate compliance with these budgets.

Schedules Required by GASB Statement No. 68 - The District Attorney participates in two pension plans which are described in Note 6. GASB Statement No. 68 requires schedules showing the District Attorney's proportionate share of the net pension liability and the District Attorney's contributions for each pension plan.

Financial Highlights

Our financial statements provide these insights into the results of this year's operations:

- The District Attorney's program revenues decreased from \$1,759,255 for 2016 to \$1,687,371 for 2017, which is due to the District Attorney receiving less on-behalf payments from Plaquemines Parish Government and the State of Louisiana during 2017.

The statement of net position and the statement of activities report only one type of activity: governmental activities. All of the basic governmental services are reported as this type. Fines and fees charged to the public and on-behalf payments finance most of these activities.

Our analysis on the next page focuses on the net position of the governmental-type activities.

DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana

Management's Discussion and Analysis
For the Year Ended December 31, 2017

Financial Analysis as a Whole

Condensed Statement of Net Position

	2017	2016
Current and Other Assets	\$ 1,718,776	\$ 1,708,562
Capital Assets, Net of Accumulated Depreciation	25,820	19,568
Total Assets	1,744,596	1,728,130
Deferred Outflows of Resources	56,522	69,458
Current Liabilities	3,569	9,840
Noncurrent Liabilities	52,302	54,925
Total Liabilities	55,871	64,765
Deferred Inflows of Resources	23,840	22,897
Net Position		
Net Investment in Capital Assets	25,820	19,568
Restricted	52,636	48,088
Unrestricted	1,642,951	1,642,270
Total Net Position	\$ 1,721,407	\$ 1,709,926

The District Attorney's investment in current assets, which includes cash, investments, receivables, and other assets, was \$1,718,776, at December 31, 2017. The District Attorney's investment in capital assets (e.g. equipment, furniture, etc.) was 1.50% of its net position. There was no related debt used to acquire the assets. The District Attorney uses capital assets to provide services to citizens; therefore, these assets are not available for future spending.

The District Attorney's restricted net position was 3.06% of its net position. These restricted amounts relate to the Title IV-D Program and the Worthless Checks Collection Fee fund.

The District Attorney had \$3,569 in outstanding accounts payable and a net pension liability of \$52,302, at December 31, 2017. The unrestricted net position of \$1,642,951 may be used to defray the District Attorney's ongoing obligations to citizens and creditors.

DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana

Management's Discussion and Analysis
For the Year Ended December 31, 2017

Deferred outflows and inflows of resources at December 31, 2017, represent amounts calculated as a result of the implementation of GASB Statement No. 68. At the end of the 2017 fiscal year, the District Attorney reported positive balances in net position. The same is true for the prior fiscal year.

Condensed Statement of Activities

	2017	2016
Revenues	\$ 1,692,614	\$ 1,762,325
Expenditures	1,681,133	2,126,811
Change in Net Position	\$ 11,481	\$ (364,486)

The revenues for the year from governmental activities were \$1,692,614 (\$1,687,371 in program revenues and \$5,243 in general revenues), a decrease of \$69,711 as compared to the revenues of \$1,762,325, in 2016. This decrease is mostly due to the District Attorney receiving less on-behalf payments from other governments during the current year. The interest earned during 2017 was \$5,243, and is an increase of \$2,173 from the previous year's interest earned of \$3,070. The District Attorney's expenditures for governmental functions were \$1,681,133 for the year, which was a decrease of \$445,678 as compared to 2016. The decrease in expenditures is primarily due to the District Attorney's contribution in 2016 of approximately \$309,000 to Plaquemines Parish Government for the construction of a new building and purchase of a new vehicle. The decrease is also due to the District Attorney receiving less on-behalf payments of salaries and benefits from other governments.

Financial Analysis of the Governmental Funds

As of the end of the 2017 fiscal year, the District Attorney's General Fund and the Worthless Checks Collection Fee Fund reported ending fund balances of \$1,670,052 and \$45,155, respectively.

The District Attorney retains a reasonable surplus in the General Fund for unforeseen emergencies such as natural disasters, decrease in economic conditions, emergency capital outlay requirements, and other similar conditions.

**DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana**

**Management's Discussion and Analysis
For the Year Ended December 31, 2017**

Capital Assets and Debt Administration

The District Attorney's investment in capital assets for its governmental activities as of December 31, 2017, amounted to \$25,820 (net of accumulated depreciation). This includes equipment, and furniture. There was \$13,510 worth of additions during the current fiscal year. Depreciation expense of \$7,258 was recorded for 2017. More detailed information about the capital assets is presented in Note 4 to the financial statements.

At the end of the fiscal year, the District Attorney had no debt outstanding.

Budgetary Highlights

In the General Fund, actual revenues exceeded budget by \$4,943, and expenditures exceeded budget by \$7,252. In the Worthless Checks Collection Fee Fund, actual revenues exceeded budget by \$1.

Economic Factors and Next Year's Budget and Rates

The following factors were considered in preparing the District Attorney's budget for the 2018 fiscal year:

Expenditures for 2018 should remain level.

There is no surplus or deficit budgeted for the fiscal year ending December 31, 2018.

Contacting the Office's Financial Management

This financial report is designed to provide a general overview of the District Attorney's finances, comply with finance-related laws and regulations, and demonstrate the District Attorney's commitment to public accountability. If you have any questions about this report or would like to request additional financial information, contact the office of the District Attorney of the Twenty-Fifth Judicial District, Parish of Plaquemines, Louisiana, 102 Avenue G, Belle Chasse, Louisiana 70037.

**BASIC FINANCIAL STATEMENTS
GOVERNMENT-WIDE FINANCIAL STATEMENTS**

DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana
Statement of Net Position
December 31, 2017

	Governmental Activities
Assets	
Cash and Cash Equivalents	\$ 1,180,751
Investments - Louisiana Asset Management Pool	502,152
Receivables	26,653
Other Assets	9,220
Capital Assets, Net of Accumulated Depreciation	<u>25,820</u>
Total Assets	<u>1,744,596</u>
Deferred Outflows of Resources	
Pension Obligation	<u>56,522</u>
Total Deferred Outflows of Resources	<u>56,522</u>
Liabilities	
Accounts Payable	3,569
Net Pension Liability	<u>52,302</u>
Total Liabilities	<u>55,871</u>
Deferred Inflows of Resources	
Pension Obligation	<u>23,840</u>
Total Deferred Inflows of Resources	<u>23,840</u>
Net Position	
Net Investment in Capital Assets	25,820
Restricted	52,636
Unrestricted	<u>1,642,951</u>
Total Net Position	<u>\$ 1,721,407</u>

The accompanying notes are an integral part of these financial statements.

DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana
Statement of Activities
For the Year Ended December 31, 2017

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities					
General Government	\$ 1,654,093	\$ 255,269	\$ 1,425,417	\$ 6,685	\$ 33,278
LACE	22,777	-	-	-	(22,777)
Project L.E.A.D.	4,263	-	-	-	(4,263)
Total	<u>\$ 1,681,133</u>	<u>\$ 255,269</u>	<u>\$ 1,425,417</u>	<u>\$ 6,685</u>	<u>6,238</u>
General Revenues					
Interest Income					<u>5,243</u>
Total General Revenues					<u>5,243</u>
Change in Net Position					<u>11,481</u>
Net Position, Beginning of Year					<u>1,709,926</u>
Net Position, End of Year					<u>\$ 1,721,407</u>

The accompanying notes are an integral part of these financial statements.

**BASIC FINANCIAL STATEMENTS
FUND FINANCIAL STATEMENTS
GOVERNMENTAL FUNDS**

DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana
Balance Sheet
Governmental Funds
December 31, 2017

	General Fund	Worthless Checks Collection Fee - Special Revenue Fund	Total Governmental Funds
Assets			
Cash and Cash Equivalents	\$ 1,135,596	\$ 45,155	\$ 1,180,751
Investments - Louisiana Asset Management Pool	502,152	-	502,152
Receivables	26,653	-	26,653
Other Assets	9,220	-	9,220
	<hr/>		
Total Assets	\$ 1,673,621	\$ 45,155	\$ 1,718,776
	<hr/>		
Liabilities			
Accounts Payable	\$ 3,569	\$ -	\$ 3,569
	<hr/>		
Total Liabilities	3,569	-	3,569
	<hr/>		
Fund Balances			
Restricted	7,481	45,155	52,636
Unassigned	1,662,571	-	1,662,571
	<hr/>		
Total Fund Balances	1,670,052	45,155	1,715,207
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Total Liabilities and Fund Balances	\$ 1,673,621	\$ 45,155	\$ 1,718,776
	<hr/>		

The accompanying notes are an integral part of these financial statements.

DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
December 31, 2017

Fund Balances - Total Governmental Funds	\$ 1,715,207
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>	
<p>Capital assets used for governmental activities are not financial resources and, therefore, are not reported in the funds.</p>	25,820
<p>The District Attorney follows the requirements of GASB Statement No. 68, which provides for the recognition of pension obligations. This includes the recognition of related deferred outflows and inflows of resources.</p>	32,682
<p>Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds.</p>	
<p>Net Pension Liability</p>	<u>(52,302)</u>
<p>Net Position of Governmental Activities</p>	<u>\$ 1,721,407</u>

The accompanying notes are an integral part of these financial statements.

DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 2017

	General Fund	Worthless Checks Collection Fee - Special Revenue Fund	Total Governmental Funds
Revenues			
Program Revenues			
Intergovernmental Revenue - On-Behalf Payments	\$ 1,400,608	\$ -	\$ 1,400,608
Fees on Fines and Forfeitures	82,073	-	82,073
Fees from Court Costs	60,160	-	60,160
Diversionary Program Revenues	62,640	-	62,640
Incentives for Child Support Collections	40,777	-	40,777
Fees for Worthless Check Collections	-	9,619	9,619
Intergovernmental Revenue - Grants	13,396	-	13,396
Other Revenues			
Other Income	7,000	-	7,000
Interest Income	5,199	44	5,243
Total Revenues	1,671,853	9,663	1,681,516
Expenditures			
General Government			
Salaries and Benefits	1,536,241	-	1,536,241
Professional Fees	22,510	4,815	27,325
Office Supplies and Expenses	19,672	-	19,672
Commissions	15,546	-	15,546
Seminars, Meetings, and Travel	8,442	-	8,442
Retirement Contributions	5,816	-	5,816
Dues	4,800	-	4,800
Miscellaneous	3,225	-	3,225
Payroll Taxes	2,309	-	2,309
Public Relations	1,105	-	1,105
LACE	22,777	-	22,777
Project L.E.A.D.	3,963	300	4,263
Capital Outlay	13,510	-	13,510
Total Expenditures	1,659,916	5,115	1,665,031
Excess of Revenues Over Expenditures	11,937	4,548	16,485
Net Change in Fund Balances	11,937	4,548	16,485
Fund Balances, Beginning of Year	1,658,115	40,607	1,698,722
Fund Balances, End of Year	\$ 1,670,052	\$ 45,155	\$ 1,715,207

The accompanying notes are an integral part of these financial statements.

DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended December 31, 2017

Net Change in Fund Balances - Total Governmental Funds	\$	16,485
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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. This is the amount by which capital outlay exceeded depreciation in the current period.		6,252
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental fund:

Contributions Made to the Retirement Plans by Other Governments		11,098
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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:

Change in the Net Pension Liability and Related Deferred Amounts		(22,354)
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Change in Net Position of Governmental Activities	\$	11,481
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The accompanying notes are an integral part of these financial statements.

DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana

Notes to Financial Statements

Introduction

As provided by Louisiana Revised Statute (LRS) 16:1, the District Attorney has charge of every criminal prosecution by the State in his District and is the representative of the State before the grand jury. He performs other duties as provided by law. The qualified electors of the judicial district elect the District Attorney for a term of six years. The Twenty-Fifth Judicial District encompasses the Parish of Plaquemines, Louisiana (the Parish).

Note 1. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying basic financial statements of the District Attorney of the Twenty-Fifth Judicial District (the District Attorney) have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting standards.

The District Attorney's basic financial statements consist of the government-wide financial statements and the fund financial statements. The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units and promulgated by GASB Codification of *Governmental Accounting and Financial Reporting*.

Reporting Entity

The District Attorney of the Twenty-Fifth Judicial District was created by Article V of the Louisiana Constitution of 1974 and Title 16 of the Revised Statutes. The state statutes that create the District Attorneys also give the District Attorneys control over all their operations. This includes the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. The District Attorney is independent from the District Court System; therefore, it reports as an independent financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District Attorney of the Twenty-Fifth Judicial District.

For years beginning after December 15, 1992, GASB Statement No. 14, *The Financial Reporting Entity*, as amended, is effective and requires the presentation of financial statements for the primary government and its component units. A primary government is defined as an entity that has a separately elected governing body, is legally separate (i.e., created as a body corporate), and is fiscally independent of other state or local governments. Any organization that is not legally separate is part of the primary government for financial reporting purposes. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, a component unit may also be an organization whose relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading.

**DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana**

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Reporting Entity (Continued)

Since the District Attorney is fiscally dependent on the Plaquemines Parish Council, the District Attorney was determined to be a component unit of the Plaquemines Parish Council, the financial reporting entity. The accompanying financial statements present only information on the funds maintained by the District Attorney and do not present information on the Plaquemines Parish Council, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

Fund Accounting

The District Attorney 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 relating to certain District Attorney functions or activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

Governmental Funds

Governmental funds account for all of the District Attorney'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 fund 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 the District Attorney. The following are the District Attorney's governmental funds, both of which are considered major funds:

General Fund - The General Fund was established in compliance with LRS 15:571.11, which provides that twelve percent of the fines collected and bonds forfeited be remitted to the District Attorney to defray the necessary expenditures of his office. This fund also includes administrative fees collected within the District Attorney's diversionary program and administrative fees assessed for littering. Additionally, the General Fund of the District Attorney consists of the following:

- \$10 Court Cost - Act 293 - These fees are collected in compliance with LRS 16:16. In all criminal cases over which the District Attorney has jurisdiction, a nonrefundable sum of ten dollars is taxed as costs against every defendant who is convicted after trial, pleads guilty, or who forfeits a bond. This fee is in addition to all other fines, costs, or forfeitures lawfully imposed. The sums collected are to be used at the discretion of the District Attorney in defraying the expenditures of his office.

DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Fund Accounting (Continued)

Governmental Funds (Continued)

- \$10 Court Cost - Act 1443 - These fees are collected in compliance with LRS 16:16.1. In all criminal cases over which the District Attorney has jurisdiction, a nonrefundable sum of ten dollars is taxed as costs against every defendant who is convicted after trial, pleads guilty, or who forfeits a bond. This fee is in addition to all other fines, costs, or forfeitures lawfully imposed. The sums collected are to be used at the discretion of the District Attorney in defraying the expenditures of his office.
- Commercial Bond Forfeitures - These fees are collected in compliance with LRS 15:571, which provides that all fines and forfeitures imposed by the district courts and collected by the sheriff or executive officer of the court for violations of municipal ordinances be disbursed. Of the total disbursement, twelve percent shall be remitted to the Office of the District Attorney, which may be used at the discretion of the District Attorney in defraying the expenditures of his office.
- Criminal Bail Bond Fees - These fees are collected in compliance with LRS 22:1065.1, which provide that there shall be a fee on premiums for all commercial surety underwriters who write criminal bail bonds in the State of Louisiana. That fee shall be equal to two hundred dollars for each ten thousand dollars worth of liability underwritten by the commercial surety. Of these fees, the District Attorney's Office shall receive twenty-five percent, which is to be used for operating expenses.
- \$7 Criminal Bond Fees - These fees are collected in compliance with LRS 15:851, which provide that a fee of fifteen dollars shall be collected by the sheriff's office from every person seeking release by means of a criminal bond, or from their designated representative. Of the total fee, seven dollars shall be remitted to the Office of the District Attorney, which may be used at the discretion of the District Attorney in defraying the expenditures of his office.
- Special Asset Forfeitures - These fees are collected in compliance with LRS 40:2616(B), which provides that all monies obtained in relation to the seizure and forfeiture from illegal drugs shall be deposited in this fund. Of these monies, the District Attorney's Office shall receive twenty percent after the payments made for satisfaction of any bona fide security interest or lien, and after the payment of all proper expenses of the proceedings for forfeiture and sale. This twenty percent shall be paid into the fund to be used for public purposes, including, but not limited to, use for prosecution, rewards, support, and continuing legal education.

DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Fund Accounting (Continued)

Governmental Funds (Continued)

- Title IV-D Program - This income consists of incentive payments and reimbursement grants from the Louisiana Department of Social Services, authorized by Act 117 of 1975, to establish family and child support programs compatible with Title IV-D of the Social Security Act. The purpose of the program is to enforce the support obligations owed by absent parents to their families and children, to locate absent parents, to establish paternity, and to obtain family and child support. The Title IV-D income is captioned "Incentives for Child Support Collections" in the accompanying financial statements.

Special Revenue Fund - This fund is used to account for fees, fines, and costs collected for a specified purpose or grant amounts received to be used for specific purposes that deal with the prosecution. The special revenue fund of the District Attorney consists of the following:

- Worthless Checks Collection Fee Fund (Hot Checks) - This fund was established in compliance with LRS 16:15, which provides that the District Attorney receives, from the principal to the offense, a prescribed amount upon collection of a worthless check. The funds may be used to defray the salaries and expenses of the Office of the District Attorney, and may not be used to supplement the salary of the District Attorney.

Measurement Focus / Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The amounts reflected in the government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or noncurrent) are included in the statement of net position, and the statement of activities presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized when earned. Expenses are recognized at the time the liability is incurred. The effect of interfund transactions has been removed from these columns.

DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Measurement Focus / Basis of Accounting (Continued)

The governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District Attorney considers revenues as available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred.

Budgets

The District Attorney follows these procedures in establishing the budgetary data reflected in these financial statements:

1. An office accountant prepares a proposed budget and submits the budget to the District Attorney for approval.
2. The District Attorney approves the budget and submits it for public inspection no later than 15 days prior to the beginning of the fiscal year.
3. The budget is adopted in an open meeting at least 10 days after public notice and prior to the beginning of the fiscal year.
4. Budgetary amendments, involving the increase in expenditures resulting from revenues exceeding amounts estimated, require the approval of the District Attorney.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. The budgets are prepared essentially on the modified accrual basis of accounting. Non-cash revenues and expenditures pertaining to on-behalf payments made by other governmental entities are not included in the budget. Budgetary amounts are as originally adopted, or as amended from time to time by the District Attorney.

Cash and Cash Equivalents

Cash and cash equivalents are comprised of daily cash amounts in demand deposit or interest-bearing demand deposit accounts. Under state law, the District Attorney may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Investments

Investments are limited by LRS 33:2955 and the District Attorney's investment policy. All time deposits are considered investments regardless of maturity date. The book balances are stated at cost, which approximates the fair market value of the investments.

Encumbrances

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed in the District Attorney's accounting system.

Capital Assets

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District Attorney maintains a threshold level of \$1,000 or more for capitalizing capital assets.

Capital assets are recorded in the statement of net position, and depreciation expense is recorded in the statement of activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

Description	Estimated Lives
Furniture and Equipment	5 - 15 Years

Compensated Absences

Annual and sick leave for professional staff members is granted at the discretion of the District Attorney.

At December 31, 2017, the District Attorney had no accumulated and vested employee leave benefits required to be reported.

DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Equity Classifications

Government-wide net position is divided into three components:

1. *Net Investment in Capital Assets* - Consists of capital assets, including restricted capital assets, net of accumulated depreciation.
2. *Restricted* - This component of net position consists of assets that have constraints imposed by law or through constitutional provisions or enabling legislation.
3. *Unrestricted* - All other net position is reported in this category.

In the governmental fund financial statements, fund balances are classified as follows:

1. *Restricted Fund Balance* - Amounts that can be spent only for specific purposes because of state or federal laws, or externally imposed conditions by grantors, creditors, or citizens.
2. *Unassigned Fund Balance* - All amounts not included in other spendable classifications.

When both restricted and unassigned resources are available for use, it is the District Attorney's policy to use restricted resources first, then unassigned resources as they are needed.

Interfund Transactions

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transactions are reported as transfers.

Deferred Outflows/Inflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense) until then. Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District Attorney has deferred outflows/inflows of resources related to pensions.

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Pensions

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

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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

Adoption of New Accounting Principles

During the year ended December 31, 2017, the District Attorney adopted GASB Statement No. 82 (GASB 82), *Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No. 73*. The objective of GASB 82 is to address issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made to employers to satisfy employee (plan members) contribution requirements.

During the year ended December 31, 2017, the District Attorney adopted GASB Statement No. 79 (GASB 79), *Certain External Investment Pools and Pool Participants*. The objective of GASB 79 is to establish criteria for an external investment pool to qualify of making the election to measure all of its investments at amortized cost for financial reporting purposes. The external investment pool the District Attorney participates in reports its investments at fair value; therefore GASB 79 had no impact on the District Attorney.

New Accounting Pronouncements

The GASB issued statement No. 87 (GASB 87), *Leases*, in June 2017. The objective of GASB 87 is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. 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. This Statement will be effective for the District Attorney for the fiscal year ending December 31, 2020.

DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana

Notes to Financial Statements

Note 2. Cash and Cash Equivalents

At December 31, 2017, the District Attorney had cash (book balances) totaling \$1,180,751, which are in demand deposit or interest-bearing demand deposit accounts.

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the District Attorney's deposits may not be recovered. At December 31, 2017, the bank balance of the deposits was \$1,185,690. \$250,000 of this balance was covered by federal deposit insurance and the remaining balance of \$935,690 was secured from risk by the pledge of securities owned by the fiscal agent bank. These securities are being held in the name of the pledging fiscal agent bank in a custodial bank that is mutually acceptable to the District Attorney and the fiscal agent bank.

Under state law, deposits 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 bank. The custodial bank must advertise and sell the pledged securities within 10 days of being notified that the fiscal agent bank has failed to pay deposited funds upon demand.

Note 3. Investments

At December 31, 2017, the District Attorney had investments of \$502,152 in Louisiana Asset Management Pool, Inc. (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.126, the investment in LAMP is not categorized in the three risk categories provided by GASB Codification Section 150.125 because the investment is in a pool of funds and, therefore, not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LRS 33:2955.

GASB Statement No. 40, *Deposit and Investment Risk Disclosure*, requires disclosure of credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk for all public entity investments.

DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana

Notes to Financial Statements

Note 3. Investments (Continued)

LAMP is an investment pool that, to the extent practical, invests in a manner consistent with GASB Statement No. 79. The following facts are relevant for investment pools:

- *Credit risk:* LAMP is rated AAAM by Standard & Poor's.
- *Custodial credit risk:* LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- *Concentration of credit risk:* Pooled investments are excluded from the 5 percent disclosure requirement.
- *Interest rate risk:* LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 60 days, and consists of no securities with a maturity in excess of 397 days. The WAM for LAMP's total investments was 43 days, as of December 31, 2017.
- *Foreign currency risk:* Not applicable.

The investments in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

If you have any questions, please feel free to contact the LAMP administrative office at 800-249-5267.

Note 4. Capital Assets

Capital assets and depreciation activity as of and for the year ended December 31, 2017, was as follows:

Governmental Activities	Beginning Balance	Increases	Decreases	Ending Balance
Furniture and Equipment	\$ 405,747	\$ 13,510	\$ 40,367	\$ 378,890
Less: Accumulated Depreciation	386,179	7,258	40,367	353,070
Capital Assets, Net	\$ 19,568	\$ 6,252	\$ -	\$ 25,820

DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana

Notes to Financial Statements

Note 5. Intergovernmental Agreement

The Plaquemines Parish Government and the District Attorney's Office have an intergovernmental agreement to which all vehicles purchased by the District Attorney's Office are to be treated as a donation or intergovernmental transfer to the Plaquemines Parish Government.

The Plaquemines Parish Government has provided vehicles to the Plaquemines Parish District Attorney's Office for the past thirty years in recognition of its obligation to provide reasonable expenses for the District Attorney's Office.

Due to increasing demands on local government for services over the past several years, the District Attorney's Office used discretionary funding for the purchase of vehicles for use by the District Attorney's Office. These purchases were made by the Plaquemines Parish Government on behalf of the District Attorney's Office, and were made with the express understanding that the Plaquemines Parish Government would take title in its name, insure, and maintain said vehicles, and assign the vehicles to the District Attorney's Office for its exclusive use. Upon normal rotation out of the District Attorney's Office, due to condition and mileage, the vehicle is delivered back to the Plaquemines Parish Government to use or dispose of as it sees fit. For inventory purposes, the vehicles are owned by the Plaquemines Parish Government. As such, depreciation, if any, for said vehicles is recorded by the Plaquemines Parish Government.

If the purchase of any vehicle is made with the District Attorney's funds, this will be considered a donation or intergovernmental transfer to the Plaquemines Parish Government.

Note 6. Pension Plans

The District Attorney participates in two cost-sharing, multiple employer and public employees' retirement systems. The District Attorney and assistant district attorneys are members of the Louisiana District Attorneys' Retirement System (LDARS or the System). Other personnel of the District Attorney's Office are members of the Parochial Employees' Retirement System of Louisiana, Plan A (PERS or the Parochial System). These retirement systems are cost-sharing, multiple employer, statewide retirement systems which are administered by separate boards of trustees. Following are descriptions of the plans and their respective benefits:

Notes to Financial Statements

Note 6. Pension Plans (Continued)

Louisiana District Attorneys' Retirement System

All persons who are district attorneys of the State of Louisiana, assistant district attorneys in any parish of the State of Louisiana, or employed by this retirement system and the Louisiana District Attorneys' Association, except for elected or appointed officials who have retired from service under any publicly funded retirement system within the State and who are currently receiving benefits, shall become members as a condition of their employment; provided, however, that in the case of assistant district attorneys, they must be paid an amount not less than the minimum salary specified by the Board for Assistant District Attorneys.

The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

Plan Description

The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Members who joined the System before July 1, 1990, and who have elected not to be covered by the new provisions, are eligible to receive a normal retirement benefit if they have 10 or more years of creditable service and are at least age 62, or if they have 18 or more years of service and are at least age 60, or if they have 23 or more years of service and are at least age 55, or if they have 30 years of service regardless of age. The normal retirement benefit is equal to 3% of the member's average final compensation for each year of creditable service.

Members are eligible for early retirement at age 60 if they have at least 10 years of creditable service or at age 55 with at least 18 years of creditable service. Members who retire prior to age 60 with less than 23 years of service credit receives a retirement benefit reduced 3% for each year of age below 60. Members who retire prior to age 62 who have less than 18 years of service receive a retirement benefit reduced 3% for each year of age below 62. Retirement benefits may not exceed 100% of final average compensation.

Members who joined the System after July 1, 1990, or who elected to be covered by the new provisions, are eligible to receive normal retirement benefits if they are age 60 and have 10 years of service credit, or age 55 and have 24 years of service credit, or have 30 years of service credit regardless of age. The normal retirement benefit is equal to 3.5% of the member's final average compensation multiplied by years of membership service. A member is eligible for an early retirement benefit if he is age 55 and has 18 years of service credit. The early retirement benefit is equal to the normal retirement benefit reduced 3% for each year the member retires in advance of normal retirement age. Benefits may not exceed 100% of average final compensation.

DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana

Notes to Financial Statements

Note 6. Pension Plans (Continued)

Louisiana District Attorneys' Retirement System (Continued)

Plan Description (Continued)

Disability benefits are awarded to active contributing members with at least 10 years of service who are found to be totally disabled as a result of injuries incurred while in active service. The member receives a benefit equal to three percent (three and one-half percent for members covered under the new retirement benefit provisions) of his average final compensation multiplied by the lesser of his actual service (not to be less than fifteen years) or projected continued service to age 60.

Upon the death of a member with less than five years of creditable service, his accumulated contributions and interest thereon are paid to his surviving spouse, if he is married, or to his designated beneficiary, if he is not married. Upon the death of any active, contributing member with five or more years of service or any member with 23 years of service who has not retired, automatic option two benefits are payable to the surviving spouse. These benefits are based on the retirement benefits accrued at the member's date of death with the option factors used as if the member had continued in service to earliest normal retirement age. If a member has no surviving spouse, the surviving minor children under 18 or disabled children are paid 80% of the member's accrued retirement benefit divided into equal shares. If a member has no surviving spouse or children, his accumulated contributions and interest are paid to his designated beneficiary. In lieu of periodic payments, the surviving spouse or children may receive a refund of the member's accumulated contributions with interest.

The Board of Trustees is authorized to grant retired members and widows of members who have retired an annual cost of living increase of 3% of their original benefit (not to exceed sixty dollars per month) and all retired members and widows who are sixty-five years of age and older a 2% increase in their original benefit.

In lieu of other cost of living increases the board may grant an increase to retirees in the form of "Xx(A&B)" where "A" is equal to the number of years of credited service accrued at retirement or death of the member or retiree and "B" is equal to the number of years since death of the member or retiree to June 30 of the initial year of increase and "X" is equal to any amount available for funding such increase up to a maximum of \$1.00. In order for the board to grant any of these increases, the System must meet certain criteria detailed in the statute related to funding status and interest earnings.

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

DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana

Notes to Financial Statements

Note 6. Pension Plans (Continued)

Louisiana District Attorneys' Retirement System (Continued)

Plan Description (Continued)

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

Prior to January 1, 2009, eligible members could elect to participate in the Deferred Retirement Option Program (DROP) for up to three years in lieu of terminating employment and accepting a service benefit. During participation in the DROP, employer contributions were payable and employee contributions were reduced to one-half of one percent. The monthly retirement benefits that would have been payable to the member were paid into a DROP account, which did not earn interest while the member was participating in the DROP. Upon termination of participation, the participant in the plan received, at his option, a lump sum from the account equal to the payments into the account or systematic disbursements from his account in any manner approved by the board of trustees. The monthly benefits that were being paid into the DROP would then be paid to the retiree. All amounts which remain credited to the individual's sub-account after termination of participation in the plan were invested in liquid money market funds. Interest was credited thereon as actually earned.

Funding Policy

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ended December 31, 2017, the actual employer contribution rate was 0.0%.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing the Louisiana District Attorneys' Retirement System, 1645 Nicholson Drive, Baton Rouge, Louisiana 70802-8143, or by calling (225) 267-4824

The District Attorney's contributions to the System for the years ended December 31, 2017, 2016, and 2015, were \$-0-, \$1,416, and \$4,440, respectively.

**DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana**

Notes to Financial Statements

Note 6. Pension Plans (Continued)

Parochial Employees' Retirement System of Louisiana

Substantially all other employees of the District Attorney's Office are members of PERS, a cost-sharing, multiple employer defined benefit pension plan administered by a separate board of trustees. The Parochial System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All plan participants of the District Attorney are members of Plan A.

Plan Description

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the Parochial System, except for the District Attorney and assistant district attorneys who are covered by their own retirement plan.

Any member can retire providing he/she meets one of the following criteria:

For employees hired prior to January 1, 2007:

1. Any age with thirty (30) or more years of creditable service
2. Age 55 with a minimum of twenty-five (25) years of creditable service
3. Age 60 with a minimum of ten (10) years of creditable service
4. Age 65 with a minimum of seven (7) years of creditable service

For employees hired after January 1, 2007:

1. Age 55 with a minimum of thirty (30) years of creditable service
2. Age 62 with a minimum of ten (10) years of creditable service
3. Age 67 with a minimum of seven (7) years of creditable service

The retirement benefit is generally 1% of the member's final compensation plus \$2 per month for each year of service credited prior to January 1, 1980, and 3% of final average compensation for each year of service after that date. Final average salary is the employee's average salary over the 36 consecutive or joined months which produce the highest average.

Employees who terminate with at least the amount of credited service stated previously, and who do not withdraw their employee contributions, may retire at the age specified previously and receive the benefit accrued to their date of termination. PERS also provides death and disability benefits. Benefits are established by state statute.

The Parochial System issues an annual publicly available financial report that includes financial statements and required supplementary information for the Parochial System. That report may be obtained by writing to the Parochial Employees' Retirement System of Louisiana, 7905 Wrenwood Boulevard, Baton Rouge, Louisiana 70809, or by calling (225) 928-1361.

DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana

Notes to Financial Statements

Note 6. Pension Plans (Continued)

Parochial Employees' Retirement System of Louisiana (Continued)
Plan Description (Continued)

Funding Policy

Contributions to PERS include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each parish except Orleans and East Baton Rouge parishes. PERS members are required to contribute 9.5% of their annual covered salary. The District Attorney is required to contribute at an actuarially determined rate. The current rate is 12.50% of annual covered salary for the year ended December 31, 2017. As provided by LRS 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation of the prior year.

The District Attorney's contributions to the Parochial System under Plan A for the years ended December 31, 2017, 2016, and 2015, were \$5,816, \$6,740, and \$8,721, respectively.

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

At December 31, 2017, the District Attorney reported liabilities of \$34,298 and \$18,004 for its proportionate share of LDARS and PERS, respectively, collective net pension liabilities. The collective net pension liabilities of the plans were measured on June 30, 2017 and December 31, 2016, for LDARS and PERS, respectively.

The proportionate share of the net pension liabilities were based on the District Attorney's long-term shares of contributions to the pension plans relative to the projected contributions of all employers, actuarially determined. At June 30, 2017, the proportion for LDARS was 0.127161%, and at December 31, 2016, the proportion for PERS was 0.008742%.

DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana

Notes to Financial Statements

Note 6. Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

For the year ended December 31, 2017, the District Attorney recognized pension expense of \$28,170. At December 31, 2017, the District Attorney reported deferred outflows of resources and deferred inflows of resources related to its pension from the following sources:

	Deferred Outflows of Resources			Deferred Inflows of Resources		
	LDARS	PERS	Total	LDARS	PERS	Total
Differences between Expected and Actual Experience	\$ -	\$ -	\$ -	\$ 9,017	\$ 3,151	\$ 12,168
Changes of Assumptions	15,377	3,418	18,795	4,048	-	4,048
Net Difference between Projected and Actual Earnings on Pension Plan Investments	13,765	13,972	27,737	-	-	-
Changes in Proportion and Differences Between Contributions and Proportionate Share of Contributions	3,857	317	4,174	7,524	100	7,624
Contributions Subsequent to the Measurement Date	-	5,816	5,816	-	-	-
Total	\$ 32,999	\$ 23,523	\$ 56,522	\$ 20,589	\$ 3,251	\$ 23,840

In the year ending December 31, 2018, \$5,816 reported as deferred outflows of resources related to pensions resulting from the District Attorney's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability. Other amounts reported as deferred inflows of resources and deferred outflows of resources will be recognized in pension expense as follows:

Year Ending December:	Amortization Amounts		
	LDARS	PERS	Total
2018	\$ 154	\$ 5,418	\$ 5,572
2019	\$ 6,929	\$ 5,772	\$ 12,701
2020	\$ 3,732	\$ 3,646	\$ 7,378
2021	\$ 116	\$ (379)	\$ (263)
2022	\$ 750	\$ -	\$ 750
Thereafter	\$ 728	\$ -	\$ 728

**DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana**

Notes to Financial Statements

Note 6. Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

A summary of the actuarial methods and assumptions used in determining net pension liabilities is as follows:

	LDARS	PERS
Valuation Date	June 30, 2017	December 31, 2016
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Actuarial Assumptions:		
Expected Remaining Service Lives	7 Years	4 Years
Investment Rate of Return	6.75%	7.00%
Inflation Rate	2.50%	2.50%
Projected Salary Increases	3%, Merit	2.75%, Merit
Cost-of-Living Adjustments	Only those Previously Granted	Only those Previously Granted
Mortality	RP-2000 Combined Healthy with White Collar Adjustment Sex Distinct Table (set back 1 year for females); RP-2000 Disabled Lives Mortality Table (set back 5 years for males and 3 years for females) for Disabled Annuitants	RP-2000 Employee Sex Distinct Table was Selected for Employees; RP-2000 Healthy Annuitant Sex Distinct Tables were Used for Annuitants & Beneficiaries; RP-2000 Disabled Lives Mortality Table for Disabled Annuitants

DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana

Notes to Financial Statements

Note 6. Pension Plans (Continued)

LDARS Investments

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The resulting long-term rate of return was 9.06%, for the year ended June 30, 2017.

The best estimates of arithmetic real rates of return for each major asset class based on the System's target asset allocation as of June 30, 2017, were as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	
		Real	Nominal
Equity	61.72%	11.31%	
Fixed Income	28.95%	6.84%	
Alternatives	8.85%	10.50%	
Real Estate	0.48%	0.50%	
	100.00%		6.56%
Inflation			2.50%
Expected Real Rate of Return			9.06%

PERS Investments

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (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 2.00% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return was 7.66%, for the year ended December 31, 2016.

DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana

Notes to Financial Statements

Note 6. Pension Plans (Continued)

PERS Investments (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in the Parochial System's target asset allocation as of December 31, 2016 are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return
Fixed Income	35.00%	1.24%
Equity	52.00%	3.63%
Alternatives	11.00%	0.67%
Real Assets	2.00%	0.12%
	100.00%	5.66%
Inflation		2.00%
Expected Real Rate of Return		7.66%

Sensitivity to Changes in Discount Rate

The following presents the net pension liability of the District Attorney using the discount rate of 6.75% for LDARS and 7.00% for PERS, as well as what the liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1.00% Decrease	Current Discount Rate	1.00% Increase
District Attorney's Proportionate Share of the LDARS Net Pension Liability	\$ 98,011	\$ 34,298	\$ (19,843)
District Attorney's Proportionate Share of the PERS Net Pension Liability	53,858	18,004	(12,311)

Note 7. Cooperative Endeavor Agreement

The District Attorney of the Twenty-Fifth Judicial District loaned the Plaquemines Parish Courthouse District (the District) \$95,000 on April 12, 2000. These funds are to be used as local matching funds for the Plaquemines Parish Courthouse Project (the Project). The Plaquemines Parish Courthouse District understands and agrees that if the funds are not totally expended within two years from the date of this agreement, the District will close the Project and recommend that the Board of Commissioners return the unspent funds to the District Attorney's Office. It is further acknowledged and agreed that upon receipt of permanent financing for the Project, all funds advanced under this agreement should be returned to the District Attorney's Office. As of April 12, 2002, the Cooperative Endeavor Agreement with the Plaquemines Parish Courthouse District was extended for an additional two years. During 2004, the Cooperative Endeavor Agreement expired, but was renewed on a month-to-month basis.

DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana

Notes to Financial Statements

Note 7. Cooperative Endeavor Agreement (Continued)

The Plaquemines Parish Courthouse District is in the process of determining if any additional buildings should be obtained for use by the Courts of Plaquemines Parish. Once a decision is made, the District will either reimburse the remaining funds back to the District Attorney or use the funds to build such. As of December 31, 2017, the District Attorney decreased the receivable to the estimated recovery from the Plaquemines Parish Courthouse to \$19,537.

Note 8. Expenditures of the District Attorney Not Included in the Financial Statements

The accompanying financial statements do not include certain expenditures of the District Attorney paid out of the funds of criminal court, the parish governing authority, or paid directly by the State.

The accompanying financial statements do not include certain expenditures of the District Attorney which are paid out of the funds of the Plaquemines Parish Government. These expenditures include telephone, utilities, and other operating expenditures of the District Attorney. This information is available at the Baton Rouge office of the Louisiana Legislative Auditor and online at the Louisiana Legislative Auditor's website.

Note 9. Federal Grant Income and Expenditures of the District Attorney Not Included in the Financial Statements

Certain federal grants under the oversight of the District Attorney of the Twenty-Fifth Judicial District are accounted for on the financial statements of the Plaquemines Parish Government. The following grant payments were received during the year ended December 31, 2017:

Project ID	Start Date	Amount
DIST25	01/01/2017 - 12/31/2017	\$ 27,500
2941	10/01/2016 - 06/30/2017	\$ 15,000
3727	07/01/2017 - 09/30/2017	\$ 5,001

Note 10. On-Behalf Payments for Salaries and Fringe Benefits

In accordance with governmental accounting standards, the District Attorney of the Twenty-Fifth Judicial District recognizes on-behalf payments made by the Plaquemines Parish Government and the State of Louisiana. These costs include salary and fringe benefits. The District Attorney recognizes these payments as revenue and corresponding expenses/expenditures in the financial statements.

**DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana**

Notes to Financial Statements

Note 10. On-Behalf Payments for Salaries and Fringe Benefits (Continued)

For the year ended December 31, 2017, the District recorded on-behalf payments from the following sources:

Plaquemines Parish Government	
Salaries	\$ 889,302
Insurance	154,994
Retirement	73,737
Other Benefits	<u>7,575</u>
Total	<u>1,125,608</u>
State of Louisiana	
Salaries	<u>275,000</u>
Total	<u>275,000</u>
Total - All Sources	<u>\$ 1,400,608</u>

Note 11. Excess Expenditures Over Appropriations

For the year ended December 31, 2017, the General Fund's actual expenditures of \$259,308, exclusive of on-behalf payments recognized, exceeded the budgeted expenditures of \$252,056, resulting in an unfavorable variance of \$7,252.

REQUIRED SUPPLEMENTARY INFORMATION

DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - General Fund
For the Year Ended December 31, 2017

	Budgetary Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Program Revenues				
Fees on Fines and Forfeitures	\$ 84,200	\$ 83,059	\$ 82,073	\$ (986)
Fees from Court Costs	52,000	62,013	60,160	(1,853)
Diversionary Program Revenues	52,400	61,930	62,640	710
Incentives for Child Support Collections	37,785	40,777	40,777	-
Intergovernmental Revenue - Grants	-	13,397	13,396	(1)
Other Revenues				
Other Income	-	-	7,000	7,000
Interest Income	3,250	5,126	5,199	73
Total Revenues	229,635	266,302	271,245	4,943
Expenditures				
General Government				
Salaries and Benefits	141,256	135,658	135,633	25
Professional Fees	18,100	22,510	22,510	-
Commissions	22,550	17,932	19,672	(1,740)
Office Supplies and Expenses	14,300	26,004	15,546	10,458
Retirement Contributions	6,330	5,817	8,442	(2,625)
Seminars, Meetings, and Travel	7,000	8,390	5,816	2,574
Miscellaneous	830	822	4,800	(3,978)
Dues	5,160	4,800	3,225	1,575
Payroll Taxes	2,070	2,311	2,309	2
Public Relations	900	1,105	1,105	-
LACE	30,000	22,745	22,777	(32)
Project L.E.A.D.	1,200	3,962	3,963	(1)
Capital Outlay	-	-	13,510	(13,510)
Total Expenditures	249,696	252,056	259,308	(7,252)
(Deficiency) Excess of Revenues Over Expenditures	(20,061)	14,246	11,937	(2,309)
Net Change in Fund Balance	\$ (20,061)	\$ 14,246	11,937	\$ (2,309)
Fund Balance, Beginning of Year			1,658,115	
Fund Balance, End of Year			\$ 1,670,052	

NOTE TO BUDGETARY COMPARISON SCHEDULE

Note 1 - Budget-to-Actual Reconciliation

The District Attorney budgets for revenues and expenditures that will flow through its office. Amounts pertaining to on-behalf payments made by other governmental entities are not considered in the District Attorney's annual budget.

See independent auditor's report.

DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Worthless Checks Collection Fee Special Revenue Fund
For the Year Ended December 31, 2017

	Budgetary Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Program Revenues				
Fees for Worthless Checks Collection	\$ 6,000	\$ 9,619	\$ 9,619	\$ -
Other Revenues				
Interest Income	80	43	44	1
Total Revenues	6,080	9,662	9,663	1
Expenditures				
General Government				
Professional Fees	-	4,815	4,815	-
Project L.E.A.D.	-	300	300	-
Total Expenditures	-	5,115	5,115	-
Excess of Revenues Over Expenditures	6,080	4,547	4,548	1
Net Change in Fund Balance	\$ 6,080	\$ 4,547	4,548	\$ 1
Fund Balance, Beginning of Year			<u>40,607</u>	
Fund Balance, End of Year			<u>\$ 45,155</u>	

NOTE TO BUDGETARY COMPARISON SCHEDULE

Note 1 - Budget-to-Actual Reconciliation

The District Attorney budgets for revenues and expenditures that will flow through its office. Amounts pertaining to on-behalf payments made by other governmental entities are not considered in the District Attorney's annual budget.

See independent auditor's report.

DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana
Schedule of the District Attorney's Proportionate Share of
Net Pension Liability
For the Year Ended December 31, 2017

	LDARS			PERS		
	2017	2016	2015	2017	2016	2015
District Attorney's Proportion of the Net Pension Liability	0.127161%	0.133710%	0.116806%	0.008742%	0.011143%	0.0148072%
District Attorney's Proportionate Share of the Net Pension Liability	\$ 34,298	\$ 25,593	\$ 6,292	\$ 18,004	\$ 29,332	\$ 4,048
District Attorney's Covered Payroll	\$ 78,732	\$ 82,895	\$ 68,493	\$ 51,846	\$ 60,145	\$ 71,750
District Attorney's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	43.6%	30.9%	9.2%	34.7%	48.8%	5.6%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	93.6%	95.1%	98.6%	94.1%	92.2%	99.1%

**LDARS refers to the Louisiana District Attorney Retirement System*

PERS refers to Parochial Employees Retirement System of Louisiana

***GASB 68 requires this schedule to show information for 10 years. The District Attorney has implemented GASB 68 in its 2015 fiscal year. Therefore, additional years will be displayed as they become available.*

**** The amounts presented for each fiscal year were determined as of the June 30th year-end that occurred within the fiscal year (LDARS).*

***** The amounts presented for each fiscal year were determined as of the previous year-end. (PERS)*

See independent auditor's report.

DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana
Schedule of the District Attorney's Contributions
For the Year Ended December 31, 2017

	LDARS			PERS		
	2017	2016	2015	2017	2016	2015
Contractually Required Contribution	\$ -	\$ 1,416	\$ 4,440	\$ 5,816	\$ 6,740	\$ 8,721
Contributions in Relation to Contractually Required Contribution	-	1,416	4,440	5,816	6,740	8,721
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District Attorney's Covered Payroll	\$ 73,845	\$ 82,895	\$ 79,143	\$ 46,529	\$ 51,846	\$ 60,145
Contributions as a Percentage of Covered-Employee Payroll	0.00%	1.71%	5.61%	12.50%	13.00%	14.50%

**GASB 68 requires this schedule to show information for 10 years. The District Attorney has implemented GASB 68 in its 2015 fiscal year. Therefore, additional years will be displayed as they become available.*

See independent auditor's report.

OTHER SUPPLEMENTARY INFORMATION

DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana
Schedule of Compensation, Benefits, and Other Payments
to Agency Head
For the Year Ended December 31, 2017

Agency Head

Honorable Charles Ballay, District Attorney of the Twenty-Fifth Judicial District

Purpose	Amount Paid by the DA's Office	Amount Paid by Other Governments	Total
Salary	\$58,385	\$103,500	\$161,885
Benefits - Insurance	\$0	\$9,695	\$9,695
Benefits - Retirement	\$0	\$0	\$0
Benefits - Long-Term Disability	\$750	\$0	\$750
Car Allowance	\$0	\$0	\$0
Vehicle Provided by Government	\$0	\$641	\$641
Per Diem	\$0	\$230	\$230
Reimbursements	\$158	\$24	\$182
Travel	\$34	\$0	\$34
Registration Fees	\$0	\$325	\$325
Conference Travel	\$1,744	\$305	\$2,049
Continuing Professional Education Fees	\$0	\$0	\$0
Housing	\$0	\$0	\$0
Unvouchered Expenses	\$0	\$0	\$0
Special Meals	\$1,806	\$0	\$1,806
Dues	\$445	\$0	\$445

See independent auditor's report.

**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**

Independent Auditor's Report

Honorable Charles Ballay
District Attorney of the Twenty-Fifth Judicial District
Plaquemines Parish, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of United States, the financial statements of the governmental activities and each major fund of the District Attorney of the Twenty-Fifth Judicial District, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the District Attorney of the Twenty-Fifth Judicial District's basic financial statements, and have issued our report thereon dated June 21, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District Attorney of the Twenty-Fifth Judicial District'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District Attorney of the Twenty-Fifth Judicial District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District Attorney of the Twenty-Fifth Judicial District'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 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 the District Attorney of the Twenty-Fifth Judicial District'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 result of that testing, and not to provide an opinion on the effectiveness of the District Attorney of the Twenty-Fifth Judicial District's internal control or on compliance. This report is an integral part of an audit performed in accordance *Government Auditing Standards* in considering the District Attorney of the Twenty-Fifth Judicial District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



A Professional Accounting Corporation

Metairie, LA
June 21, 2018

**DISTRICT ATTORNEY OF THE TWENTY-FIFTH JUDICIAL DISTRICT
Plaquemines Parish, Louisiana
Schedule of Findings and Responses
For the Year Ended December 31, 2017**

Part I - Summary of Auditor's Results

Financial Statements

- | | |
|--|------------|
| 1. Type of auditors' report issued: | Unmodified |
| 2. Internal control over financial reporting and compliance and other matters: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified? | No |
| c. Noncompliance material to the financial statements noted? | No |
| 3. Management letter comment provided? | None |

Federal Awards

Not Applicable.

Part II - Financial Statements Findings

None.

Part III - Federal Award Findings

Not Applicable.

AGREED-UPON PROCEDURES REPORT
The District Attorney of the 25th Judicial District

Independent Accountant's Report
on Applying Agreed-Upon Procedures

For the Period of January 1, 2017 – December 31, 2017

To The District Attorney of the 25th Judicial District and the
Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by the management of The District Attorney of the 25th Judicial District (the District) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal year January 1, 2017 through December 31, 2017. The District's management is responsible for those C/C areas identified in the SAUPs. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and results are as follows:

Written Policies and Procedures

1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - 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 (5) documentation required to be maintained for all bids and price quotes.
 - c) ***Disbursements***, including processing, reviewing, and approving.
 - d) ***Receipts***, including receiving, recording, and preparing deposits.
 - e) ***Payroll/Personnel***, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
 - 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.

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- 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, and (5) monitoring card usage.
- h) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (LRS) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.
- j) **Debt Service**, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements. Note: Debt service requirements are not applicable to nonprofits.

Results: The District does not have long-term debt, and, therefore, does not have a written policy relating to debt service. All other functions were addressed in the District's policies.

Board (or Finance Committee, if applicable)

- 2. Obtain and review the board/committee minutes for the fiscal period, and:
 - a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.
 - b) Report whether the minutes referenced, or included, monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).
 - If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.
 - c) Report whether the minutes referenced or included non-budgetary financial information (e.g., approval of contracts and disbursements) for at least one meeting during the fiscal period.

Results: These procedures are not applicable as the District does not have a board or finance committee.

Bank Reconciliations

- 3. Obtain a listing of client bank accounts from management and management's representation that the listing is complete.

Results: We obtained management's representation that the listing provided is complete.

4. Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three-year rotating basis (if more than five accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity fund accounts may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:

- a) Bank reconciliations have been prepared;

Results: For the accounts selected, reconciliations were prepared each month.

- b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation;

Results: For the accounts selected, the reconciliations reflected evidence that they were reviewed by the District Attorney. The District Attorney is also an authorized signer on the accounts selected.

- c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

Results: We noted that management has documentation reflecting that it has researched reconciling items for the selected accounts that have been outstanding for more than six months as of the end of the fiscal period.

Collections

5. Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.

Results: We obtained management's representation that the listing provided is complete.

6. Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three-year rotating basis (if more than five locations).

If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity funds may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each cash collection location selected:

- a) Obtain existing written documentation (e.g., insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.

Results: We noted that of the seven employees who are responsible for collecting cash, only two are bonded. We noted that one employee that is responsible for collecting cash is also responsible for depositing cash in the bank, records the transaction, and reconciles the bank account. We noted that employees are not required to share the same cash register or drawer with another employee.

- b) Obtain existing written documentation (e.g., sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.

Results: The District has a formal process to reconcile cash collections to the general ledger, primarily through bank reconciliations. This is performed by the Accounting Director, who periodically is responsible for cash collections.

- c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:
- Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.
 - Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

Results: The following summarizes our results for cash collection locations tested:

- Four collections were deposited within two days of collection;
- Three collections were deposited within five days of collection;
- Five collections were deposited within six days of collection;
- One collection was deposited within nine days of collection;
- Three collections were deposited within fourteen days of collection;
- One collection was deposited within fifteen days of collection;
- Three collections were deposited within sixteen days of collection;
- One collection was deposited within seventeen days of collection;
- Seven collections were deposited within nineteen days of collection;
- Two collections were deposited within twenty-two days of collection;
- One collection was deposited within twenty-three days of collection;
- Three collections were deposited within twenty-seven days of collection;
- One collection was deposited within thirty-six days of collection;
- One collection was deposited within thirty-seven days of collection;
- Two collections were deposited within forty-two days of collection.

All cash collections were completely supported by documentation.

7. Obtain existing written documentation (e.g., policy manual, written procedure) and report whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue source and agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation) by a person who is not responsible for collections.

Results: The District has a process specifically designed to determine the completeness of collections.

Disbursements - General (excluding credit card/debit card/fuel card/P-Card purchases or payments)

8. Obtain a listing of entity disbursements from management or, alternately, obtain the general ledger and sort/filter for entity disbursements. Obtain management's representation that the listing or general ledger population is complete.

Results: We obtained management's representation that the listing provided is complete.

9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card/debit card/fuel card/P-card purchases or payments. Obtain supporting documentation (e.g., purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:
 - a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.
 - b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.
 - c) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; (2) a receiving report showing receipt of goods purchased, or electronic equivalent; and (3) an approved invoice.

Results: Eight of the twenty-five disbursements sampled did not have documentation indicating the individual who initiated the purchase.

Four of the twenty-five disbursements sampled did not have documentation indicating approval on the invoice or requisition. However, all checks issued for these disbursements were approved by the District Attorney.

One of the twenty-five disbursements sampled lacked a receiving report.

10. Using entity documentation (e.g., electronic system control documentation, policy manual, written procedure), report whether the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursement system.

Results: We noted that the person who processes payments is also responsible for adding vendors to the system.

11. Using entity documentation (e.g., electronic system control documentation, policy manual, written procedure), report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.

Results: We noted that persons with signatory authority do not initiate or record purchases.

12. Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those persons that do not have signatory authority, and report any exceptions. Alternately, if the checks are electronically printed on blank check stock, review entity documentation (electronic system control documentation) and report whether the persons with signatory authority have system access to print checks.

Results: We noted that blank check stock is maintained in the locked office of the Accounting Director, who does not have signatory authority. Authorized signers do not have access to the checks and cannot print checks electronically.

13. If a signature stamp or signature machine is used, inquire of the signer whether his or her signature is maintained under his or her control or is used only with the knowledge and consent of the signer. Inquire of the signer whether signed checks are likewise maintained under the control of the signer or authorized user until mailed. Report any exceptions.

Results: The District does not utilize a signature stamp for check issuance purposes. We noted that signed checks are held with the Accounting Director prior to being mailed.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

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

Results: We obtained management's representation that the listing provided is complete.

15. Using the listing prepared by management, randomly select 10 cards (or at least one-third of the cards if the entity has less than 10 cards) that were used during the fiscal period, rotating cards each year. If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner.

Obtain the monthly statements, or combined statements if multiple cards are on one statement, for the selected cards. Select the monthly statement or combined statement with the largest dollar activity for each card (for a debit card, select the monthly bank statement with the largest dollar amount of debit card purchases) and:

- a) Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

Results: We noted was that the monthly combined statement tested included documentation that it was reviewed and approved in writing by someone other than the authorized card holder.

- b) Report whether finance charges and/or late fees were assessed on the selected statements.

Results: We noted no late payments or finance fees on the sample tested.

16. Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e., each of the 10 cards should have one month of transactions subject to testing).

- a) For each transaction, report whether the transaction is supported by:
- An original itemized receipt (i.e., identifies precisely what was purchased).
 - Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.
 - Other documentation that may be required by written policy (e.g., purchase order, written authorization).

Results: We noted that all transactions selected had an original itemized receipt and documentation of the business/public purpose. No other items are required by their policy.

- b) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written purchasing/disbursement policies and the Louisiana Public Bid Law (i.e., transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.

Results: We noted no bid law or policy exceptions on any of the seven transactions selected.

- c) For each transaction, compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g., cash advances or non-business purchases, regardless of whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

Results: We noted no exceptions in reviewing the transactions' detail against the requirement of Article 7, Section 14 of the Louisiana Constitution.

Travel and Expense Reimbursement

17. Obtain from management a listing of all travel and related expense reimbursements, by person, during the fiscal period or, alternately, obtain the general ledger and sort/filter for travel reimbursements. Obtain management's representation that the listing or general ledger is complete.

Results: We obtained management's representation that the listing provided is complete.

18. Obtain the entity's written policies related to travel and expense reimbursements. Compare the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration (www.gsa.gov) and report any amounts that exceed GSA rates.

Results: We obtained District's policies and procedures for travel expenses. The per diem and mileage rates in their policies did not exceed GSA rates.

19. Using the listing or general ledger from #17 above, select the three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three travel expenses selected:

- a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.

Results: We noted no exceptions in comparing expense reimbursement transactions sampled to GSA rates or policy.

- b) Report whether each expense is supported by:

- An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]
- Documentation of the business/public purpose. (Note: For meal charges, there should also be documentation of the individuals participating.)
- Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance).

Results: We noted all expense reimbursement transactions sampled included itemized receipts and documentation of the business purpose.

- c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g., hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

Results: We noted no exceptions in reviewing the transactions' detail against the requirement of Article 7, Section 14 of the Louisiana Constitution.

- d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results: We noted that one reimbursement, which was to the District Attorney, was reviewed and approved by District Attorney.

Contracts

20. Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments. Obtain management's representation that the listing or general ledger is complete.

Results: We obtained management's representation that the listing provided is complete.

21. Using the listing above, select the five contract "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:

a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.

Results: We noted a formal/written contract existed for the contract selected.

b) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:

- If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder).
- If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.

Results: We noted that the contract selected was not subject to the Louisiana Public Bid Law or Procurement Code. Quotes were not solicited as a best practice, as this was an inter-governmental contract with the Louisiana State Police.

c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.

Results: We noted that the contract selected included no amendments.

d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.

Results: We noted that the largest payment from the contract agreed to the supporting invoice and contract terms.

e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g., Lawrason Act or Home Rule Charter).

Results: This procedure is not applicable as the District does not have a board.

Payroll and Personnel

22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:
- a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.
 - b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.

Results: We obtained management's representation that the listing provided is complete.

We noted that compensation paid to each employee sampled was in accordance with their employment contract and pay rate structure.

We noted that all changes to pay rates/salaries during the fiscal period were approved in writing and in accordance with policy.

23. Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the entity had less than 25 employees during the fiscal period), and:
- a) Report whether all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
 - b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.
 - c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.

Results: We noted that for four of the six employees sampled, their daily attendance and leave was documented, approved in writing by a supervisor, and written records were maintained for those that earned leave.

The two remaining employees sampled are assistant district attorneys, and the District does not document, approve, or track their daily attendance or leave.

24. Obtain from management a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. If applicable, select the two largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and obtain the personnel files for the two employees/officials. Report whether the termination payments were made in strict accordance with policy and/or contract and approved by management.

Results: We obtained management's representation that the listing provided is complete. There was one termination payment which was made in strict accordance with the policy and was approved by management.

25. Obtain supporting documentation (e.g., cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. Report whether the employee and employer portions of payroll taxes and retirement contributions, as well as the required reporting forms, were submitted to the applicable agencies by the required deadlines.

Results: The appropriate employee and employer portions of payroll taxes and retirement contributions were submitted to the applicable agencies by the required deadlines for all payroll tax and retirement contribution supporting documentation sampled.

Ethics (excluding nonprofits)

26. Using the five randomly selected employees/officials from procedure #22 under "Payroll and Personnel" above, obtain ethics compliance documentation from management and report whether the entity maintained documentation to demonstrate that required ethics training was completed.

Results: The District maintained documentation to demonstrate that all five randomly selected employees/officials had completed the required ethics training.

27. Inquire of management whether any alleged ethics violations were reported to the entity during the fiscal period. If applicable, review documentation that demonstrates whether management investigated alleged ethics violations, the corrective actions taken, and whether management's actions complied with the entity's ethics policy. Report whether management received allegations, whether management investigated allegations received, and whether the allegations were addressed in accordance with policy.

Results: We inquired with management, and they reported that there were no alleged ethics violations that were reported to the District during the fiscal period.

Debt Service (excluding nonprofits)

28. If debt was issued during the fiscal period, obtain supporting documentation from the entity, and report whether State Bond Commission approval was obtained.

Results: This section is not applicable as the District does not currently have any debt.

29. If the entity had outstanding debt during the fiscal period, obtain supporting documentation from the entity and report whether the entity made scheduled debt service payments and maintained debt reserves, as required by debt covenants.

Results: This section is not applicable as the District does not currently have any debt.

30. If the entity had tax millages relating to debt service, obtain supporting documentation and report whether millage collections exceed debt service payments by more than 10% during the fiscal period. Also, report any millages that continue to be received for debt that has been paid off.

Results: This section is not applicable as the District does not currently have any debt.

Other

31. Inquire of management whether the entity had any misappropriations of public funds or assets. If so, obtain/review supporting documentation and report whether the entity reported the misappropriation to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Results: We noted no instances of misappropriation of public funds or assets, per inquiry with management.

32. Observe and report whether the entity has posted on its premises and website, the notice required by LRS 24:523.1. This notice (available for download or print at www.la.la.gov/hotline) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

Results: We noted the LLA hotline notice per LRS 24:523.1 posted on the District's website and on its premises.

33. If the practitioner observes or otherwise identifies any exceptions regarding management's representations in the procedures above, report the nature of each exception.

Results: No exceptions were noted in obtained management representation.

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

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the results 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.



A Professional Accounting Corporation

Covington, LA
June 21, 2018