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**23<sup>RD</sup> JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE**  
**(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)**

**FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2019**

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Postlethwaite & Netterville

A Professional Accounting Corporation

[www.pncpa.com](http://www.pncpa.com)

**23<sup>RD</sup> JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE**  
**(PARISHES OF ASCENSION, ASSUMPTION,**  
**AND ST. JAMES)**

**FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2019**

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## **INDEPENDENT AUDITORS' REPORT**

Honorable Alan J. Robert  
23<sup>rd</sup> Judicial District Public Defender Office  
(Parishes of Ascension, Assumption, and St. James)

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities and the major fund of 23<sup>rd</sup> Judicial District Public Defender Office (the "Public Defender") as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Public Defender's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditors' Responsibility**

Our responsibility is to express 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 auditors' judgment, including the assessment of the risk 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.

### **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 the major fund of the 23<sup>rd</sup> Judicial District Public Defender Office as of June 30, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.



## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison schedule information on pages 3 through 8 and 24 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 Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the 23<sup>rd</sup> Judicial District Public Defender Office's basic financial statements. The schedule of compensation, benefits, and other payments to chief executive officer is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The schedule of compensation, benefits, and other payments to chief executive officer is the responsibility of management and was derived from and related 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 statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedule 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 a report dated September 23, 2019, on our consideration of the 23<sup>rd</sup> Judicial District Public Defender Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 23<sup>rd</sup> Judicial District Public Defender Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Public Defender's internal control over financial reporting and compliance.

*Postlethwaite & Netterville*

September 23, 2019  
Gonzales, Louisiana

**23<sup>RD</sup> JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE**  
**(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2019**

This section of the 23<sup>rd</sup> Judicial District Public Defender Office's financial report presents our discussion and analysis of the Public Defender's financial performance during the year ended on June 30, 2019. Please read it in conjunction with the Public Defender's financial statements, which follow this section.

**FINANCIAL HIGHLIGHTS**

- The Public Defender's total net position decreased by approximately \$60,000 over the course of the year's operations.
- The Public Defender's expenses were \$60,255 more than the \$1,094,906 generated in charges for services and other revenue.
- Revenues for the Public Defender's governmental activities decreased by less than 1 percent (0.8%), or approximately \$9,000 to \$1,094,906, while expenses for the year increased by 5.5 percent, or approximately \$60,000 to \$1,155,161.
- The general fund reported a fund balance of \$218,082, a decrease from June 30, 2018 of approximately \$60,500.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This report consists of four parts—management's discussion and analysis (this section), the financial statements, required supplementary information, and other supplementary information. The basic financial statements include two kinds of statements that present different views of the Public Defender:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the Public Defender's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the Public Defender's government, reporting the Public Defender's operations in more detail than the government-wide statements.
  - The governmental funds statements tell how general government services were financed in the short term as well as what remains for future spending.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and relate to one another.

Figure A-1 summarizes the major features of the Public Defender's financial statements, including the portion of the Public Defender's government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure of contents of each of the statements.

**23<sup>RD</sup> JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE**  
**(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2019**

Figure A-1

Major Features of Public Defender's Government-wide and Fund Financial Statements

	Fund Statements	
	Government-wide Statements	Governmental Funds
Scope	Entire Public Defender government	The activities of the Public Defender
Required financial statements	<ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance sheet</li> <li>• Statement of revenues, expenditures, and changes in fund balance</li> </ul>
Accounting basis and measurements focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received or have otherwise been incurred

**23<sup>RD</sup> JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE**  
**(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2019**

**Government-wide Statements**

The government-wide statements report information about the Public Defender as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current period's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the Public Defender's net position and how it has changed. Net position—the difference between the Public Defender's total assets and total liabilities—is one way to measure the Public Defender's financial health, or position.

- Over time, increases or decreases in the Public Defender's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the Public Defender you need to consider additional non-financial factors such as the demand for indigent defense.

The government-wide financial statements of the Public Defender include:

- Governmental activities—most of the Public Defender's basic services, such as cost on fines and forfeitures, are included here.

**Fund Financial Statements**

The fund financial statements provide more detailed information about the Public Defender's most significant funds—not the Public Defender as a whole. Funds are accounting devices that the Public Defender uses to keep track of specific sources of funding and spending for particular purposes.

The Public Defender has one type of fund:

- Governmental funds—All of the Public Defender's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Public Defender's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them.

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**(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2019**

**FINANCIAL ANALYSIS OF THE PUBLIC DEFENDER AS A WHOLE**

**Net Position.** The Public Defender's net position decreased between the year-ended 2019 and 2018 to \$219,199. (See Table A-1)

**Table A-1**  
**Public Defender's Net Position**

	Governmental Activities	
	<u>2019</u>	<u>2018</u>
Current and other assets	\$ 227,215	\$ 291,011
Capital assets	1,117	903
<b>Total assets</b>	<u><b>228,332</b></u>	<u><b>291,914</b></u>
Current liabilities	9,133	12,460
<b>Total liabilities</b>	<u><b>\$ 9,133</b></u>	<u><b>\$ 12,460</b></u>
Net position		
Net investment in capital assets	1,117	903
Unrestricted	218,082	278,551
<b>Total net position</b>	<u><b>\$ 219,199</b></u>	<u><b>\$ 279,454</b></u>

Net position of the Public Defender's governmental activities decreased approximately 21.6 percent or \$60,255 during the year. Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by enabling legislation or other legal requirements - changed from \$278,551 at June 30, 2018, to \$218,082 at the end of the current fiscal year.

**Changes in Net Position.** Total revenues for the Public Defender decreased from \$1,103,777 to \$1,094,906 representing a decrease of 0.8 percent. (See Table A-2). Approximately 59 percent of the Public Defender's revenue comes from court fees, fines and forfeitures.

Total expenses increased by approximately \$60,000 or 5.5 percent. The Public Defender expenses cover all of the services performed by its office.

**23<sup>RD</sup> JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE**  
**(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2019**

**Governmental Activities**

Revenues for the Public Defender's governmental activities decreased by less than 1 percent (0.8%), while total expenses increased by 5.5 percent.

**Table A-2**  
**Changes in Public Defender's Net Position**

	<b>Governmental Activities</b>	
	<b>2019</b>	<b>2018</b>
<b>Revenues</b>		
Program revenues		
Charges for services	\$ 645,013	\$ 669,100
Interest	403	454
Miscellaneous	169	245
Intergovernmental	449,321	433,978
<b>Total revenues</b>	<b>1,094,906</b>	<b>1,103,777</b>
<b>Expenses</b>		
Personnel	987,188	926,194
Other Operating	167,973	168,618
<b>Total expenses</b>	<b>1,155,161</b>	<b>1,094,812</b>
<b>(Decrease) / Increase in net position</b>	<b>\$ (60,255)</b>	<b>\$ 8,965</b>

The cost of all governmental activities for the year increased approximately 5.5 percent to \$1,155,161 primarily due to the increase in employee and contract attorneys' expenditures.

**FINANCIAL ANALYSIS OF THE FUNDS**

As the Public Defender completed the year, its governmental funds reported a fund balance of \$218,082, a decrease from last year of \$60,469.

**General Fund Budgetary Highlights**

Original budgeted revenues were \$1,090,770 and expenditures were \$1,296,600. The budget was amended near year-end to increase revenues collected from fines and forfeitures by approximately \$79,000 and decrease various expenditures by approximately \$67,000. Amended budgeted revenues were \$1,169,410 and expenditures were \$1,229,610.

**23<sup>RD</sup> JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE**  
**(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2019**

**CAPITAL ASSETS**

**Capital Assets**

At June 30, 2019, the Public Defender had invested \$1,117 in capital assets. (See Table A-3)

**Table A-3**  
**Public Defender's Capital Assets**  
(net of depreciation)

	Governmental Activities	
	2019	2018
Furniture & Equipment	\$ 21,482	\$ 52,363
Accumulated Depreciation	(20,365)	(51,460)
<b>Net Capital Assets</b>	<b>\$ 1,117</b>	<b>\$ 903</b>

During the current fiscal year, The Public Defender purchased equipment costing \$793 and disposed of old furniture and equipment totaling \$31,674, all of which was fully depreciated and no longer in service. Depreciation expense for the year-ended June 30, 2019 was \$579.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The Public Defender is dependent on fees from providing criminal legal services for indigent individuals in Ascension, Assumption, and St. James Parishes which equaled approximately 59 percent of its total revenues in the current fiscal year. The economy is not expected to generate any significant growth. The 2019-2020 budget projects an increase in total revenues as a result of an increase in the amount received from the State Board in DAF (District Assistance Funds).

**CONTACTING THE PUBLIC DEFENDER'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Public Defender's finances and to demonstrate the Public Defender's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mr. Alan J. Robert, 12320 Highway 44, Bldg. 4, Suite B, Gonzales, LA 70737.

**23<sup>RD</sup> JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE**  
**(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2019**

**ASSETS**

	<u>Governmental Activities</u>
Cash	\$ 174,229
Receivables	52,986
Capital assets, net of accumulated depreciation	<u>1,117</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 228,332</u></b>

**LIABILITIES AND NET POSITION**

**LIABILITIES**

Accounts payable	\$ 6,048
Payroll liabilities	<u>3,085</u>
<b>TOTAL LIABILITIES</b>	<b><u>9,133</u></b>

**NET POSITION**

Net investment in capital assets	1,117
Unrestricted	<u>218,082</u>
<b>TOTAL NET POSITION</b>	<b><u>219,199</u></b>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b><u>\$ 228,332</u></b>

The accompanying notes are an integral part of this financial statement.

**23<sup>RD</sup> JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE**  
**(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2019**

		Program Revenues		Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants	Governmental Unit
<b><u>FUNCTIONS/PROGRAMS</u></b>				
Governmental activities:				
General government	\$ 1,155,161	\$ 645,013	\$ -	\$ (510,148)
Total governmental activities	<u>\$ 1,155,161</u>	<u>\$ 645,013</u>	<u>\$ -</u>	<u>(510,148)</u>
General Revenues:				
		Intergovernmental		449,321
		Interest		403
		Miscellaneous		<u>169</u>
		Total general revenues		<u>449,893</u>
		Change in net position		(60,255)
		Net position - July 1, 2018		<u>279,454</u>
		Net position - June 30, 2019		<u>\$ 219,199</u>

The accompanying notes are an integral part of this financial statement.

**23<sup>RD</sup> JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE**  
**(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)**

**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2019**

**ASSETS**

	<u>General Fund</u>
Cash	\$ 174,229
Receivables	<u>52,986</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 227,215</u></b>

**LIABILITIES AND FUND BALANCES**

Liabilities	
Accounts payable	\$ 6,048
Payroll liabilities	<u>3,085</u>
Total liabilities	<u>9,133</u>
Fund balance	
Unassigned	<u>218,082</u>
Total fund balance	<u>218,082</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 227,215</u></b>

The accompanying notes are an integral part of this financial statement.

**23<sup>RD</sup> JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE**  
**(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)**  
**RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2019**

Total fund balances - Governmental Funds \$ 218,082

Amounts reported for governmental activities in the statement of net position  
are different because:

Capital assets used in governmental funds are not financial resources and  
therefore are not reported in the funds. 1,117

Total net position at June 30, 2019 - Governmental Activities \$ 219,199

The accompanying notes are an integral part of this financial statement.

**23<sup>RD</sup> JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE**  
**(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE-GOVERNMENTAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	<u>General Fund</u>
<b><u>REVENUES</u></b>	
Costs on fines and forfeitures	\$ 622,498
Intergovernmental	449,321
Application fees	22,515
Interest	403
Miscellaneous	169
	<hr/>
Total Revenues	1,094,906
	<hr/>
<b><u>EXPENDITURES</u></b>	
General government	
Personnel	987,188
Investigations	955
Capital representation	-
Conflict	12,165
Expert witness	13,736
Office	12,381
Travel and training	22,694
Utilities	6,120
Rent	18,000
Professional fees	18,051
Insurance	54,152
Repairs	2,419
Miscellaneous	592
Dues & subscriptions	6,922
	<hr/>
Total Expenditures	1,155,375
	<hr/>
<b>Excess of revenues (under) expenditures</b>	(60,469)
<b>Fund balance, beginning of year</b>	278,551
	<hr/>
<b>Fund balance, end of year</b>	<u>\$ 218,082</u>

The accompanying notes are an integral part of this financial statement.

**23<sup>RD</sup> JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE**  
**(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)**  
**RECONCILIATION OF THE GOVERNMENTAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2019**

Net change in fund balances- Governmental funds	\$ (60,469)
Capital Assets:	
Capital outlay capitalized	793
Depreciation expense for the year ended June 30, 2019	<u>(579)</u>
Change in Net Position- Governmental Activities	<u><u>\$ (60,255)</u></u>

The accompanying notes are an integral part of this financial statement.

**23<sup>RD</sup> JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE**  
**(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**INTRODUCTION**

The 23<sup>rd</sup> Judicial District Public Defender Office (the “Public Defender” or “Public Defender Office”) was created according to the Louisiana Revised Statute 15:141. This statute has been amended by Act No. 307. The purpose of the Public Defender is to provide adequate legal representation of indigent persons charged with committing criminal offenses.

**A. BASIS OF PRESENTATION**

The accompanying basic financial statements of the 23<sup>rd</sup> Judicial District Public Defender Office have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**B. REPORTING ENTITY**

For the financial reporting purposes, in conformance with GASB Codification Section 2100, the Public Defender Office is a part of the district court system of the State of Louisiana. However, the state statutes that created the district boards also gave each of the boards control over their own operations. This includes the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. The Louisiana Public Defender Board is financially independent and operates autonomously from the State of Louisiana and is independent from the district court system. Therefore, the Public Defender Office reports as a reporting entity, not as a component unit and these special purpose financial statements include only the transactions of the Public Defender Office.

**C. FUND ACCOUNTING**

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

**23<sup>RD</sup> JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE**  
**(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. FUND ACCOUNTING (continued)**

**Governmental Funds**

Governmental funds account for all or most of the Public Defender's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the funds 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 Public Defender. The following are the Public Defender's governmental funds:

**General Fund-** the primary operating fund of the Public Defender and it accounts for all financial resources except those required to be accounted for in other funds. The General Fund is available for any purpose and is expended or transferred in accordance with state and federal laws and according to Public Defender policy.

**D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING**

**Fund Financial Statements (FFS)**

The amounts reflected in the General Fund are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of Public Defender operations.

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

**23<sup>RD</sup> JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE**  
**(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING (continued)**

**Government-Wide Financial Statements (GWFS)**

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

**Program Revenues-** Program revenues included in the statement of activities (in the charges for services column) are derived directly from Public Defender users as a fee for services; program revenues reduce the cost of the function to be financed directly from the Public Defender's general revenues.

**E. BUDGETS AND BUDGETARY ACCOUNTING**

Budgetary procedures applicable to the District are defined in state law, R.S. 39:1301-15. The major requirements of the Local Government Budget Act are summarized as follows:

1. The Public Defender prepares an operating budget for the general fund at least fifteen days prior to the commencement of the budgetary year end. The operating budgets include proposed expenditures and the means of financing them for the upcoming year.
2. The budget is made available for public inspection for a fifteen-day period prior to a public hearing held to obtain taxpayer comment.
3. The budget for the General Fund is adopted on a basis consistent with generally accepted accounting principles (GAAP).
4. The budget is adopted at the public hearing and is authorized for implementation on the first day of the calendar year.
5. All annual appropriations lapse at year end.

**23<sup>RD</sup> JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE**  
**(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**F. CASH AND CERTIFICATES OF DEPOSIT**

Cash includes amounts in demand deposits and time deposits. The Public Defender considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Under state law, the Public Defender 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.

**G. 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 Public Defender maintains a threshold level of \$250 or more for capitalizing capital assets.

Capital assets and depreciation expense is recorded in the statement of net position and 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 are depreciated using the straight-line method over their estimated useful lives. Useful lives vary from 5 to 7 years.

**H. ESTIMATES**

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

**23<sup>RD</sup> JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE**  
**(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**I. NET POSITION IN THE GOVERNMENT-WIDE FINANCIAL STATEMENTS**

For the government-wide statement of net position, the net position amount is classified and displayed in three components:

**Net investment in capital assets** – This component consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those capital assets. At year end, the Public Defender did not have any borrowings that were related to capital assets.

**Restricted net position** – This component consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, laws, or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

**Unrestricted net position** – This component consists of all other net position that do not meet the definition of “restricted” or “net investment in capital assets”.

When both restricted and unrestricted resources are available for use, it is the government’s policy to use restricted resources first, then unrestricted resources as they are needed.

**J. FUND EQUITY OF FUND FINANCIAL STATEMENTS**

**Non-spendable**- represents amounts that are not expected to be converted to cash because they are either not in spendable form or legally or contractually required to be maintained intact.

**Restricted**- represents balances where constraints have been established by parties outside the Public Defender’s office or imposed by law through constitutional provisions or enabling legislation.

**Committed**- represents balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the Public Defender.

**Assigned**- represents balances that are constrained by the Public Defender’s intent to be used for specific purposes, but are neither restricted nor committed.

**Unassigned**- represents balances for which there are no constraints.

When expenditures are incurred for the purposes for which both restricted and unrestricted amounts are available, the Public Defender reduces restricted amounts first, followed by unrestricted amounts. When expenditures are incurred for purposes for which committed, assigned and unassigned amounts are available, the Public Defender reduces committed amounts first, followed by assigned amounts and then unassigned amounts.

**23<sup>RD</sup> JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE**  
**(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**2. CAPITAL ASSETS**

Capital assets and depreciation activity as of and for the year-ended June 30, 2019, are as follows:

	<u>Furniture &amp; Equipment</u>
Cost of Capital Assets, June 30, 2018	\$ 52,363
Additions	793
Disposals	<u>(31,674)</u>
Cost of Capital Assets, June 30, 2019	\$ 21,482
Accumulated Depreciation, June 30, 2018	\$ 51,460
Additions	579
Disposals	<u>(31,674)</u>
Accumulated Depreciation, June 30, 2019	\$ 20,365
Total	<u>\$ 1,117</u>

For the year ended June 30, 2019, depreciation expense was \$579.

**23<sup>RD</sup> JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE**  
**(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**3. CASH**

At June 30, 2019 the Public Defender had cash on demand of \$174,229.

These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value for the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

Custodial Credit Risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2019, the bank balance was not exposed to custodial credit risk.

**4. LITIGATIONS AND CLAIMS**

There was no pending or threatened litigation against the 23<sup>rd</sup> Judicial District Public Defender as of June 30, 2019 that is not covered by insurance or is likely to result in a successful judgment against the Public Defender Office.

**5. OPERATING LEASE**

The Public Defender leases office space under a month-to-month agreement. The Public Defender paid monthly rental payments of \$1,500. Payments under this lease totaled \$18,000 for the year-ended June 30, 2019.

**23<sup>RD</sup> JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE**  
**(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**6. GOVERNMENTAL FUND REVENUES AND EXPENDITURES**

For the year ended June 30, 2019, the major sources of governmental fund revenues and expenditures were as follows:

**REVENUES:**

**State Government**

Appropriations - general	\$ 418,613	
Appropriations - special	30,708	
Revenue sharing	-	
Grants	-	
On-behalf payments	-	
Other	-	
Total	<hr/>	\$ 449,321

**Local Government**

Appropriations - general	-	
Appropriations - special	-	
Grants	-	
Statutory fines, forfeitures, fees, court costs, and other	622,498	
Taxes - millages, sales, special, and other	-	
Criminal court fund	-	
On-behalf payments	-	
Other	-	
Total	<hr/>	\$ 622,498

**Federal Government**

Grants - direct	-	
Grants - indirect (passed-through state)	-	
Total	<hr/>	\$ -

**Other Grants and Contributions**

Non-profit organizations	-	
Private organizations	-	
Corporate	-	
Other	-	
Total	<hr/>	\$ -

**Charges for Services** \$ 22,515

**Investment earnings** \$ 403

**Miscellaneous** \$ 169

**Total Revenues** \$ 1,094,906

**23<sup>RD</sup> JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE**  
**(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**6. GOVERNMENTAL FUND REVENUES AND EXPENDITURES** (continued)

**EXPENDITURES:**

**Personnel Services and Benefits**

Salaries	\$ 938,930	
On-behalf payments - salaries	-	
Retirement contributions	-	
On-behalf payments - retirement	-	
Insurance	-	
On-behalf payments - insurance	-	
Payroll taxes	20,925	
Other	27,333	
Total		\$ 987,188

**Professional Development**

Dues, licenses, and registrations	6,922	
Travel	22,694	
Other	-	
Total		\$ , 29,616

**Operating Costs**

Library and research	-	
Contract services - attorney/legal	18,051	
Contract services - other	26,856	
Lease - office	18,000	
Lease - autos and other	-	
Travel - transportation	-	
Travel - other	-	
Insurance	54,152	
Supplies	12,381	
Repairs and maintenance	2,419	
Utilities and telephone	6,120	
Other	592	
Total		\$ 138,571

<b>Debt Service</b>	\$ -
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<b>Capital outlay</b>	\$ -
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<b>Total Expenditures</b>	<u>\$ 1,155,375</u>
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**REQUIRED SUPPLEMENTARY INFORMATION**

**23<sup>RD</sup> JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE**  
**(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)**  
**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b><u>REVENUES</u></b>				
Costs on fines and forfeitures	\$ 636,077	\$ 714,717	\$ 622,498	\$ (92,219)
Intergovernmental	427,926	427,926	449,321	21,395
Application fees	26,281	26,281	22,515	(3,766)
Interest	486	486	403	(83)
Miscellaneous	-	-	169	169
Total Revenues	<u>1,090,770</u>	<u>1,169,410</u>	<u>1,094,906</u>	<u>(74,504)</u>
<b><u>EXPENDITURES</u></b>				
Personnel	1,042,500	1,005,500	987,188	18,312
Investigations	32,000	16,400	955	15,445
Capital representation	25,000	19,400	-	19,400
Conflict	20,000	20,000	12,165	7,835
Expert witness	10,000	10,000	13,736	(3,736)
Office	22,000	13,210	12,381	829
Travel and training	17,000	17,000	22,694	(5,694)
Utilities	6,000	6,000	6,120	(120)
Rent	18,000	18,000	18,000	-
Professional fees	38,900	38,900	18,051	20,849
Insurance	55,500	55,500	54,152	1,348
Repairs	2,500	2,500	2,419	81
Miscellaneous	-	-	592	(592)
Dues and subscriptions	7,200	7,200	6,922	278
Total Expenditures	<u>1,296,600</u>	<u>1,229,610</u>	<u>1,155,375</u>	<u>74,235</u>
Excess of revenues (under) expenditures	(205,830)	(60,200)	(60,469)	(148,739)
Fund Balance, July 1, 2018	<u>278,551</u>	<u>278,551</u>	<u>278,551</u>	<u>-</u>
Fund Balance, June 30, 2019	<u>\$ 72,721</u>	<u>\$ 218,351</u>	<u>\$ 218,082</u>	<u>\$ (148,739)</u>

See independent auditors' report.

**SUPPLEMENTARY INFORMATION**

**23<sup>RD</sup> JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE**  
**(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)**  
**SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS**  
**TO CHIEF EXECUTIVE OFFICER**  
**FOR THE YEAR ENDED JUNE 30, 2019**

Chief Executive Officer: Alan J. Robert, District Defender

<b>Purpose</b>	<b>Amount</b>
Salary, including incentive and bonus	\$ 110,000
Benefits-insurance	8,695
Cell phone	1,127
Dues	535
Travel	8,143
Total	\$ 128,500

See independent auditors' report.

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

Honorable Alan J. Robert  
23<sup>rd</sup> Judicial District Public Defender Office  
(Parishes of Ascension, Assumption, and St. James)

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of 23<sup>rd</sup> Judicial District Public Defender Office (the "Public Defender"), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Public Defender's basic financial statements, and have issued our report thereon dated September 23, 2019.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Public Defender'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 Public Defender's internal control. Accordingly, we do not express an opinion on the effectiveness of the Public Defender's internal control.

A *deficiency in internal controls* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less 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 Public Defender'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 did not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses as item 2019-001.

## **The 23<sup>rd</sup> Judicial District Public Defender's Response to Findings**

The Public Defender's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. The Public Defender's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Postlethwaite & Netterville

September 23, 2019  
Gonzales, Louisiana

**23<sup>RD</sup> JUDICIAL DISTRICT PUBLIC DEFENDER**

**SCHEDULE OF FINDINGS AND RESPONSES**

**YEAR ENDED JUNE 30, 2019**

**A. SUMMARY OF AUDIT RESULTS**

1. The auditors' report expresses an unmodified opinion on the basic financial statements of the 23<sup>rd</sup> Judicial District Public Defender Office.
2. No significant deficiencies or material weaknesses in internal control over financial reporting were identified for the year ended June 30, 2019.
3. No instances of noncompliance material to the financial statements of the 23<sup>rd</sup> Judicial District Public Defender Office were disclosed during the audit for the year ended June 30, 2019. However, a significant deficiency was noted due to a violation of State Budget Law.

**B. FINDINGS – FINANCIAL STATEMENTS AUDIT**

None

**C. FINDINGS - NON COMPLIANCE WITH STATE LAWS AND REGULATIONS**

**2019-001: Violation of State Budget Law**

*Criteria:* Louisiana Revised Statute 39:1310 requires governments to amend general fund budgets when total revenue and other sources plus projected revenue for the remainder of the year are failing to meet total budgeted revenues and other sources by 5% or more.

*Condition:* The General Fund's budgeted revenues exceeded actual revenues by 6%.

*Cause:* The calculation of the amended budget incorrectly included a one-time revenue received during the fiscal year, which inflated the total projected revenues.

*Effect:* The Public Defender is non-compliant with the Louisiana Local Government Budget Act R.S. 39:1311.

*Recommendation:* The Public Defender should amend the budget in accordance with the statute.

*Management's Response:*

*In an attempt to amend the budget for the 2018-2019 fiscal period, management miscalculated total projected revenues due to an oversight. It should be noted that the actual revenues were more in line with the original budget amount. However, management will continue to monitor the actual revenues and expenditures throughout the fiscal year and be more diligent with any future budget amendments in order to comply with the State Budget Law.*

**23<sup>RD</sup> JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE**

**SCHEDULE OF PRIOR AUDIT FINDINGS**

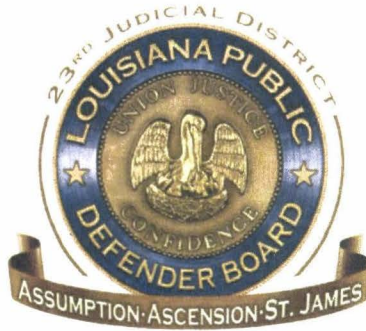
**A. FINDINGS – FINANCIAL STATEMENT AUDIT**

None

**B. FINDINGS – NON COMPLIANCE WITH STATE LAWS AND REGULATIONS**

None

*District Public Defender*  
*23<sup>rd</sup> Judicial District*  
*Alan J. Robert*  
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*alan\_pd@acatel.net*



*Telephone: (225) 647-9673*

*(225) 647-9986*

*Telecopy: (225) 647-9683*

**September 19, 2019**

**Corrective Action Plan for Audit Findings for Audit Period of July 1, 2018 through June 30, 2019**

**Submitted To:**

Ms. Amanda Strebeck, CPA  
Audit Director  
Postlethwaite & Netterville  
8550 United Plaza Blvd, Suite 1001  
Baton Rouge, LA 70809

The 23<sup>rd</sup> Judicial District Public Defender Office respectfully submits the following corrective action plan for the year ended June 30, 2019.

**RESPONSE TO FINDINGS:**

**2019-001 Violation of State Budget Law**

*Management Response:*

*In an attempt to amend the budget for the 2018-2019 fiscal period, management miscalculated total projected revenues due to an oversight. It should be noted that the actual revenues were more in line with the original budget amount. However, management will continue to monitor the actual revenues and expenditures throughout the fiscal year and be more diligent with any future budget amendments in order to comply with the State Budget Law.*

**Signature:**

Handwritten signature of Alan J. Robert in blue ink.

**Date:**

*Sept. 19, 2019.*

**Signature:**

**Date:**

**12320 Louisiana Highway 44, Building 4, Suite B, Gonzales, Louisiana 70737**

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**23<sup>RD</sup> JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE**  
**(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)**

**STATEWIDE AGREED-UPON PROCEDURES**

**FOR THE YEAR ENDED JUNE 30, 2019**

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Postlethwaite & Netterville  
A Professional Accounting Corporation  
pncpa.com

**23<sup>RD</sup> JUDICIAL DISTRICT PUBLIC DEFENDER**  
**GONZALES, LOUISIANA**

**STATEWIDE AGREED-UPON PROCEDURES**

**FOR THE YEAR ENDED JUNE 30, 2019**

**INDEPENDENT ACCOUNTANTS' REPORT**  
**ON APPLYING AGREED-UPON PROCEDURES**

To the Honorable Alan Robert  
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the management of the 23<sup>rd</sup> Judicial District Public Defender Office (the "Public Defender") and the Louisiana Legislative Auditor (LLA) (the specified users) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2018 through June 30, 2019. The Entity's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. 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.

The procedures performed and the results thereof are set forth below. The procedure is stated first, followed by the results of the procedure presented in italics. If the item being subjected to the procedures is positively identified or present, then the results will read "*no exception noted*". If not, then a description of the exception ensues. Additionally, certain procedures listed below may not have been performed in accordance with guidance provided by the Louisiana Legislative Auditor, the specified user of the report. For those procedures, "procedure was not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity" is indicated.

***Written Policies and Procedures***

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1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):

- a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

*No exceptions noted.*

- b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

*No exceptions noted.*

- c) **Disbursements**, including processing, reviewing, and approving

*No exceptions noted.*

- d) **Receipts**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

*No exceptions noted.*

- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

*No exceptions noted.*

- 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.

*No exceptions noted.*

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases)

*No exceptions noted.*

- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers

*No exceptions noted.*

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 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.

*No exceptions noted.*

- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

*No exceptions noted.*

- k) **Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

*No such policy exists for attribute (6) identification of personnel, processes, and tools needed to recover operations after a critical event. No exceptions were noted for items (1) through (5).*

#### ***Board (or Finance Committee, if applicable)***

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

*Procedure is not applicable. The 23<sup>rd</sup> Judicial District Public Defender does not have a board. The entity operates under the regulations of the State Public Defender Board.*

- b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

*Procedure is not applicable. The 23<sup>rd</sup> Judicial District Public Defender does not have a board. The entity operates under the regulations of the State Public Defender Board.*

- c) For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.

*Procedure is not applicable. The 23<sup>rd</sup> Judicial District Public Defender does not have a board. The entity operates under the regulations of the State Public Defender Board.*

#### ***Bank Reconciliations***

---

3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:

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

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year.*

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year.*

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

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year.*

### **Collections**

---

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

*A listing of deposit sites was provided and included was only one deposit site. No exceptions were noted as a result of performing this procedure.*

*For the deposit site provided we performed the procedures below.*

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

*A listing of collection locations for the deposit site provided in procedure #4 was provided and included was one collection location. No exceptions were noted as a result of performing this procedure.*

*Review of the Entity's written policies and procedures or inquiry with employee(s) regarding job duties was performed in order to perform the procedures below.*

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

*No exceptions noted.*

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

*No exceptions noted.*

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

*No exceptions noted.*

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.

*No exceptions noted.*

- 6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

*The Entity stated that all employees who have access to cash are bonded and/or covered under the Entity's insurance policy. No exceptions noted.*

- 7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

*We randomly selected two deposit dates for all bank accounts selected, as required. We obtained supporting documentation for each of the 4 deposits and performed the procedures below.*

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

*No exceptions noted.*

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

*No exceptions noted.*

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

*No exceptions noted.*

- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).

*2 of the 4 deposits tested were not deposited within 1 business day of receipt.*

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

*No exceptions noted.*

***Non-payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)***

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

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year.*

- 9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

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

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year.*

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

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year.*

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

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year.*

- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year.*

- 10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

- a) Observe that the disbursement matched the related original invoice/billing statement.

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year.*

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

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year.*

#### ***Credit Cards/Debit Cards/Fuel Cards/P-Cards***

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

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year.*

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

- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, 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.]]

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year.*

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

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year.*

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year.*

### ***Travel and Travel-Related Expense Reimbursements (excluding card transactions)***

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14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year.*

- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year.*

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

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year.*

- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year.*

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

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year.*

### ***Contracts***

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15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year.*

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

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year.*

- c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year.*

- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year.*

#### ***Payroll and Personnel***

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

*A listing of employees/elected officials employed during the fiscal year was provided. No exceptions were noted as a result of performing this procedure.*

*From the listing provided, we selected all 5 employees/officials and performed the specified procedures. No exceptions noted.*

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

*We randomly selected 1 pay period during the fiscal period and performed the procedures below for the 5 employees/officials selected in procedure #16.*

- a) Observe that 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.).

*No exceptions noted.*

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

*No exceptions noted.*

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

*No exceptions noted.*

- 18. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulative leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.:

*This procedure is not applicable as the entity had no terminations during the fiscal period.*

- 19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

*No exceptions noted.*

### ***Ethics***

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- 20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above obtain ethics documentation from management, and:
  - a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

*No exceptions noted.*

- b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

*No exceptions noted.*

### ***Debt Service***

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- 21. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.

*Not applicable*

- 22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants.

*Not applicable*

### *Other*

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23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

*None noted.*

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

*Procedure was not performed due to no exceptions occurring for this procedure in the prior year.*

### *Corrective Action*

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25. Obtain management's response and corrective action plan for any exceptions noted in the above agreed-upon procedures.

*Provided by client*

We were not engaged to 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.

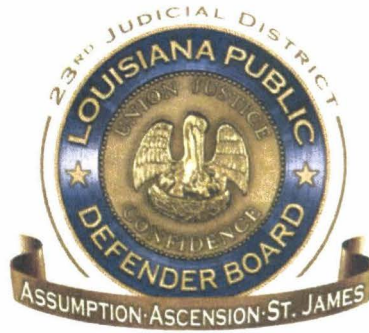
The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute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

Sincerely,

*Postlethwaite & Netterville*

September 23, 2019

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September 18, 2019

Response to AUP's

1-K.) A Disaster Recovery Policy was added to the Policies and Procedures Manual of the Public Defender Office effective July 01, 2019. See pages 26 and 27 attached.

7-d.) The Policies and Procedures Manual of the Public Defender Office covers Receipts and Collections at p. 10-12. Accordingly, all cash collected is turned over to the office manager after proper receipts are given and maintained, and the cash & money orders are stored securely in a locked drawer accessible only by the office manager prior to deposits. Deposits are made as soon as possible, but in no case later than the week of receipt. Generally the amount of cash received in a week does not exceed \$500 total.

Very Truly Yours,

  
Alan Robert

*12320 Louisiana Highway 44, Building 4, Suite B, Gonzales, Louisiana 70737*