

***DISTRICT ATTORNEY OF THE
SEVENTEENTH JUDICIAL DISTRICT
LAFOURCHE PARISH, LOUISIANA***

ANNUAL FINANCIAL REPORT

***For the Year Ended
December 31, 2018***

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
LAFOURCHE PARISH, LOUISIANA
ANNUAL FINANCIAL REPORT
For the Year Ended December 31, 2018

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DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2018

As financial management, we offer readers of this financial report an overview of the financial activities of our office for the fiscal year. The narrative is designed to assist the reader in focusing on significant financial issues, identify changes in our financial position, identify any material deviations from the approved budget documents, and identify individual fund issues or concerns.

FINANCIAL HIGHLIGHTS

- Net Position of our governmental activities increased by \$132,652 to \$2,337,252 or 6%.
- Of the total ending Net Position, \$92,117 is net investment in capital assets and \$89 is restricted for use only in the IV-D program, the rest is considered unrestricted and available for use.
- The governmental funds reported total ending fund balance of \$2,300,372, an increase of \$115,232 from the prior year - \$2,189,943. Of the ending fund balance, all but \$4,803 which is restricted for the IV-D (\$89) and worthless checks (\$4,714) programs, is considered unassigned.

OVERVIEW OF THE FINANCIAL STATEMENTS

Government-Wide Financial Statements (GWFS)

The GWFS are designed to be similar to those of private sector businesses in that all governmental activities are consolidated into columns that add to a total for the primary government. The statements combine all governmental funds current financial resources with capital assets and long-term obligations. The Statement of Net Position presents information on all assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between the reported as net position. Over time, changes in net position may serve as a useful indicator of whether the financial position is improving or deteriorating.

The Statement of Activities presents information on how the net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows only in future fiscal period. For example, earned but unused vacation leave results in cash flows for future periods. The focus of the Statement of Activities is on both the gross and net cost of various activities that are funded by general tax and other revenues. This is intended to summarize information and simplify the analysis of the cost of various governmental services.

The governmental activities reflect the basic services that the District Attorney's office provides - judicial. These services are financed primarily with fines and fees collected and grants from other governments.

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
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Fund Financial Statements (FFS)

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. Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. The focus is now on major funds, rather than generic fund types.

All of the services are reported in governmental funds, which 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 an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. Unlike the GWFS, governmental FFS focus on near-term outflows of spendable resources, as well as on balances of spendable resources available at the end of the year. Such information may be useful in evaluating a government's current financing requirements.

FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Statements of Net Position includes all of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources and provides information about the nature and amount of investments in resources and the obligations to creditors. This statement provides the basis for evaluating the capital structure and assessing the liquidity and financial flexibility.

To begin our analysis, a condensed summary of the Statement of Net Position is presented in the following table:

Condensed Statement of Net Position	2018	2017	Dollar Change
Current and Other Assets	\$2,473,927	\$2,296,343	\$ 177,584
Capital Assets	92,117	106,288	(14,171)
Total Assets	2,566,044	2,402,631	163,413
Deferred outflows of resources	84,378	98,762	(14,384)
Current Liabilities	168,752	106,400	62,352
Long Term Liabilities	85,346	104,603	(19,257)
Total Liabilities	254,098	211,003	43,095
Deferred inflows of resources	59,072	85,790	(26,718)
Net Investment in Capital Assets	92,117	106,288	(14,171)
Restricted	89	89	0
Unrestricted	2,245,046	2,098,223	146,823
Total Net Position	\$2,337,252	\$2,204,600	\$ 132,652

Net position increased by \$132,652 as a result of this year of operations. The balance in net position represents the accumulated results of all past years' operations. The amount net investment in capital assets represents 3.9% of the total assets; consequently, these assets are not available for future spending.

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2018

Our analysis below focuses on the changes in net assets of the governmental-type activities:

Condensed Statement of Activities	2018	2017	Dollar Change
Charges for Services	\$ 662,400	\$ 710,754	(48,354)
Operating Grants and Contributions	3,067,062	3,196,431	(129,369)
Program Expenses:			
Current	3,586,797	3,779,427	(192,630)
Depreciation - unallocated	14,172	17,822	(3,650)
Total program expenses	<u>3,600,969</u>	<u>3,797,249</u>	<u>(196,280)</u>
Net program income	128,493	109,936	(18,557)
General revenues	4,159	128	4,031
Change in Net Position	132,652	110,064	22,588
Net Position:			
Beginning of the year	<u>2,204,600</u>	<u>2,094,536</u>	110,064
End of the year	<u><u>\$2,337,252</u></u>	<u><u>\$2,204,600</u></u>	<u><u>\$ 132,652</u></u>

The total revenues for the year in governmental activities \$3,733,621 (\$3,729,462 in program revenues and \$4,159 in general revenues) decreased from the prior year by \$173,692. The total cost of all programs and services was \$3,600,969, a decrease of \$196,280 from the prior year.

FINANCIAL ANALYSIS OF THE FUND FINANCIAL STATEMENTS

The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the financing requirement. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending. The governmental funds reported a combined fund balance of \$2,305,175. This reflects an increase of \$115,232 from the prior year.

The General Fund, the main operating fund, ended the year with an unassigned fund balance of \$2,300,372. Revenues decreased from the prior year to \$3,286,720. Current expenditures also decreased by 15%.

The Worthless Check Collection Fund collected fees of \$11,035 in accordance with La Revised Statute 16:15 that provides for a specific fee for the collection and processing of a worthless check. Current expenditures of \$97,145 in personnel and repair and maintenance expenditures resulted in a deficiency of revenues over expenditures of \$97,145. This added to the beginning fund balance of \$90,824 resulted in an ending fund balance of \$4,714 – all considered restricted for expenditures associated with this program.

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2018

The IV-D Program Fund receives funds as a sub-grantee from the State of Louisiana, Department of Social Services; Office of Family Support. Revenues received from the State were \$438,166 and include a receivable due at the end of the year of \$11,700. Expenditures for the program totaled \$435,866, resulted in an ending fund balance of \$89 – all considered restricted for the IV-D program.

GENERAL FUND BUDGETARY HIGHLIGHTS

The original budget for the General Fund was revised during the year. Authorized budget amendments were approved as follows:

Original Budgeted Revenues	\$ 751,900
Amendments were made for:	
Decreased for Fines and Fees	(30,625)
Increased for Intergovernmental	192,316
Increased Interest and Miscellaneous	3,915
Total revenue amendments	165,606
Amended Budgeted Revenues	\$917,506
Original Budgeted Expenditures	\$635,632
Amendments were made for:	
Increased current – General Government	95,024
Total expenditure amendments	95,024
Amended Budgeted Expenditures	\$730,656

There was no significant budget variance between final and actual revenues and expenditures.

CAPITAL ASSETS

A summary of capital assets for the current year and prior year is as follows:

	2018	2017
Depreciable:		
Automobiles	46,528	46,528
Equipment	46,528	94,285
Furniture & Fixtures	35,533	35,533
Leasehold Improvements	260,204	260,204
Total Cost	416,105	436,550
Accumulated Depreciation	323,988	330,262
Net Capital Assets	<u>\$ 92,117</u>	<u>\$106,288</u>

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2018

Depreciation Expense	<u>\$ 14,172</u>	<u>\$ 17,822</u>
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This year there was an adjustment of \$20,445 to capital assets to remove assets under the capitalization policy of \$2,500, and \$14,172 of depreciation recorded. More detailed information about the capital assets is presented in Note 4 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Among the factors considered in compiling the 2019 budget were:

1. any changes in rates and fees for the next fiscal year
2. any new laws and regulations enacted that would apply to the upcoming year
3. any new revenue sources or expenditures not previously encountered.

Highlights of next year's adopted budget for the general fund include:

Beginning Fund Balance	\$ 2,285,880
Projected Revenue	676,150
Projected Expenditures	<u>(722,436)</u>
Ending Fund Balance	<u>\$ 2,239,594</u>

CONTACTING FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of finances and to show accountability for the money received. If you have questions about this report or need additional financial information, contact:

Elizabeth Breaux, Accountant
District Attorney of the Seventeenth Judicial District,
103 Maronge St., Suite A
Thibodaux, LA 70301.

FINANCIAL SECTION



STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT AUDITOR'S REPORT

Honorable Kristine Russell
District Attorney of the Seventeenth Judicial District
Lafourche Parish, Louisiana

We have audited the accompanying financial statements of the governmental activities and each major fund of the District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the 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 of 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 financial statement presentation.

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 each major fund of the District Attorney of the Seventeenth Judicial District as of December 31, 2018, 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 the Required Supplementary Information, as listed in the foregoing table of contents, be presented to supplement the basic financial statements. Such information, although not 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 basic financial statements. The Schedule of Compensation, Benefits, and Other Payments to the Agency Head is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule 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 the Agency Head is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 10 2019, on our consideration of the internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Lafourche Parish District Attorney's internal control over financial reporting and compliance.

Stagni & Company

Thibodaux, Louisiana
June 10, 2019



**DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
LAFOURCHE PARISH, LOUISIANA**

Statement of Net Position - Governmental Activities

December 31, 2018

ASSETS

Cash	\$ 2,327,756
Prepaid expenses	14,461
Due from other governments	131,710
Capital assets, net of depreciation	92,117
TOTAL ASSETS	<u>2,566,044</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred outflows of resources - other	84,378
Total Deferred outflows of resources	<u>84,378</u>

LIABILITIES

Current:

Accounts payable and accrued expenses	92,114
Due to other governments	76,638
Total current liabilities	<u>168,752</u>

Long Term:

Net Pension Liability	85,346
TOTAL LIABILITIES	<u>254,098</u>

DEFERRED INFLOWS OF RESOURCES

59,072

NET Position

Net Investment in capital assets	92,117
Restricted for:	
IV-D Program	89
Unrestricted	2,245,046
TOTAL NET POSITION	<u>\$ 2,337,252</u>

See notes to financial statements.

**DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
LAFOURCHE PARISH, LOUISIANA**

Statement of Activities - Governmental Activities
For the Year Ended December 31, 2018

	Program Revenue			Net (Expense)
FUNCTIONS/PROGRAMS	Expenses	Charges for services	Operating Grants	Revenue
Judicial activities:	3,600,969	\$ 662,400	\$ 3,067,062	\$ 128,493
Total governmental activities	3,600,969	662,400	3,067,062	128,493
GENERAL REVENUES				
Interest earned				4,159
TOTAL GENERAL REVENUES				4,159
CHANGE IN NET POSITION				132,652
NET POSITION:				
Beginning of year				2,204,600
End of year				\$ 2,337,252

See notes to financial statements.

**DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
LAFOURCHE PARISH, LOUISIANA**

Balance Sheet - Governmental Funds
December 31, 2018

	General	Worthless Check Collection	IV-D Office	Total Governmental Funds
ASSETS				
Cash	\$ 2,321,643	\$ 6,024	\$ 89	\$ 2,327,756
Prepaid expenses	14,461	-	-	14,461
Due from other governments	40,371	-	91,339	131,710
Due from other funds	17,201	-	(17,201)	-
TOTAL ASSETS	\$ 2,393,676	\$ 6,024	\$ 74,227	\$ 2,473,927
LIABILITIES				
Accounts payable and accrued liabilities	\$ 90,804	\$ 1,310	\$ -	\$ 92,114
Due to other governments	2,500	-	74,138	76,638
TOTAL LIABILITIES	93,304	1,310	74,138	168,752
FUND BALANCES				
Restricted for:				
IV-D	-	-	89	89
Worthless Checks	-	4,714	-	4,714
Unassigned	2,300,372	-	-	2,300,372
TOTAL FUND BALANCES	2,300,372	4,714	89	2,305,175
TOTAL LIABILITIES AND FUND BALANCES	\$ 2,393,676	\$ 6,024	\$ 74,227	

Amounts reported for *governmental activities* in the Statement of Net Position are different because:

Net capital assets used in governmental activities are not financial resources

Cost of Depreciable Assets	416,105	
Accumulated Depreciation	(323,988)	92,117

Long term liabilities are not due and payable in the current period and therefore, are not reported in the funds.

Net pension liability		(85,346)
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Deferred outflows and inflows of resources related to pensions are applicable to future periods and therefore, are not reported in the funds:

Deferred outflows - others	84,378	
Deferred inflows - proportionate share	(59,072)	25,306

Net assets of governmental activities \$ 2,337,252

**DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
LAFOURCHE PARISH, LOUISIANA**

Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds
For the Year Ended December 31, 2018

	General	Worthless Check Collection	IV-D Office	Total Governmental Funds
REVENUES				
Fines and fees	\$ 651,365	\$ 11,035	\$ -	\$ 662,400
Intergovernmental:		-		
Federal Pass through				
VOCA	22,473	-	-	22,473
State of LA		-	435,866	435,866
Victims Assistance	30,000	-	-	30,000
Local	212,150	-	-	212,150
On-behalf payments received	2,366,573	-	-	2,366,573
Interest and miscellaneous	4,159	-	-	4,159
TOTAL REVENUES	<u>3,286,720</u>	<u>11,035</u>	<u>435,866</u>	<u>3,733,621</u>
EXPENDITURES				
Current: General government - Judicial				
Personnel services	536,547	86,145	71,747	694,439
On-behalf payments	2,366,573	-	-	2,366,573
Insurance	30,094	-	-	30,094
Office operations	30,067	-	3,250	33,317
Court costs	9,846	-	-	9,846
Travel and conventions	38,182	-	-	38,182
Dues and subscriptions	31,734	-	870	32,604
Professional services	17,174	-	-	17,174
Automobile expenses	5,350	-	-	5,350
Telephone	1,602	-	-	1,602
Uniforms	3,803	-	-	3,803
Rent	2,346	-	-	2,346
Grant to other governmental agencies	9,000	-	-	9,000
Repair & maintenance	3,060	11,000	310	14,370
Reimburse Lafourche Parish Council	-	-	359,689	359,689
Total current expenditures	<u>3,085,378</u>	<u>97,145</u>	<u>435,866</u>	<u>3,618,389</u>
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	<u>3,085,378</u>	<u>97,145</u>	<u>435,866</u>	<u>3,618,389</u>
Net Changes in Fund Balance	<u>201,342</u>	<u>(86,110)</u>	<u>-</u>	<u>115,232</u>
FUND BALANCES				
Beginning	2,099,030	90,824	89	2,189,943
Ending	<u>\$ 2,300,372</u>	<u>\$ 4,714</u>	<u>\$ 89</u>	<u>\$ 2,305,175</u>

See notes to financial statements.

**DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
LAFOURCHE 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, 2018

Net change in fund balances - total governmental funds (fund financial statements) \$ 115,232

Amounts reported for *governmental activities* in the statement of activities
(government-wide financial statements) are different because:

Governmental funds report capital outlays as expenditures in the individual fund.
Governmental activities report depreciation expense to allocate the cost of those
capital assets over the estimated useful lives of the asset.

Capital asset purchases	\$ -	
Depreciation expense	(14,172)	
		(14,172)

Governmental funds report district pension contributions as expenditures.
However, in the Statement of Activities, the cost of pension benefits earned net of
employee contributions are reported as pension expense

Employer Pension Contributions	13,192	
Cost of benefits earned net of employee contributions	(4,779)	
Revenue from non-employer contributing entities	23,179	
		31,592

Change in net assets of governmental activities		\$ 132,652
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DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT

Lafourche Parish, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

B. Basic Financial Statements - Basis of Presentation

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

The basic financial statements include both government-wide (reporting as a whole) and fund financial statements (reporting the major funds). Both the government-wide and fund financial statements categorize primary activities as governmental or business-type. All of the judicial and administrative services are classified as governmental activities.

In the government-wide Statement of Net Position, the governmental activities are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The net assets are reported in three parts— net investment in capital assets; restricted net assets; and unrestricted net assets.

The government-wide Statement of Activities reports both the gross and net cost of each of the functions and activities (judicial.). These functions are also supported by general government revenues (interest earned). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (judicial). Operating grants include operating-specific and discretionary (either operating or capital) grants.

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

FUND FINANCIAL STATEMENTS

The financial transactions are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
Lafourche Parish, Louisiana
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

B. Basic Financial Statements - Basis of Presentation (continued)

The District Attorney utilizes the governmental fund type. The focus of measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income.

Major and Non-major Funds:

All the funds are further classified as major based on the total amount of revenue or assets per fund.

The following is a description of the governmental funds:

Governmental funds – All considered Major Funds:

- *General Fund* - The General Fund was established in compliance with Louisiana Revised Statute 15:571.11, which provides that 12 percent of the fines collected and bonds forfeited be used to defray the necessary expenses of the office. This fund also accounts for pre-trial intervention fees in connection with the Pre-Trial Intervention Program where the District Attorney can offer the offenders to serve a probation period rather than entering the court system possibly resulting with a criminal conviction.
- *Special Revenue Funds* – are used to account for fees, fines, and costs collected for a specified purpose or grants to be used for specific purposes that deal with judicial prosecution.
 - *Worthless Check Collection Fund* – accounts for fees collected in accordance with LRS 16:15 that provides for a specific fee for the collection and processing of a worthless check. Expenditures from this fund are at the sole discretion of the DA and may be used to defray the salaries and office operations, but may not be used to supplement the salary of the DA.
 - *IV-D Office Fund* – accounts for funds received as a sub-grantee from the State of LA; Department of Social Services; Office of Family Support. The DA's office receives complete referrals or applications by either the custodial parent, non-custodial parent, alleged father and/or witness for the purpose of establishing a legally enforceable order of child and/or medical support using child support award guidelines whenever appropriate, by creating a new order or amending an existing civil order, and establishing paternity when contracted to do so.

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
Lafourche Parish, Louisiana
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)**

C. Measurement Focus and Basis of Accounting

Accrual Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures are recognized in the accounts and reported on the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources, resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources, 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 included in the Statement of Activities derive directly from the program itself and reduce the cost of the function to be financed from the general revenues.

Modified Accrual Basis of Accounting

The fund financial statements are presented on 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 be used to pay liabilities of the current period or within 60 days after year end. Expenditures are generally recorded when the related fund liability is incurred.

With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e. revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. Fines, fees, and other revenues are recorded when collected and are considered susceptible to accrual.

D. Cash

Cash includes demand deposits. Under state law the entities may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
Lafourche Parish, Louisiana
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

E. Interfund Receivables and Payables

During the course of operations transactions occur between individuals funds. These receivables and payables are classified as "due to or due from other funds" on the fund financial statement balance sheet. In the process of aggregating data for the Statement of Net Position and the Statement of Activities some amounts reported as due to/from balances were eliminated. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on the assets and liabilities within the governmental activities column.

F. Capital Assets

In the government-wide financial statements capital assets purchased or acquired with an original cost of \$2,500 or more are recorded at either historical cost or estimated historical cost and depreciated over their estimated useful lives (excluding salvage value). Contributed assets are recorded at fair market value at the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Straight-line depreciation is used based on the following estimated useful lives:

- Office equipment 3-10 years
- Vehicles 5 years
- Leasehold improvements 10 years

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

G. Compensated Absences

The District Attorney applies the following policy relating to vacation and sick leave: Each employee who has been employed for over 6 months earns 10 days of vacation per calendar year. Employees after employed for over 10 years earns 15 days of vacation per calendar year. Vacation days cannot be accumulated nor vest.

Each employee who has been employed for over six months is eligible for ten sick days per calendar year. This includes illness of the employee, illness in the immediate family, and a death in the family. Sick days cannot be accrued and can only be used for legitimate illness. Sick days cannot be used as additional vacation days. Vacation and sick leave do not accumulate or vest; therefore, no liability for compensated absences is recorded.

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
Lafourche Parish, Louisiana
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

H. Fund Balance

Fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

I. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 statement and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

J. Non-Current Liabilities

In the GWFS non-current obligations to be repaid from governmental resources are reported as liabilities. Long-term obligations for governmental funds are not reported as liabilities in the FFS.

K. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District Attorney's Retirement System of Louisiana (DARS) - the Plan, and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. 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.

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
Lafourche Parish, Louisiana
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

L. Deferred Outflows/Inflows of Resources

The statement of financial position will often report a separate section for deferred outflows and (or) deferred inflows of financial resources. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources until that time.

Note 2 DEPOSITS

Demand (deposits, interest bearing demand deposits and certificates of deposit) are recorded at cost, which approximates fair value. The carrying amount of deposits was \$2,327,756 and the bank balance was \$2,35,137. The difference between the bank balance and the carrying amount represents outstanding checks and deposits in transit.

Custodial credit risk is the risk that in an event of a bank failure, the district's deposits may not be returned to it. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposits insurance or the pledge of securities owned by the fiscal agent bank. At year end \$1,885,137 of the bank balance is considered exposed to custodial credit risk.

The market values of the pledged securities plus the federal deposit insurance (FDIC) must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. FDIC insurance and the market value of pledged securities adequately secure these deposits from risk. The collateral must be held at the pledging bank's trust department or other bank, acting as the pledging bank's agent, in the District Attorney's name.

Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the entity that the fiscal agent has failed to pay deposited funds upon demand.

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT

Lafourche Parish, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 3 DUE FROM OTHER GOVERNMENTS

The amounts due are for fines and fees collected by other governments, state and local grants receivable and reimbursable costs to be remitted to the District Attorney's Office. A reserve for uncollectible amounts is not considered necessary for these receivables.

FUND	FOR	FROM	AMOUNT
General Fund	VOCA Grant	State of LA	\$ 6,308
General Fund	Victim Assistance Coordinator	State of LA	2,500
General Fund	Fines and Fees Collected	Lafourche Sheriff	26,075
General Fund	Reimbursement	LPSB	5,488
IV-D	Grant	State of LA	91,339
			\$ 131,710

Note 4 CAPITAL ASSETS

A schedule of changes in capital assets follows:

Governmental Activities	Balance 12/31/17	Additions	Disposals/ Adjustments	Balance 12/31/18
Depreciable:				
Automobiles	\$46,528	\$ -	\$ -	\$ 46,528
Equipment	94,285	-	(20,445)	73,840
Furniture & Fixtures	35,533	-	-	35,533
Leasehold Improvements	260,204	-	-	260,204
Totals	\$ 436,550	\$ -	\$(20,445)	\$416,105

Less accumulated depreciation:

Automobiles	\$ 46,529	\$ -	\$ -	\$46,529
Equipment	94,285	-	(20,445)	73,840
Furniture & Fixtures	35,533	-	-	35,533
Leasehold Improvements	153,915	14,172	(1)	168,086
Totals	\$330,262	\$ 14,172	\$ (20,446)	\$323,988
Capital assets, net	\$106,288			\$ 92,117

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT

Lafourche Parish, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 6 ON BEHALF PAYMENTS & EXPENDITURES

The State of Louisiana and the Lafourche Parish Council pay a portion of the salaries of the District Attorney and the assistant District Attorneys. The Lafourche Parish Council pays the salaries of the office staff with a supplemental payroll check and the Lafourche Parish Council also pays a portion of the Investigator's salary that is paid by the Lafourche Parish Sheriff. The State of Louisiana provides direct payments of salaries to the district attorney and the assistant district attorneys, as designated by the District Attorney's Office. These payments, referred to as "on-behalf payments received", provide the district attorney and assistant district attorneys with a base salary (currently \$50,000 and \$45,000, respectively).

In accordance with GASB No. 24, "Accounting and Financial Reporting for Certain Grants and Other Financial Assistance", the amount (\$2,366,573) of on-behalf salaries and benefits paid has been recognized as revenues and expenditures in the current financial statements.

The accompanying financial statements do not include certain expenditures of the District Attorney paid out of the funds from the Lafourche Parish Criminal Court Fund and the Lafourche Parish Council. Examples of these operating expenditures include portions of rent, health insurance, and IV-D program expenditures that are paid or absorbed by the Lafourche Parish Council.

Note 7 PENSION PLANS

The District Attorney and Assistant District Attorneys are members of the Louisiana District Attorney's Retirement System (DARS), a cost sharing multiple-employer defined benefit pension plan administered by a separate board of trustees.

Assistant District Attorneys who earn, as a minimum, the amounts paid by the state and are under the age of 60 at the time of original employment and all District Attorneys are required to participate in the system.

GASB requires certain disclosures for employers who maintain retirement plans for their employees. District Attorney and Assistant District attorneys employed by the District Attorney's office are compensated by warrants from the State of Louisiana and from supplemental pay from the Lafourche Parish Council and the District Attorney's office. The District Attorney determines the sources and amounts of income for the District Attorney and the Assistant District attorneys. There were no payments required or made on behalf of the District Attorney employees for pension benefits to DARS by the Lafourche Parish Council for the year.

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
Lafourche Parish, Louisiana
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 7 **PENSION PLANS (continued)**

The District Attorney will be recognizing the long-term obligations for the pension benefits as a liability for the proportionate share of the contributions made for payroll generated by the District Attorney's office and the Lafourche Parish Council.

Louisiana District Attorney's Retirement System (DARS)

Plan Description – The District Attorney and the Lafourche Parish Council on-behalf of the District Attorney contributes to the Louisiana District Attorney's Retirement System (DARS), a cost-sharing multiple-employer defined benefit pension plan established by Act 56 of the 1956 session of the Louisiana Legislature, for the purpose of providing allowances and other benefits for district attorneys and their assistants in each parish, which is administered by a Board of Trustees. DARS provides normal retirement, early retirement, disability benefits, death benefits, Back-Drop and Deferred Retirement Option Program (DROP) benefits to plan members and beneficiaries.

DARS is governed by Louisiana Revised Statutes 11, Chapter 3 specifically, and other general laws of the State of Louisiana. The System issued a publicly available financial report that can be obtained at www.ladars.org.

Benefits Provided – 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 district attorneys, they must be paid an amount not less than the minimum salary specified by the board for assistant district attorneys.

The age and years of creditable service required in order for a member to retire with full benefits are established by state statute, and vary depending on the member's hire date. Members who joined before July 1, 1990, are eligible to receive a normal retirement benefit if:

- 10 or more years of creditable service and are at least age 62, or
- 18 or more years of creditable service and are at least age 60, or
- 23 or more years of creditable service and are at least age 55, or
- 30 years of creditable service at any age

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT

Lafourche Parish, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 2018

NOTE 7 PENSION PLANS (Continued)

The normal retirement benefit for members 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 year of creditable service credit, receive a retirement benefit reduced 3% of 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 after July 1, 1990, or who elected to be covered by the new provisions, are eligible to receive a normal retirement benefit if:

- 10 or more years of creditable service and are at least age 60, or
- 24 or more years of creditable service and are at least age 55, or
- 30 years of creditable service at any age

The normal retirement benefit for members is equal to 3.5% of the member's final average compensation multiplied by the years of membership service. Members are eligible for early retirement at age 55 if they have at least 18 years of creditable service. The early retirement benefit is equal to the normal retirement benefit reduced by 3% of each year the member retires in advance of the normal retirement age. Benefits may not exceed 100% of average final compensation.

Disability Benefits - All members with ten or more years of credited service who are found to be totally disabled as a result of injuries incurred while in active service are awarded disability benefits. The member receives a benefit equal to 3% (3.5% covered under the new provisions) of his average final compensation multiplied by the lesser of his actual service (not to be less than 15 years) or projected continued service to age sixty.

Survivor (Death) Benefits – Upon the death of a member with less than 5 years of creditable service, his accumulated contributions and interest thereon are paid to his surviving spouse, if he is married, or to his designed beneficiary, if he is not married. Upon death of any active, contributing member with 5 or more year of service or any member with 23 years of service who has not retired, automatic option 2 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.

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT

Lafourche Parish, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 2018

NOTE 7 PENSION PLANS (Continued)

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.

Permanent Benefit Increases/Cost of Living Adjustments – 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 \$60 per month) and all retired members and widows who are 65 year of age and older a 2% increase in their original benefit. The board can grant other increases, if the system and member meet certain criteria detailed in the statute related to funding status and interest earnings.

Back-Deferred Retirement Option Program (Back-DROP) – 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. The Back-DROP benefit is based upon the Back-DROP period selected on 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.

Deferred Retirement Option Program (DROP) – 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 ½ 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 disbursement 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.

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT

Lafourche Parish, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 2018

NOTE 7 PENSION PLANS (Continued)

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.

Contributions – The employer contribution rate is established annually under state statute by the Public Retirement Systems' Actuarial Committee (PRSAC), taking into consideration the recommendation of the System's Actuary. In addition, DARS receives revenue sharing funds as appropriated by the legislature and ad valorem taxes as determined by the PRSAC up to a maximum of .2% of the ad valorem taxes shown to be collected; these contributions are considered support from non-employer contributing entities. According to state statute, in the event the contributions from the ad valorem taxes and revenue sharing funds are insufficient to provide for the gross employer actuarially required contribution, the employer is required to make direct contributions as determined by PRSAC. Plan members are required by state statute to contribute 8% of their annual covered salary and the District Attorney is required to contribute at an actuarially determined rate. The current employer match was 0% of annual covered payroll for the period from January 1 to June 30, 2018 and 1.25% from July 1 to December 31, 2018, respectively.

Employer contributions to the pension plan totaled \$1,112 for the year ended December 31, 2018.

Pension liabilities, pension expense and deferred outflows of resources and deferred inflows of resources:

As of June 30, 2018 (the measurement date) the District Attorney reported a total of \$85,346 for its proportionate shares of the net pension liability of the DARS Plan as governmental activities. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employers proportion of the net pension liability was based on a projection of the long-term contributions to the plans relative to the projected contributions of all participating employers, actuarially determined. The employers proportions of the plan was as follows:

<u>Plan</u>	<u>Proportionate share</u>	
	<u>6/30/18</u>	<u>6/30/17</u>
DARS	2.652220%	3.878180%

For the year ended June 30, 2018, the District Attorney recognized \$8,806 as its proportionate share of pension expense for the DARS plan.

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
Lafourche Parish, Louisiana
Notes to the Financial Statements
For the Year Ended December 31, 2018

NOTE 7 PENSION PLANS (Continued)

In addition, the District Attorney reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Plan</u>	<u>Deferred outflows of resources</u>	<u>Deferred inflows of resources</u>
Changes in proportion	\$ 8,206	\$ (41,046)
Differences between expected and actual experience	458	(12,398)
Changes in assumptions	51,768	(5,628)
Net difference between projected and actual earnings on pension plan investments	7,146	
Contributions after the plan measurement date	16,800	-
TOTALS	<u>\$ 84,378</u>	<u>\$ (59,072)</u>

The deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date (June 30, 2018) will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2019	\$(3,776)
2020	653
2021	1,308
2022	2,632
2023	7,689

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT

Lafourche Parish, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 2018

NOTE 7 PENSION PLANS (Continued)

Actuarial assumptions:

The total pension liabilities in the June 30, 2018 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurements:

Plan	DARS
Inflation	2.4%
Discount rate used to measure pension liability	6.50%
Salary increases	5.5% (2.5% inflation, 3.00% Merit)
Investment rate of return	6.50%, net of investment expense
Actuarial cost method	Entry age normal
Expected remaining service lives	7 years
Cost of Living Adjustment	Only those previously granted

Mortality rates for DARS were based on the RP-2000 Combined Healthy with White Collar Adjustment Sex Distinct Tables (set back 1 year for females) projected to 2032 using Scale AA were selected for employee, annuitant, and beneficiary mortality. The RP 2000 Disabled Lives Mortality Table set back 5 years for males and 3 years for females was selected for disable annuitants.

The mortality rate assumption used was set based upon an experience study performed on plan data for the period July 1, 2009 through June 30, 2014. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the DARS's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that the tables used would produce liability values approximating the appropriate generational mortality tables.

For DARS, the long-term expected rate of return on the pension plan investments was determined using a building block method in which best estimates ranges of expected future real rates of returns (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
Lafourche Parish, Louisiana
Notes to the Financial Statements
For the Year Ended December 31, 2018

NOTE 7 PENSION PLANS (Continued)

These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 3.0%. The resulting forecasted long-term rate of return is 9.04% for the years ending June 30, 2017.

The best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation, as of June 30, 2017, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
DARS:		
Equities	61.72%	10.82%
Fixed Income	28.95%	6.36%
Alternatives	8.85%	10.50%
Cash	.48%	0.50%
Totals	100.00%	28.18%
Inflation		6.95%
Expected Rate of Return		9.45%

The discount rate used to measure the total pension liability was 6.50% at June 30, 2018. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined rates approved by PERSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all to all periods of projected benefit payments to determine the total pension liability.

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
Lafourche Parish, Louisiana
 Notes to the Financial Statements
 For the Year Ended December 31, 2018

NOTE 7 PENSION PLANS (Continued)

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

The following presents the District Attorney’s proportionate shares of the net pension liabilities of the plans, calculated using the discount rates as shown above, as well as what the proportionate shares of the net pension liabilities would be if they were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate of 6.50%:

	1% Decrease	Current Discount Rate	1% Increase
DARS	\$229,789	\$85,346	(\$37,537)

Pension plan fiduciary net position:

Detailed information about the Plans’ fiduciary net position is available in the separate issued financial statements of the Plans. 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 to the Louisiana District Attorneys Retirement System, 1645 Nicholson Drive, Baton Rouge, Louisiana 70802, or by calling (225) 267-4824.

Note 8 DEFERRED COMPENSATION PLAN

All current full-time employees are eligible to participate in a deferred compensation plan. Employees can make pre-tax contributions to this 457 plan from eligible pay through payroll deductions - whether the employee is paid by the Parish or the District Attorney’s office. The amount allowed to contribute to the plan is based on taxable compensation as defined by the Internal Revenue Code (IRC). Existing deferred compensation plans with a prior employer may be transferred at any time. The District Attorney’s office matches employee’s contributions up to 8% dollar for dollar after a year of employment for employees other than those eligible for state retirement programs. The total employer contributions made were \$43,391 - \$1,699 paid by the District Attorney payroll and \$41,692 paid by the Parish.

The Security Benefit Group serves as administrator and has the responsibility for maintaining a deferred account with respect to each participant's account in accordance with the participant's investment specification.

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
Lafourche Parish, Louisiana
 Notes to the Financial Statements
 For the Year Ended December 31, 2018

Note 9 **RISK MANAGEMENT**

LIABILITY INSURANCE

The District Attorney is exposed to various risks of loss related to tort, theft of, damage to, and destruction of assets; errors and omission; injuring to employees; and natural disasters. The following commercial insurance policies were purchased for any and all claims relating to the above types of risks:

TYPE OF INSURANCE	LIMITS	DEDUCTIBLE
Professional Liability	\$ 100,000/claim \$ 300,000 aggregate	\$ 5,000 / claim
Personal Injury	\$ 100,000/claim \$ 300,000 aggregate	\$ 5,000 / claim
Criminal Proceedings	\$ 75,000/claim	\$ 500 / claim
Disciplinary Proceedings	\$ 10,000/claim	\$ 500 / claim
Auto Liability	\$2,000,000/claim \$5,000 each person – Medical Comprehensive & Collision	
Worker's Compensation	\$1,000,000 each accident \$1,000,000 each employee \$1,000,000 limit	

The payment of the deductible is the only liability associated with the professional liability insurance. The Lafourche Parish Council is responsible for obtaining general liability and worker's compensation insurance for the District Attorney's office and employees on the Parish Payroll.

HEALTH INSURANCE

The Lafourche Parish Council provides health and life insurance of which 25% of the employee's portion of medical and life insurance premiums paid on behalf of the clerical staff is reimbursed by the District Attorney's office. The District Attorney's office also reimburses 25% of the District Attorney, Assistant District Attorney, and senior staff's medical and life insurance premiums and family coverage, if applicable. Settlements have not exceeded insurance coverage in any of the three proceeding years.

**DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
LAFOURCHE PARISH, LOUISIANA**

Budget Comparison Schedule - General Fund
For the Year Ended December 31, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget + (-)
	Original	Final		
REVENUES				
Fines and fees	\$ 679,650	\$ 649,025	\$ 651,365	\$ 2,340
Intergovernmental				
Federal Pass through				
VOCA	24,000	22,316	22,473	(157)
State of Louisiana:				
Victims Assistance	30,000	30,000	30,000	-
Local	18,150	212,150	212,150	-
Interest and Miscellaneous	100	4,015	4,159	144
TOTAL REVENUES	<u>751,900</u>	<u>917,506</u>	<u>920,147</u>	<u>2,641</u>
EXPENDITURES				
Current - General government - Judicial:				
Personnel Services	431,380	534,196	536,547	(2,351)
Insurance	28,450	30,095	30,094	1
Office operations	32,256	36,156	30,067	6,089
Court Costs	36,000	15,000	9,846	5,154
Travel and conventions	40,000	40,000	38,182	1,818
Dues and subscriptions	33,500	32,000	31,734	266
Professional Services	12,200	17,200	17,174	26
Automobile expenses	6,500	5,861	5,350	511
Telephone	4,500	1,602	1,602	-
Uniforms	500	4,000	3,803	197
Rent	2,346	2,346	2,346	-
Donated Supplies and Equipment	3,000	9,000	9,000	-
Repair & maintenance	5,000	3,200	3,060	140
	<u>635,632</u>	<u>730,656</u>	<u>718,805</u>	<u>11,851</u>
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	<u>635,632</u>	<u>730,656</u>	<u>718,805</u>	<u>11,851</u>
Excess (deficiency) of revenues over expenditures	116,268	186,850	201,342	14,492
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	(20,000)	-	-	-
Net Changes in fund Balances	<u>96,268</u>	<u>186,850</u>	<u>201,342</u>	<u>14,492</u>
FUND BALANCES				
Beginning	2,086,829	2,099,030	2,099,030	-
Ending	<u>\$ 2,183,097</u>	<u>\$ 2,285,880</u>	<u>\$ 2,300,372</u>	<u>\$ 14,492</u>

**DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
LAFOURCHE PARISH, LOUISIANA**

Budget Comparison Schedule - Worthless Check Collection Fund
For the Year Ended December 31, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget + (-)
	Original	Final		
REVENUES				
Fines and fees	\$ 11,000	\$ 10,500	\$ 11,035	\$ 535
Interest	-	-	-	-
TOTAL REVENUES	<u>11,000</u>	<u>10,500</u>	<u>11,035</u>	<u>535</u>
EXPENDITURES				
Current - General government - Judicial:				
Personnel Services	79,996	86,240	86,145	95
Repairs & maintenance	11,000	11,000	11,000	-
	<u>90,996</u>	<u>97,240</u>	<u>97,145</u>	<u>95</u>
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>90,996</u>	<u>97,240</u>	<u>97,145</u>	<u>95</u>
Net changes in fund balances	<u>(79,996)</u>	<u>(86,740)</u>	<u>(86,110)</u>	<u>630</u>
FUND BALANCES				
Beginning	90,966	90,824	90,824	-
Ending	<u>\$ 10,970</u>	<u>\$ 4,084</u>	<u>\$ 4,714</u>	<u>\$ 630</u>

**DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
LAFOURCHE PARISH, LOUISIANA**

Budget Comparison Schedule - IV-D Office Fund
For the Year Ended December 31, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget + (-)
	Original	Final		
REVENUES				
Intergovernmental	\$ 437,110	\$ 426,330	\$ 435,866	\$ 9,536
Interest	-	-	-	-
TOTAL REVENUES	<u>437,110</u>	<u>426,330</u>	<u>435,866</u>	<u>9,536</u>
EXPENDITURES				
Current - General government - Judicial:				
IV-D program:				
Personnel services	73,400	71,900	71,747	153
Office Operations	5,225	3,250	3,250	-
Dues & Subscriptions	-	870	870	-
Repair & maintenance	-	310	310	-
Reimburse Lafourche Parish Council	378,485	350,000	359,689	(9,689)
	<u>457,110</u>	<u>426,330</u>	<u>435,866</u>	<u>(9,536)</u>
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	<u>457,110</u>	<u>426,330</u>	<u>435,866</u>	<u>(9,536)</u>
Excess Revenues Over Expenditures	(20,000)	-	-	-
OTHER FINANCING SOURCES (USES)				
Transfer in (out)	20,000	-	-	-
Total other financing sources (uses)	<u>20,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
FUND BALANCES				
Beginning	89	89	89	-
Ending	<u>\$ 89</u>	<u>\$ 89</u>	<u>\$ 89</u>	<u>\$ -</u>

**DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
LAFOURCHE PARISH, LOUISIANA
REQUIRED SUPPLEMENTARY INFORMATION
District Attorney's Retirement System (DARS)
Last Ten Fiscal Years ****

For Fiscal Year Ended Measurement Date of Plan	December 31, 2015 June 30, 2015	December 31, 2016 June 30, 2016	December 31, 2017 June 30, 2017	December 31, 2018 June 30, 2018
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SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Proportion of the net pension liability	2.98215%	3.06422%	3.87818%	2.65222%
Proportionate share of the net pension liability	\$ 67,102	\$ 240,976	\$ 104,603	\$ 85,346
Covered employee payroll	\$ 745,417	\$ 776,296	\$ 814,508	\$ 611,517
Proportionate share of the net pension liability as a percentage of its covered employee payroll	9.00%	31.04%	12.84%	13.96%
Plan fiduciary net position as a percentage of the total pension	98.56%	95.09%	93.57%	92.92%

SCHEDULE OF CONTRIBUTIONS

Contractually required contribution	\$ 52,179	\$ 12,611	\$ 59,647	\$ 49,561
Contributions made	(51,139)	(12,611)	(59,647)	(49,561)
Contribution deficiency (excess)	<u>\$ 1,040</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 745,417	\$ 733,812	\$ 724,592	\$ 611,517
Contribution as a percentage of covered employee payroll	6.86%	1.72%	8.23%	8.10%

** Note: Initial Year of GASB 68 Implementation was 2015, Schedule is intended to show information for 10 years. Additional Years will be displayed as they become available.

Notes to Retirement System Schedules:

<i>Changes of Benefit Terms</i>	No Changes	No Changes	No Changes	No Changes
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Changes of Assumptions

Investment rate of return, net of investment expense	7.00%	7.00%	6.75%	6.50%
Inflation rate	2.50%	2.50%	2.50%	2.40%
Discount rate	7.00%	7.00%	6.75%	6.50%

OTHER SUPPLEMENTAL INFORMATION

**DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
LAFOURCHE PARISH, LOUISIANA**

Schedule of Compensation, Benefits and Other Payments to Agency Head
For the Year Ended December 31, 2018

Agency Head Name: Kristine Russell - District Attorney

Purpose	Amount
Salary (state, parish & local)	\$ 164,000
Benefits - insurance	26,487
Benefits - retirement	1,106
Benefits - life insurance	32
Benefits - Medicare tax	2,378
Car Allowance	0
Vehicle provided by government	0
Per Diem	336
Reimbursements	0
Travel - LDAA Elected DA Meetings	1,432
Registration fees	325
Conference travel	1,236
Continuing professional education fees	0
Housing	0
Unvouchered expenses	0
Meals - meetings	15
Special meals	0
Fuel	0
Dues	580
Cell Phone	0
	\$ 197,927

REPORTS REQUIRED BY GAO



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CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

Independent Auditor's Report and 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 Kristine Russell
District Attorney of the Seventeenth Judicial District
Lafourche 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 the United States, the financial statements of the governmental activities and each major fund of the District Attorney of the Seventeenth Judicial District, Lafourche Parish Louisiana as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the basic financial statements and have issued our report thereon dated June 10, 2019.

Internal Control Over Financial Reporting

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

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

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants 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 that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness or 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Stagni & Company

Thibodaux, Louisiana
June 10, 2019



**LAFOURCHE PARISH
DISTRICT ATTORNEY**

**Statewide Agreed Upon
Procedures Report
With Schedule of Findings
and Management's Responses**

***As of and for the Year Ending
December 31, 2018***



STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

AGREED-UPON PROCEDURES REPORT

Lafourche Parish District Attorney

Independent Accountant's Report
On Applying Agreed-Upon Procedures

For the Period January 1, 2018 – December 31, 2018

To the Honorable Kristine Russell, District Attorney
Lafourche Parish, Louisiana and
Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by Lafourche Parish District Attorney (District Attorney) 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 period January 1, 2018 through December 31, 2018. The District Attorney'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 and associated results are as follows:

Written Policies and Procedures

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
 - 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/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the

completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

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

Results: The policies of the District Attorney address all the applicable functions listed.

Board or Finance Committee

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

Results: *This procedure is not applicable to District Attorney.*



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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);
 - 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
 - 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.

Results: *District Attorney did not have exceptions in this category in Year 1 (December 31, 2017), therefore was excluded from testing in Year 2 (December 31, 2018).*

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).
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) Employees that are responsible for cash collections do not share cash drawers/registers.
 - 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.
 - 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.
 - 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.
6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.



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:
 - a) Observe that receipts are sequentially pre-numbered.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Trace the deposit slip total to the actual deposit per the bank statement.
 - 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).
 - e) Trace the actual deposit per the bank statement to the general ledger.

Results: *We pulled a sample of 5 deposits from the receipts that we had an exception to in the prior year. Two of the five selected were deposited more than a week after the date received.*

Managements Response: *The deposits were for small (less than \$100) for PTI fees, and although not deposited the next day were made timely according to the written policy on receipts and collections.*

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

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
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.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - 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.
 - 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.
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.
- b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Results: *District Attorney did not have exceptions in this category in Year 1 (December 31, 2017), therefore was excluded from testing in Year 2 (December 31, 2018).*

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

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
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.]
 - b) Observe that finance charges and late fees were not assessed on the selected statements.
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).

Results: *District Attorney did not have exceptions in this category in Year 1 (December 31, 2017), therefore was excluded from testing in Year 2 (December 31, 2018).*

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

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



- 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).
- b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- 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).
- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results: *District Attorney did not have exceptions in this category in Year 1 (December 31, 2017), therefore was excluded from testing in Year 2 (December 31, 2018).*

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *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.
 - 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).
 - c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.
 - 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.

Results: *District Attorney did not have exceptions in this category in Year 1 (December 31, 2017), therefore was excluded from testing in Year 2 (December 31, 2018).*

Payroll and Personnel

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.



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:
 - 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.)
 - b) Observe that supervisors approved the attendance and leave of the selected employees/officials.
 - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
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.
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.

Results: *District Attorney did not have exceptions in this category in Year 1 (December 31, 2017), therefore was excluded from testing in Year 2 (December 31, 2018).*

Ethics

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.
 - 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.

Results: *District Attorney did not have exceptions in this category in Year 1 (December 31, 2017), therefore was excluded from testing in Year 2 (December 31, 2018).*

Debt Service

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.
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.

Results: *This procedure is not applicable to District Attorney.*

Other

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.

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.

Results: *District Attorney did not have exceptions in this category in Year 1 (December 31, 2017), therefore was excluded from testing in Year 2 (December 31, 2018).*

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.

Stagni & Company

Thibodaux, LA
June 10, 2019



STAGNI & COMPANY, LLC
