

**District Attorney of the Thirty-Second  
Judicial District  
Terrebonne Parish, Louisiana**

Annual Financial Report  
As of and for the  
Year Ended December 31, 2018

**District Attorney of the Thirty-Second  
Judicial District**  
Annual Financial Report  
For the Year Ended December 31, 2018

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## **INDEPENDENT AUDITOR'S REPORT**

To the Honorable Joseph L. Waitz, Jr.  
District Attorney of the Thirty-Second Judicial District  
Terrebonne Parish Consolidated Government  
Houma, Louisiana

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

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component unit, and each major fund of the District Attorney of the Thirty-Second Judicial District (District Attorney), a component unit of the Terrebonne Parish Consolidated Government, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the District Attorney's basic financial statements as listed in the table of contents.

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

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

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component unit, and each major fund of the District Attorney of the Thirty-Second 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 on pages 4 through 11 and the budgetary comparison schedules on pages 39 and 40 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District Attorney's basic financial statements. The Schedule of Compensation, Benefits, and Other Payments to the District Attorney on page 41 and the Schedule of Expenditures of Federal Awards on page 50, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Compensation, Benefits, and Other Payments to the District Attorney and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate 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 District Attorney and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2019 on our consideration of the District Attorney's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District Attorney's internal control over financial reporting and compliance.



Houma, Louisiana  
June 28, 2019

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2018

This discussion and analysis of the District Attorney of the Thirty-Second Judicial District's financial performance provides an overview of the financial activities as of and for the fiscal year ended December 31, 2018. Please read it in conjunction with the financial statements and the accompanying notes to the financial statements.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of a series of financial statements. The Government-Wide Financial Statements (Statement of Net Position and the Statement of Activities) provide information about the governmental activities as a whole and present a longer-term view of the finances. The Fund Financial Statements (Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds) tell how services were financed in the short term as well as what remains for future spending. Fund financial statements also report the operations in more detail than the Government-Wide statements by providing information about the most significant funds.

Our auditor has provided assurance in his independent auditor's report that the financial statements are fairly stated. The auditor, regarding the Required Supplemental Information and the Other Information, is providing varying degrees of assurance. A user of this report should read the Independent Auditor's Report carefully to ascertain the level of assurance being provided for each of the parts in the Annual Financial Report.

**Government-Wide Financial Statements**

One of the most important questions asked about finances is, "Is the District Attorney of the Thirty-Second Judicial District as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information as a whole and about activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the net position and changes in them. You can think of net position—the difference between assets and liabilities—as one way to measure the financial health, or financial position. Over time, increases or decreases in net position are one indicator of whether its financial health is improving or deteriorating.

The Terrebonne Children's Advocacy Center (Advocacy Center) is a legally separate, nonprofit organization that reports under FASB standards. The Advocacy Center was created to coordinate the community's response to the problem of child abuse. These activities are discreetly presented as a component unit in the government-wide Statement of Net Position and Statement of Activities.

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
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**Fund Financial Statements**

The fund financial statements provide detailed information about the most significant funds—not as a whole. Some funds are required to be established by State laws.

The District Attorney of the Thirty-Second Judicial District utilizes mainly the governmental type of fund with the following accounting approach. Most of the basic 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. The governmental fund statements provide a detailed short-term view of the general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in the reconciliations on pages 17 and 18.

The District Attorney of the Thirty-Second Judicial District is the trustee, or fiduciary, for funds confiscated for asset forfeitures under state law. These fiduciary activities are reported in a separate Statement of Fiduciary Net Position. We exclude these activities from the other financial statements because these funds cannot be used to finance operations. The District Attorney is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

**FINANCIAL HIGHLIGHTS**

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

- Net position of our governmental activities increased by \$246,576 or 6.8 percent.
- During the year, the District Attorney had judicial expenses of \$5,311,630 that were \$320,907 more than the \$4,990,723 generated in fees and other revenues for governmental programs.
- The governmental funds reported total ending fund balance of \$2,325,744. This compares to the prior year ending fund balance of \$1,985,840 resulting in an increase of \$339,904.

The Statement of Net Position and the Statement of Activities reports all transactions as governmental activities. All of the basic governmental services are reported as this type. Fines and fees charged to the public finance most of these activities.

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2018

**FINANCIAL ANALYSIS AS A WHOLE (GWFS)**

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

Condensed Statement of Net Position

	2017	2018	Dollar Change	Percent Change
Current and other assets	\$ 2,801,470	\$ 3,122,953	\$ 321,483	11.5%
Capital assets, net	1,879,148	1,775,136	(104,012)	-5.5%
<b>Total assets</b>	<b>4,680,618</b>	<b>4,898,089</b>	<b>217,471</b>	<b>4.6%</b>
<b>Deferred outflows of resources</b>	<b>201,687</b>	<b>175,091</b>	<b>(26,596)</b>	<b>-13.2%</b>
Current liabilities	849,816	833,389	(16,427)	-1.9%
Long-term liabilities	295,161	290,671	(4,490)	-1.5%
<b>Total liabilities</b>	<b>1,144,977</b>	<b>1,124,060</b>	<b>(20,917)</b>	<b>-1.8%</b>
<b>Deferred inflows of resources</b>	<b>110,968</b>	<b>76,184</b>	<b>(34,784)</b>	<b>-31.3%</b>
Net investment in capital assets	1,755,384	1,667,616	(87,768)	-5.0%
Unrestricted	1,870,976	2,205,320	334,344	17.9%
<b>Total net position</b>	<b>\$ 3,626,360</b>	<b>\$ 3,872,936</b>	<b>\$ 246,576</b>	<b>6.8%</b>

The District Attorney's net position increased as a result of this year's operations. Unrestricted net position (the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements) increased by \$334,344 during the year. The balance in net position represents the accumulated results of all past years' operations.

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2018

**FINANCIAL ANALYSIS AS A WHOLE (GWFS) (Cont.)**

Our analysis below focuses on the changes in net position of the governmental-type activities.

Condensed Statement of Activities

	2017	2018	Dollar Change	Percent Change
Total program expenses	\$(4,909,965)	\$ (5,311,630)	\$ (401,665)	8.2%
Total program revenues	4,789,857	4,990,723	200,866	4.2%
<b>Net program income</b>	(120,108)	(320,907)	(200,799)	167.2%
Other income	56,431	203,446	147,015	260.5%
Other financing sources (uses)	(1,402)	364,037	365,439	-26065.5%
<b>Change in net position</b>	(65,079)	246,576	311,655	-478.9%
<b>Net position:</b>				
Beginning of the year	3,691,439	3,626,360	(65,079)	-1.8%
End of the year	<u>\$ 3,626,360</u>	<u>\$ 3,872,936</u>	<u>\$ 246,576</u>	<u>6.8%</u>

The amount spent on programs related to operating the District Attorney's office increased by 8.2%. Total program revenues increased by 4.2% or \$200,866 from the prior year.

**FINANCIAL ANALYSIS OF INDIVIDUAL FUNDS (FFS)**

The District Attorney of the Thirty-Second Judicial District uses funds to help it control and manage money for particular purposes. Looking at individual funds helps you consider whether the District Attorney is being accountable for the resources provided to it but may also give you more insight into the overall financial health.

The General Fund includes revenue and expenditures necessary to the operation of the District Attorney's office such as personnel, benefits, the pretrial intervention program and operation and maintenance of facilities. The General Fund reflected \$3,212,330 in total revenues, including \$1,388,259 in fines and fees collected and \$1,385,508 in payments received from the TPCG for salaries and benefits for the District Attorney's office. Total current expenditures were \$3,580,951. Capital outlay was \$2,957. Debt service expenditures for vehicles were \$27,452 of which \$22,660 was for principal payments. After

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**Terrebonne Parish, Louisiana**  
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**FINANCIAL ANALYSIS OF INDIVIDUAL FUNDS (FFS) (Cont.)**

a \$223,450 excess of revenues over expenditures for the year, the ending fund balance was \$1,466,220. The General Fund had nonspendable fund balance of \$22,920 for prepaid expenses and \$1,443,300 in the unassigned category.

The IV-D Program Fund is a Special Revenue fund that accounts for grants received and expenditures for Child Support Enforcement. The amount received from the State of Louisiana this year was \$772,139. Total current expenditures for IV-D programs were \$612,202. Capital outlay was \$22,543, and debt service expenditures for vehicles were \$17,265. Note payable proceeds were \$21,644. After a \$38,954 excess of revenues over expenditures for the year, the ending fund balance was \$493,098, of which \$8,432 was nonspendable and \$484,666 was restricted.

The IWC Program Fund is a Special Revenue fund that accounts for the collection of worthless checks throughout the Parish. Total current expenditures were \$29,184. Capital outlay was \$1,085. After a \$28,468 excess of expenditures over revenues for the year, the ending fund deficit was \$15,732.

The Drug Court Program Fund is a Special Revenue fund that accounts for grants received from the State of Louisiana and fees assessed for DWI tickets and expenditures for operating the Drug Court Program. The amount received from the State of Louisiana this year was \$834,234. Total current expenditures were \$805,108. Capital outlay was \$5,035. After a \$105,968 excess of revenues over expenditures for the year, the ending fund balance was \$376,982, \$4,215 of which was nonspendable and \$372,767 of which was restricted.

**BUDGETARY HIGHLIGHTS**

The District Attorney's annual budget is adopted on a modified accrual basis of accounting excluding noncash items, such as depreciation. The District Attorney amended both its general fund budget and its special revenue budget once during the year.

The District Attorney experienced favorable revenue variances for both the General Fund and the Special Revenue Funds. The District Attorney experienced an unfavorable expense variance of 4.05% for the General Fund and an unfavorable expense variance for the Special Revenue Funds of 2.57%.

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2018

**CAPITAL ASSETS**

Capital assets include office equipment, weapons, computer equipment, vehicles, buildings/leasehold improvements, and land recorded at historical cost of \$3,114,670. Also included in this category is software that is amortized as an intangible asset. Accumulated depreciation as of December 31, 2018 is \$1,339,534 resulting in an ending book balance of \$1,775,136. These capital assets include land and buildings in the name of the Thirty-Second Judicial Enforcement District (a blended component unit of the District Attorney's office). Depreciation expense of \$135,631 was recorded for the year.

More detailed information about the capital assets is presented in the notes to financial statements. However, a summary of current and prior year capital assets for the primary government and blended component unit follows:

	<u>2017</u>	<u>2018</u>
Land	\$ 92,286	\$ 92,286
Equipment and furniture	126,613	127,812
Weapons	24,521	24,521
Computer equipment	94,708	103,785
Vehicles	431,671	453,014
Software	113,188	113,188
Buildings and improvements	<u>2,200,064</u>	<u>2,200,064</u>
Total capital assets	3,083,051	3,114,670
Less accumulated depreciation	<u>(1,203,903)</u>	<u>(1,339,534)</u>
Total capital assets, net	<u>\$ 1,879,148</u>	<u>\$ 1,775,136</u>

A summary of current and prior year capital assets for the discretely presented component unit follows:

	<u>2017</u>	<u>2018</u>
Land	\$ 150,000	\$ 150,000
Equipment and furniture	123,848	126,172
Buildings and improvements	<u>1,354,858</u>	<u>1,354,858</u>
Total capital assets	1,628,706	1,631,030
Less accumulated depreciation	<u>(377,604)</u>	<u>(421,763)</u>
Total capital assets, net	<u>\$ 1,251,102</u>	<u>\$ 1,209,267</u>

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2018

**CAPITAL ASSETS (Cont.)**

Depreciation expense of \$44,159 was recorded for the year.

**NOTES PAYABLE FOR VEHICLES**

One additional vehicle was purchased in 2018. Notes for vehicle purchases are recorded as liabilities. The total proceeds on the new vehicle was \$21,644. The total amount of principal paid on all notes was \$37,887 resulting in an ending balance of \$107,520.

Interest paid on notes payable in the governmental funds was \$6,830. More detailed information about the notes payable is presented in the notes to financial statements.

The Advocacy Center had a note for a building which was paid off on November 2, 2018. The total amount of principal paid on this note was \$220,452.

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

Many factors were considered when budgeting for the next fiscal year. Possible new laws and regulations, increased rates and fees that would be charged, and possible new grant funding sources were all considered.

Highlights of next year's General Fund budget include:

Estimated revenue	<u>\$ 1,705,000</u>
Personnel services and benefits	1,200,000
General operating	850,000
Capital outlay	<u>5,000</u>
Total estimated expenditures	<u>2,055,000</u>
Estimated excess of expenditures over revenue	(350,000)
Estimated beginning fund balance	<u>713,000</u>
Estimated ending fund balance	<u><u>\$ 363,000</u></u>

**District Attorney of the Thirty-Second Judicial District  
Terrebonne Parish, Louisiana**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2018

**CONTACTING FINANCIAL MANAGEMENT**

This financial report is designed to provide a general overview of the District Attorney of the Thirty-Second Judicial District's finances and to show accountability for the money it received. If you have questions about this report or need additional financial information, contact:

Mr. Kevin Guidry, Administrator  
Terrebonne Parish District Attorney  
7856 Main Street, Suite 220  
Houma, LA 70360  
Phone number (985) 873-6500

## **FINANCIAL STATEMENTS**

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
Statement of Net Position  
December 31, 2018

	<b>Government Activities</b>	<b>Component Unit Advocacy Center</b>
<b>Assets</b>		
Cash	\$ 2,038,629	\$ 115,837
Investments	235,649	-
Accounts receivable	-	4,518
Asset forfeiture receivable	364,384	-
Due from other governmental units	448,724	-
Prepaid expenses	35,567	20,083
Total Current Assets	<u>3,122,953</u>	<u>140,438</u>
Capital assets	3,114,670	1,631,030
Accumulated depreciation	<u>(1,339,534)</u>	<u>(421,763)</u>
Net Capital Assets	<u>1,775,136</u>	<u>1,209,267</u>
Deposits	-	14,700
<b>Total Assets</b>	<u>4,898,089</u>	<u>1,364,405</u>
<b>Deferred Outflows of Resources</b>	<u>175,091</u>	<u>-</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	649,400	4,141
Restitution payable	147,809	-
Current portion of notes payable	<u>36,180</u>	<u>-</u>
Total Current Liabilities	<u>833,389</u>	<u>4,141</u>
Net pension liability	219,331	-
Long-term portion of notes payable	<u>71,340</u>	<u>-</u>
Total Long-term Liabilities	<u>290,671</u>	<u>-</u>
<b>Total Liabilities</b>	<u>1,124,060</u>	<u>4,141</u>
<b>Deferred Inflows of Resources</b>	<u>76,184</u>	<u>-</u>
<b>Net Position</b>		
Net investment in capital assets	1,667,616	1,209,267
Unrestricted	<u>2,205,320</u>	<u>150,997</u>
<b>Total Net Position</b>	<u>\$ 3,872,936</u>	<u>\$ 1,360,264</u>

See accompanying notes.

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
Statement of Activities  
December 31, 2018

	<b>Government Activities</b>	<b>Component Unit Advocacy Center</b>
<b>REVENUES</b>		
Judicial activities:		
Operating grants	\$ 3,106,811	\$ 23,459
Charges for services	1,883,912	-
Fiduciary activities:		
Rental income	-	252,000
Donations for fundraisers	-	95,726
Scholarship income	-	26,750
Fundraiser ticket sales	-	11,830
Program revenues	-	7,596
<b>TOTAL REVENUES</b>	<b>4,990,723</b>	<b>417,361</b>
<b>EXPENSES</b>		
Judicial activities:		
Personnel services and benefits	3,618,345	-
General operating	1,557,654	-
Depreciation	135,631	-
Fiduciary activities:		
Depreciation	-	44,159
Direct program expenditures	-	65,453
Personnel services and contract labor	-	38,804
Office operations	-	33,062
Fundraising	-	19,638
Rent expense	-	16,596
Insurance	-	15,855
Other	-	4,734
Conventions, travel, and meals	-	2,402
Repairs and maintenance	-	1,512
Advertising	-	800
<b>TOTAL EXPENSES</b>	<b>5,311,630</b>	<b>243,015</b>
<b>OTHER INCOME (EXPENSE)</b>		
Pension-related	173,403	-
Miscellaneous income	32,615	944
Interest earned	4,258	188
Interest expense	(6,830)	(6,030)
<b>TOTAL OTHER INCOME (EXPENSE)</b>	<b>203,446</b>	<b>(4,898)</b>

See accompanying notes.

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
Statement of Activities  
December 31, 2018

	<b>Government Activities</b>	<b>Component Unit Advocacy Center</b>
<b>OTHER FINANCING SOURCES</b>		
Operating transfers in	364,037	-
<b>CHANGE IN NET POSITION</b>	246,576	169,448
<b>NET POSITION - Beginning</b>	3,626,360	1,190,816
<b>NET POSITION - Ending</b>	\$ 3,872,936	\$ 1,360,264

See accompanying notes.

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
 Balance Sheet  
 Governmental Fund Type  
 December 31, 2018

	General Fund	M-D Program Fund	Worthless Check Collection Fund	Drug Court Program Fund	Component Unit 32nd Judicial Enforcement District	Totals
<b>Assets</b>						
Cash	\$ 1,420,664	\$ 307,148	\$ 86,469	\$ 219,172	\$ 5,176	\$ 2,038,629
Investments	203,326	-	-	32,323	-	235,649
Asset forfeiture receivable	364,384	-	-	-	-	364,384
Due from other governmental units	124,952	193,167	-	130,605	-	448,724
Prepaid expenses	22,920	8,432	-	4,215	-	35,567
<b>Total Assets</b>	<b>\$ 2,136,246</b>	<b>\$ 508,747</b>	<b>\$ 86,469</b>	<b>\$ 386,315</b>	<b>\$ 5,176</b>	<b>\$ 3,122,953</b>
<b>Liabilities and Fund Balance</b>						
Liabilities:						
Accounts payable and accrued liabilities	\$ 582,266	\$ 15,649	\$ 42,152	\$ 9,333	\$ -	\$ 649,400
Restitution payable	87,760	-	60,049	-	-	147,809
<b>Total Liabilities</b>	<b>670,026</b>	<b>15,649</b>	<b>102,201</b>	<b>9,333</b>	<b>-</b>	<b>797,209</b>
Fund Balance:						
Nonspendable:						
Prepaid expenses	22,920	8,432	-	4,215	-	35,567
Restricted for:						
IV-D program	-	484,666	-	-	-	484,666
Worthless check collections program	-	-	(15,732)	-	-	(15,732)
Drug program	-	-	-	372,767	-	372,767
32nd Judicial Enforcement District	-	-	-	-	5,176	5,176
Unassigned	1,443,300	-	-	-	-	1,443,300
<b>Total Fund Balance</b>	<b>1,466,220</b>	<b>493,098</b>	<b>(15,732)</b>	<b>376,982</b>	<b>5,176</b>	<b>2,325,744</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 2,136,246</b>	<b>\$ 508,747</b>	<b>\$ 86,469</b>	<b>\$ 386,315</b>	<b>\$ 5,176</b>	<b>\$ 3,122,953</b>

See accompanying notes.

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
**Statement of Revenues, Expenditures,**  
**and Changes in Fund Balance -**  
**Governmental Fund Type**  
**For the Year Ended December 31, 2018**

	General Fund	IV-D Program Fund	Worthless Check Collection Fund	Drug Court Program Fund	Component Unit	Totals
					32nd Judicial Enforcement District	
<b>REVENUES</b>						
Intergovernmental	\$ 114,352	\$ 772,139	-	\$ 834,234	-	\$ 1,720,725
Fines and fees	1,388,259	-	-	51,387	-	1,439,646
Payments received on behalf	1,385,508	-	-	-	-	1,385,508
Reimbursed attorney fees and salaries	152,072	150,000	-	-	-	302,072
Asset and bond forfeitures	142,194	-	-	-	-	142,194
Other	26,367	6,248	-	-	-	32,615
Interest earned	3,000	493	133	632	-	4,258
SPARC reimbursements	578	-	-	-	-	578
<b>Total Revenues</b>	<b>3,212,330</b>	<b>928,880</b>	<b>133</b>	<b>886,253</b>	<b>-</b>	<b>5,027,596</b>
<b>EXPENDITURES</b>						
General government - judicial - current:						
Personnel services	1,290,768	427,404	25,775	309,927	-	2,053,874
Salary and benefit payments on behalf	1,385,508	-	-	-	-	1,385,508
Professional fees	216,954	11,000	-	118,875	-	346,829
Operating leases	204,432	40,795	-	37,603	-	282,830
Drug screenings	23,864	-	-	167,483	-	191,347
Trials, training, seminars, and travel	51,362	17,001	-	47,934	-	116,297
Telephone and utilities	52,772	22,123	-	33,726	-	108,621
Office operations	49,936	14,238	979	29,162	-	94,315
Insurance	50,688	17,655	-	7,124	-	75,467
Criminalistics lab	71,078	-	-	-	-	71,078
Automobile expenditures	18,674	39,221	-	4,909	-	62,804
Repairs and maintenance	32,051	15,048	-	13,848	-	60,947
Dues and services	36,487	4,759	-	4,285	-	45,531
Public service announcements	38,602	-	-	-	-	38,602
Direct program expenditures	6,000	-	-	14,274	-	20,274
Children's Advocacy Center	12,150	2,430	2,430	2,430	-	19,440
Other	3,760	528	-	13,528	-	17,816
Terrebonne Criminal Court Fund	4,655	-	-	-	-	4,655
Refunded forfeitures	801	-	-	-	-	801
<b>Total current expenditures</b>	<b>3,550,542</b>	<b>612,202</b>	<b>29,184</b>	<b>805,108</b>	<b>-</b>	<b>4,997,036</b>
Capital outlay	2,957	22,543	1,085	5,035	-	31,620
Debt service:						
Principal	22,660	15,227	-	-	-	37,887
Interest	4,792	2,038	-	-	-	6,830
<b>Total Expenditures</b>	<b>3,580,951</b>	<b>652,010</b>	<b>30,269</b>	<b>810,143</b>	<b>-</b>	<b>5,073,373</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Note payable proceeds	-	21,644	-	-	-	21,644
Operating transfers in (out)	592,071	(259,560)	1,668	29,858	-	364,037
<b>Total Financing Sources (Uses)</b>	<b>592,071</b>	<b>(237,916)</b>	<b>1,668</b>	<b>29,858</b>	<b>-</b>	<b>385,681</b>
<b>EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES</b>						
	223,450	38,954	(28,468)	105,968	-	339,904
<b>FUND BALANCES</b>						
Beginning of year	1,242,770	454,144	12,736	271,014	5,176	1,985,840
End of year	\$ 1,466,220	\$ 493,098	\$ (15,732)	\$ 376,982	\$ 5,176	\$ 2,325,744

See accompanying notes.

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
 Reconciliation of the Governmental Fund Balance Sheet  
 to the Statement of Net Position  
 December 31, 2018

Fund balance - governmental fund	\$ 2,325,744
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets of \$3,114,670, net of accumulated depreciation of \$1,339,534, are not financial resources and, therefore, are not reported in the governmental funds.	1,775,136
Deferred outflows of resources related to net pension liability are not available resources, and therefore, are not reported in the funds.	175,091
Current portion of \$36,180 and long-term portion of \$71,340 of notes payable are not financial resources and are therefore not reported in the funds.	(107,520)
Liabilities not due and payable in the current period and, therefore, are not reported in the funds: Net pension liability	(219,331)
Deferred inflows of resources related to net pension liability are not payable from current expendable resources, and therefore, are not reported in the funds.	(76,184)
Net position of governmental activities	\$ 3,872,936

See notes to financial statements.

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
 Reconciliation of the Statement of Governmental Fund Revenues,  
 Expenditures and Changes in Fund Balance to the  
 Statement of Activities  
 For the Year Ended December 31, 2018

Change in fund balance - governmental fund		\$ 339,904
<p>Amounts reported for governmental activities in the statement of activities are different because:</p> <p>Governmental funds report capital outlays as expenditures, whereas in the statement of activities, these costs are depreciated over their estimated useful lives.</p>		
Capital outlays	31,620	
Depreciation expense	(135,631)	(104,011)
<p>Governmental fund reports debt incurrence as other financing source and debt repayments as an expenditure, whereas these are not presented on the Statement of Activities.</p>		
Note payable proceeds	(21,644)	
Principal payments on notes	37,887	16,243
<p>Effects of recording net pension liability and deferred inflows and outflows of resources related to net pension liability:</p>		
Increase in pension expense	(5,560)	(5,560)
Change in net position of government activities		\$ 246,576

See notes to financial statements.

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
Statement of Fiduciary Net Position  
Asset Forfeiture Fund  
December 31, 2018

<b>Assets</b>	
Cash and cash equivalents	<u>\$ 853,490</u>
<b>Total Assets</b>	<u><u>\$ 853,490</u></u>
<b>Liabilities</b>	
Due to others	<u>\$ 853,490</u>
<b>Total Liabilities</b>	<u><u>\$ 853,490</u></u>

See accompanying notes.

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
Schedule of Changes in Fiduciary Net Position  
For the Year Ended December 31, 2018

Beginning Balance as of December 31, 2017	<u>\$ 1,363,356</u>
 <b>Additions</b>	
Assets forfeited	475,808
Interest earned	<u>1,107</u>
 Total Additions	 <u>476,915</u>
 <b>Disbursements</b>	
Operating transfer out	364,037
Terrebonne Parish Sheriff	232,842
Terrebonne Parish District Attorney General Fund	117,965
Terrebonne Parish Criminal Court Fund	111,341
Refunded/other forfeitures	84,865
HPD forfeitures	54,605
Trials	9,961
DART forfeitures	5,713
COC forfeitures	5,311
Office operations	<u>141</u>
 Total Disbursements	 <u>986,781</u>
 Ending Balance as of December 31, 2018	 <u><u>\$ 853,490</u></u>

See accompanying notes.

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
Notes to Financial Statements  
As of and for the Year Ended December 31, 2018

**Introduction**

As provided by Article V. Section 26 of the Louisiana Constitution of 1974, the District Attorney has charge of every criminal prosecution by the state in his district, is the representative of the state before the grand jury in his district, and is the legal advisor to the grand jury. He performs other duties as provided by law. The qualified electors of the judicial district elect the District Attorney for a term of six years. The Thirty-Second Judicial District encompasses Terrebonne Parish, Louisiana.

**Note 1 – Summary of Significant Accounting Policies**

A. Basis of Presentation

The financial statements of the District Attorney of the Thirty-Second Judicial District (District Attorney), Terrebonne Parish, Louisiana have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*.

B. Reporting Entity

The District Attorney of the Thirty-Second Judicial District is an independently elected official. However, the District Attorney of the Thirty-Second Judicial District is fiscally dependent on the Terrebonne Parish Consolidated Government for office space, courtrooms, and related utility costs, as well as partial funding of salary costs.

The accompanying financial statements present information only on the funds maintained by the District Attorney of the Thirty-Second Judicial District and do not present information on the Terrebonne Parish Consolidated Government, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

The accompanying financial statements present the District Attorney's office and its blended component unit over which the District Attorney's office exercises significant influence. Significant influence or accountability is based primarily on operational or financial relationships with the District Attorney's office (as distinct from legal relationships).

The **Thirty-Second Judicial Enforcement District** is included in these financial statements as a component unit and is blended with the primary government. The Thirty-Second Judicial Enforcement District owns land and buildings that are utilized by the District Attorney's office as office space for certain sectors of its operations. The land, buildings, and related depreciation are reported in the capital assets of the District Attorney's financial statements.

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
Notes to Financial Statements  
As of and for the Year Ended December 31, 2018

**Note 1 – Summary of Significant Accounting Policies (Cont.)**

The **Terrebonne Children's Advocacy Center**, a legally separate nonprofit organization that was created to coordinate the community's response to the problem of child abuse, is included in these financial statements as a component unit and is discretely presented with the primary government. The Terrebonne Children's Advocacy Center owns land and buildings that are leased by the District Attorney's office as office space for certain sectors of its operations. The land, buildings, and related depreciation are reported in the capital assets of the Advocacy Center.

C. Fund Accounting

The accounting system is organized and operated on a fund basis whereby a separate self-balancing set of accounts is maintained for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The various funds in the financial statements in this report are grouped into two broad categories as follows:

**Governmental Fund Types**

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

**Fiduciary Fund Type**

The District Attorney utilizes an agency fund fiduciary fund type. Agency funds generally are used to account for assets that the government holds on behalf of others as their agent.

D. Measurement Focus/Basis of Accounting

**Fund Financial Statements (FFS)**

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

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
Notes to Financial Statements  
As of and for the Year Ended December 31, 2018

**Note 1 – Summary of Significant Accounting Policies (Cont.)**

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

Those revenues susceptible to accrual include fines and assessments that are collected by another governmental body on the District Attorney's behalf and intergovernmental revenue. Interest earned is recorded when credited to the District Attorney's account.

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

The government-wide financial statements display information as a whole. These statements include all the financial activities. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed).

Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

**Program Revenues** – Program revenues included in the Statement of Activities are derived directly from users as a fee for services; program revenues reduce the cost of the function to be financed from the general revenues.

E. Budgets

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the general fund and special revenue funds. All annual appropriations lapse at fiscal year-end. Formal budgetary integration is employed as part of the accounting system, and the budget is amended by supplemental appropriations as needed to comply with state law.

The on-behalf payments received and paid by the Terrebonne Parish Consolidated Government are not budgeted or reflected in the Budget and Actual Statement for the General Fund in this report. The net effect of reflecting the receipt and payment of salaries and benefits on-behalf is zero.

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
Notes to Financial Statements  
As of and for the Year Ended December 31, 2018

**Note 1 – Summary of Significant Accounting Policies (Cont.)**

A reconciliation of total revenues and current expenditures for the General Fund follows:

	<u>Total Revenue</u>	<u>Total Current Expenditures</u>
Actual (Page 16)	\$ 3,212,330	\$ 3,550,542
On-Behalf Payments	(1,385,508)	(1,385,508)
Budget (Page 39)	<u>\$ 1,826,822</u>	<u>\$ 2,165,034</u>

F. Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the District Attorney may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

G. Investments

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955. Investments during the year consisted of certificates of deposit and amounts deposited in the Louisiana Asset Management Pool (LAMP).

H. Capital Assets

Capital assets are recorded at historical cost or estimated if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. Capital assets are recorded in the GWFS. All capital assets, other than land, are depreciated using the straight-line method over the following estimated useful lives:

<u>Category</u>	<u>Life</u>
Buildings and improvements	20 - 40 years
Office equipment and furniture	7 - 10 years
Weapons	7 - 10 years
Computers and software	5 - 10 years
Vehicles	5 years

I. Compensated Absences

Primarily all individuals who work at the District Attorney's Office are employees of the Terrebonne Parish Consolidated Government; therefore, no liability for compensated absences is recorded in the District Attorney's financial statements. Vacation and sick leave do not accumulate.

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
Notes to Financial Statements  
As of and for the Year Ended December 31, 2018

**Note 1 – Summary of Significant Accounting Policies (Cont.)**

J. Restricted Net Position

For the government-wide statement of net position, net position is reported as restricted when constraints placed on net position use is either:

1. externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or
2. imposed by law through constitutional provisions or enabling legislation.

K. Fund Equity

Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned, or unassigned.

Nonspendable fund balance cannot be spent because of its form. Restricted fund balance has limitations imposed by creditors, grantors, or contributors or by enabling legislation or constitutional provisions. Committed fund balance is a limitation imposed by the District Attorney through approval of resolutions. Assigned fund balance is a limitation imposed by a designee of the District Attorney.

Unassigned fund balance in the General Fund is the net resources in excess of what can be properly classified in one of the above four categories. Negative unassigned fund balance in other governmental funds represents excess expenditures incurred over the amounts restricted, committed, or assigned to those purposes.

L. Interfund Transactions

Quasi-external transactions are accounted for as revenues or expenditures. Interfund transactions on the other hand are reported as transfers. Non-recurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

M. Estimates

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

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
Notes to Financial Statements  
As of and for the Year Ended December 31, 2018

**Note 2 – Deposits and Investments**

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

**Bank Deposits:**

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

The year-end balance of deposits is as follows for the primary government:

	<u>Bank Balances</u>	<u>Reported Amounts</u>		
		<u>Governmental</u>	<u>Agency</u>	<u>Total</u>
Cash	\$ 2,944,579	\$ 2,033,453	\$ 853,490	\$ 2,886,943
Certificates of deposit	203,326	203,326	-	203,326
Totals	<u>\$ 3,147,905</u>	<u>\$ 2,236,779</u>	<u>\$ 853,490</u>	<u>\$ 3,090,269</u>

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District has a written policy for custodial credit risk. As of December 31, 2018, \$2,593,684 of the District's bank balance was exposed to credit risk. These deposits were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the District's name.

Cash was adequately collateralized in accordance with state law by securities held by an unaffiliated bank for the accounts of the District. The Governmental Accounting Standards Board (GASB), which promulgates the standards for accounting and financial reporting for state and local governments, considers these securities subject to custodial credit risk. Even though the pledged securities are considered subject to custodial credit risk under the provisions of GASB Statement 40, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten days of being notified by the depositor that the fiscal agent has failed to pay deposited funds upon demand.

The year-end balance of deposits is as follows for the component units:

	<u>Bank Balances</u>	<u>Reported Amount</u>
Cash - Thirty-Second Judicial Enforcement District	\$ 5,176	\$ 5,176
Cash - Terrebonne Children's Advocacy Center	\$ 120,809	\$ 115,837

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
Notes to Financial Statements  
As of and for the Year Ended December 31, 2018

**Note 2 – Deposits and Investments (Cont.)**

As of December 31, 2018, neither the Thirty-Second Judicial Enforcement District nor the Terrebonne Children's Advocacy Center's cash balances were exposed to credit risk. The balances were fully insured by FDIC coverage.

**Investments:**

State statutes authorize the District Attorney to invest in obligations of the U.S. Treasury, agencies and instrumentalities; guaranteed investment contracts and investment grade (A-1/P-1) commercial paper of domestic corporations; repurchase agreements; and the Louisiana Asset Management Pool (LAMP).

As a means of limiting its exposure to fair value losses arising from interest rates, the District Attorney's investment policy limits investments to securities with less than six months from the date of purchase unless the investment is matched to a specific cash flow.

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District Attorney's investment policy requires the application of the prudent-person rule. The policy states, *investments shall be made with the judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. Primary emphasis shall be placed upon the safety of such funds in an effort to minimize risk while earning maximum returns.* The District Attorney's investment policy limits investments to those discussed earlier in this note.

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District Attorney will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investments in external investment pools are not exposed to custodial credit risk because of their natural diversification and the diversification required by Securities and Exchange Commission.

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

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

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

- Credit risk: LAMP is rated AAAM by Standard & Poor's.

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
Notes to Financial Statements  
As of and for the Year Ended December 31, 2018

**Note 2 – Deposits and Investments (Cont.)**

- Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.
- Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. The WAM for LAMP's total investments is 76 days as of December 31, 2018.
- Foreign currency risk: Not applicable.

The investments in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP, and the value of the position in the external investment pool is the same as the net asset value of the pool shares. Investment in LAMP as of December 31, 2018 amounted to \$32,323 and is classified on the Statement of Net Position as "Investments".

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

A reconciliation of deposits and investments as shown on the Statement of Net Position combined with the Statement of Fiduciary Net Position is as follows:

Reported amount of deposits	\$ 3,090,269
Reported amount of investments	<u>32,323</u>
Total	<u><u>\$ 3,122,592</u></u>
Cash	\$ 2,886,943
Investments	<u>235,649</u>
Total	<u><u>\$ 3,122,592</u></u>

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
Notes to Financial Statements  
As of and for the Year Ended December 31, 2018

**Note 3 – Due from Other Governmental Units**

The due from other governmental units balance consists of the following:

Due From	General Fund	M-D Program	Drug Court	Total
State of Louisiana	\$ 65,764	\$ 193,167	\$ 130,605	\$ 389,536
Terrebonne Parish Consolidated Government	26,587	-	-	26,587
Terrebonne Levee and Conservation District	14,430	-	-	14,430
Terrebonne Parish Sheriff's Office	12,948	-	-	12,948
City Court of Houma	3,660	-	-	3,660
Court-ordered fees	1,563	-	-	1,563
	<u>\$ 124,952</u>	<u>\$ 193,167</u>	<u>\$ 130,605</u>	<u>\$ 448,724</u>

**Note 4 – On-Behalf Payments and Expenditures of the District Attorney Not Included in the Financial Statements**

The accompanying financial statements are not required to be and do not include certain expenditures of the District Attorney paid out of the funds of the Terrebonne Parish Consolidated Government for such costs as insurance, utilities, legal fees, et cetera.

The District Attorney, Assistant District Attorneys, and office staff employees receive on-behalf payments for salaries and benefits from the Terrebonne Parish Consolidated Government that are required to be reported in the financial statements of the Terrebonne Parish District Attorney. As reported on page 16 of these financial statements, \$1,385,508 was received and paid by Terrebonne Parish Consolidated Government for salaries and benefits. Revenues and expenditures have been recognized in the general fund for these on-behalf payments.

**Note 5 – Capital Assets**

A summary of changes in capital assets follows:

	January 1, 2018	Additions	Deletions	December 31, 2018
Capital assets not being depreciated:				
Land	\$ 92,286	\$ -	\$ -	\$ 92,286
Capital assets being depreciated:				
Equipment and furniture	126,613	1,199	-	127,812
Weapons	24,521	-	-	24,521
Computer equipment	94,708	9,077	-	103,785
Vehicles	431,671	21,343	-	453,014
Software	113,188	-	-	113,188
Buildings and improvements	2,200,064	-	-	2,200,064
Total capital assets being depreciated	<u>2,990,765</u>	<u>31,619</u>	<u>-</u>	<u>3,022,384</u>

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
Notes to Financial Statements  
As of and for the Year Ended December 31, 2018

**Note 5 – Capital Assets (Cont.)**

Less accumulated depreciation:				
Equipment and furniture	(88,053)	(12,392)	-	(100,445)
Weapons	(21,479)	(836)	-	(22,315)
Computer equipment	(64,467)	(12,371)	-	(76,838)
Vehicles	(298,280)	(43,637)	-	(341,917)
Software	(71,341)	(11,319)	-	(82,660)
Buildings and improvements	(660,283)	(55,076)	-	(715,359)
Total accumulated depreciation	<u>(1,203,903)</u>	<u>(135,631)</u>	<u>-</u>	<u>(1,339,534)</u>
Total capital assets, net	<u>\$ 1,879,148</u>	<u>\$ (104,012)</u>	<u>\$ -</u>	<u>\$ 1,775,136</u>

The land and buildings are in the title of the Thirty-Second Judicial Enforcement District and are included in these financial statements as a blended component unit with the primary government.

A summary of changes in capital assets for the discretely presented component unit follows:

	<u>January 1, 2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>December 31, 2018</u>
Land	\$ 150,000	\$ -	\$ -	\$ 150,000
Equipment and furniture	123,848	2,324	-	126,172
Buildings and improvements	1,354,858	-	-	1,354,858
Total capital assets	<u>1,628,706</u>	<u>2,324</u>	<u>-</u>	<u>1,631,030</u>
Less accumulated depreciation:				
Equipment and furniture	(97,894)	(10,287)	-	(108,181)
Buildings and improvements	(279,710)	(33,872)	-	(313,582)
Total accumulated depreciation	<u>(377,604)</u>	<u>(44,159)</u>	<u>-</u>	<u>(421,763)</u>
Total capital assets, net	<u>\$ 1,251,102</u>	<u>\$ (41,835)</u>	<u>\$ -</u>	<u>\$ 1,209,267</u>

**Note 6 – Risk and Insurance**

The District Attorney's Office is exposed to various risks of loss related to tort; theft of, damage to, or destruction of assets; errors and omissions; and injuries to the public; and natural disasters. To protect against these risks, the District has purchased commercial or other insurance for the losses to which it is exposed.

**Note 7 – Postemployment Benefits**

The District Attorney does not offer post-retirement benefits to its employees.

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
Notes to Financial Statements  
As of and for the Year Ended December 31, 2018

**Note 8 – Notes Payable**

The District Attorney has eight notes payable with one financial institution. Interest rates on these notes range from 5.50% to 6.50%. These notes are collateralized by vehicles. Monthly principal and interest payments range from \$363 to \$611. Maturity dates on these notes range from April 23, 2019 through July 20, 2022. The debt service for these notes payable is as follows:

Year Ending December 31,	Principal	Interest	Total
2019	\$ 36,180	\$ 5,549	\$ 41,729
2020	36,235	3,401	39,636
2021	29,397	1,231	30,628
2022	5,708	107	5,815
Total	<u>\$ 107,520</u>	<u>\$ 10,288</u>	<u>\$ 117,808</u>

The following is a summary of changes in long-term debt obligations for notes payable for the year:

Balance Beginning of Year	Incurred	Paid	Balance End of Year
\$ 123,763	\$ 21,644	\$ 37,887	\$ 107,520

The Advocacy Center's note payable with a financial institution matured on November 2, 2018.

The following is a summary of changes in long-term debt obligations for this note payable for the year:

Balance Beginning of Year	Incurred	Paid	Balance End of Year
\$ 220,452	\$ -	\$ 220,452	\$ -

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
Notes to Financial Statements  
As of and for the Year Ended December 31, 2018

**Note 9 – Retirement Plans**

*District Attorney Retirement System (System)*

Plan Description: The District Attorney's Retirement System, State of Louisiana is a cost-sharing multiple-employer defined benefit pension plan. The System was established on August 1, 1956 and was placed under the management of the board of trustees for the purpose of providing retirement allowances and other benefits as stated under the provisions of R.S. 11, Chapter 3 for district attorneys and their assistants in each parish.

Eligibility Requirements: All persons who are district attorneys of the State of Louisiana or assistant district attorneys in any parish of the State of Louisiana shall become members as a condition of their employment; provided, however, that in the case of assistant district attorneys, they must be paid an amount not less than the minimum salary specified by the board. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

Retirement Benefits: Members who joined the System before July 1, 1990 and who have elected not to be covered by the new provisions, are eligible to receive a normal retirement benefit if they have 10 or more years of creditable service and are at least age 62, or if they have 18 or more years of service and are at least age 60, or if they have 23 or more years of service and are at least age 55, or if they have 30 years of service regardless of age. The normal retirement benefit is equal to 3% of the member's average final compensation for each year of creditable service. Members are eligible for early retirement at age 60 if they have at least 10 years of creditable service or at age 55 with at least 18 years of creditable service. Members who retire prior to age 60 with less than 23 years of service credit receive a retirement benefit reduced 3% for each year of age below 60. Members who retire prior to age 62 who have less than 18 years of service receive a retirement benefit reduced 3% for each year of age below 62. Retirement benefits may not exceed 100% of final average compensation.

Members who joined the System after July 1, 1990, or who elected to be covered by the new provisions, are eligible to receive normal retirement benefits if they are age 60 and have 10 years of service credit, are age 55 and have 24 years of service credit, or have 30 years of service credit regardless of age. The normal retirement benefit is equal to 3.5% of the member's final average compensation multiplied by years of membership service. A member is eligible for an early retirement benefit if he is age 55 and has 18 years of service credit.

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
Notes to Financial Statements  
As of and for the Year Ended December 31, 2018

**Note 9 – Retirement Plans (Cont.)**

The early retirement benefit is equal to the normal retirement benefit reduced 3% for each year the member retires in advance of normal retirement age. Benefits may not exceed 100% of average final compensation.

Disability benefits are awarded to active contributing members with at least 10 years of service who are found to be totally disabled as a result of injuries incurred while in active service. The member receives a benefit equal to 3% (3.50% for members covered under the new retirement benefit provisions) of his average final compensation multiplied by the lesser of his actual service (not to be less than 15 years) or projected continued service to age 60.

Upon the death of a member with less than five years of creditable service, his accumulated contributions and interest thereon are paid to his surviving spouse, if he is married, or to his designated beneficiary, if he is not married. Upon the death of any active, contributing member with five or more years of service or any member with 23 years of service who has not retired, automatic option 2 benefits are payable to surviving spouse. These benefits are based on the retirement benefits accrued at the member's date of death with the option factors used as if the member had continued in service to earliest normal retirement age. If a member has no surviving spouse, the surviving minor children under 18 or disabled children are paid 80% of the member's accrued retirement benefit divided into equal shares. If a member has no surviving spouse or children, his accumulated contributions and interest are paid to his designated beneficiary. In lieu of periodic payments, the surviving spouse or children may receive a refund of the member's accumulated contributions with interest.

Upon withdrawal from service, members not entitled to a retirement allowance are paid a refund of accumulated contributions upon request. Receipt of such a refund cancels all accrued rights in the system.

The Board of Trustees is authorized to grant retired members and surviving beneficiaries 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 surviving beneficiaries who are 65 years of age and older a 2% increase in their original benefit. In lieu of other cost of living increases, the Board may grant an increase to retirees in the form of "Xx(A&B)" where "A" is equal to the number of years of credited service accrued at retirement or death of the member or retiree and "B" is equal to the number of years since death of the member or retiree to June 30 of the initial year of increase and "X" is equal to any amount available for funding such increase up to a maximum of \$1. In order for the Board to grant any of these increases, the System must meet certain criteria detailed in the statute related to funding status and interest earnings.

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

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
Notes to Financial Statements  
As of and for the Year Ended December 31, 2018

**Note 9 – Retirement Plans (Cont.)**

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

Prior to January 1, 2009, eligible members could elect to participate in the Deferred Retirement Option Program (DROP) for up to three years in lieu of terminating employment and accepting a service benefit. During participation in the DROP, employer contributions were payable and employee contributions were reduced to 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 DROP. Upon termination of participation, the participant in the plan received, at his option, a lump-sum from the account equal to the payments into the account or systematic disbursements from his account in any manner approved by the Board of Trustees. The monthly benefits that were being paid into the DROP would then be paid to the retiree. All amounts which remain credited to the individual's sub-account after termination of participation in the Plan were invested in liquid money market funds. Interest was credited thereon as actually earned.

**Employer Contributions:** According to state statute, contribution requirements for all employers are actuarially-determined each year. For the year ending June 30, 2018, the actual employer contribution rate was 0%.

**Non-Employer Contributions:** In accordance with state statute, the System receives ad valorem taxes and state revenue-sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities. Non-employer contributions were recognized as revenue during the year ended June 30, 2018 and excluded from pension expense.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources:** As of December 31, 2018, the District Attorney reported liabilities in its government-wide financial statements of \$219,331 for its proportionate share of the net pension liabilities of the System. The net pension liabilities were measured as of June 30, 2018, and the total pension liability used to calculate the net pension obligation was determined by an actuarial valuation performed as of that date. The District Attorney's

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
Notes to Financial Statements  
As of and for the Year Ended December 31, 2018

**Note 9 – Retirement Plans (Cont.)**

proportion of the net pension liability was based on a projection of the District Attorney’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially-determined. As of June 30, 2018, the District’s proportional share of the System was 0.681592%, which was a decrease of 0.080613% from its proportion measured as of June 30, 2017.

For the year ended December 31, 2018, the District Attorney recognized a pension expense of \$65,403 in its governmental activities related to its participation in the System.

As of December 31, 2018, the District Attorney reported deferred outflows of resources and deferred inflows of resources related to pensions from the following resources:

	<u>Governmental Activities</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 1,178	\$ 31,862
Changes of assumptions	133,039	14,464
Net difference between projected and actual earnings on pension plan investments	18,365	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	22,509	29,858
	\$ 175,091	\$ 76,184

Deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year		
2019	\$	33,862
2020		18,469
2021		8,571
2022		11,973
2023		26,032
Total	\$	98,907



**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
Notes to Financial Statements  
As of and for the Year Ended December 31, 2018

**Note 9 – Retirement Plans (Cont.)**

assumptions, the System’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity to Changes in Discount Rate: The following presents the net pension liability calculated using the discount rate of 6.50%, as well as, what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.50%) or one percentage point higher (7.50%) than the current rate as of June 30, 2018.

	Changes in Discount Rate:		
	1% Decrease 5.50%	Current Discount Rate 6.50%	1% Increase 7.50%
Net Pension Liability	\$ 590,533	\$ 219,331	\$ (96,465)

Pension Plan Fiduciary Net Positions: Detailed information about the pension plan’s fiduciary net position is available in the separately-issued financial report for the System.

*Parochial Employees Retirement System of Louisiana (PERS)*

All individuals who work at the District Attorney's offices are paid by the Terrebonne Parish Consolidated Government and are consequently members (except those who are members of the District Attorney Retirement System) of the Parochial Employees Retirement System of Louisiana, a multiple-employer, public employee retirement system (PERS), which is controlled and administered by a separate board of trustees. Membership in the retirement system is compulsory at date of employment. Membership is cancelled only by death, resignation, or retirement. Retirement benefits are based upon PERS provisions in place at the time of retirement. Retirement expense for the year ended December 31, 2018 was \$178,963. Plan information, including actuarial valuation information and funding status, can be found in the annual report of the Terrebonne Parish Consolidated Government.

**Note 10 – Rent**

The District Attorney leases the building from which the Child Support, PTI, and Drug Court/DWI departments operate from the Terrebonne Children’s Advocacy Center. This agreement includes monthly lease payments of \$21,000 and matures on January 15, 2021. Rent expense incurred under this lease was \$252,000 for the year ended December 31, 2018.

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
Notes to Financial Statements  
As of and for the Year Ended December 31, 2018

**Note 10 – Rent (Cont.)**

Future amounts due under this lease are:

<u>December 31,</u>	
2019	\$ 252,000
2020	252,000
2021	<u>21,000</u>
	<u>\$ 525,000</u>

The District Attorney leases a parking lot near to the building from which it operates from an unrelated third party under a monthly lease agreement. This agreement includes monthly lease payments of \$700. Rent expense incurred under this lease was \$10,500 for the year ended December 31, 2018.

**Note 11 – Subsequent Events**

Subsequent events were evaluated by management through June 28, 2019, which is the date the financial statements were available to be issued, and it was determined that no events occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

**REQUIRED SUPPLEMENTAL INFORMATION**

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
 Budgetary Comparison Schedule – General Fund  
 Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Fines and fees	\$ 1,500,000	\$ 1,400,000	\$ 1,388,259	\$ (11,741)
Reimbursed attorney fees and salaries	-	-	152,072	152,072
Asset and bond forfeitures	-	-	142,194	142,194
Intergovernmental	100,000	50,000	114,352	64,352
Other	250,000	130,000	26,367	(103,633)
Interest earned	-	-	3,000	3,000
SPARC reimbursements	-	-	578	578
Total Revenues	<u>1,850,000</u>	<u>1,580,000</u>	<u>1,826,822</u>	<u>246,822</u>
<b>EXPENDITURES</b>				
General government - judicial - current:				
Personnel services and benefits	1,300,000	1,220,000	1,290,768	(70,768)
General operating	900,000	885,000	874,266	10,734
Total Current Expenditures	<u>2,200,000</u>	<u>2,105,000</u>	<u>2,165,034</u>	<u>(60,034)</u>
Capital outlay	15,000	5,000	2,957	2,043
Debt service:				
Principal	-	-	22,660	(22,660)
Interest	-	-	4,792	(4,792)
Total Expenditures	<u>2,215,000</u>	<u>2,110,000</u>	<u>2,195,443</u>	<u>(85,443)</u>
Excess of Expenditures over Revenues	(365,000)	(530,000)	(368,621)	161,379
<b>OTHER FINANCING SOURCES</b>				
Operating transfers in	<u>-</u>	<u>-</u>	<u>592,071</u>	<u>592,071</u>
<b>DEFICIENCY OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES</b>				
	(365,000)	(530,000)	223,450	753,450
<b>FUND BALANCES</b>				
Beginning of year	<u>530,000</u>	<u>1,243,000</u>	<u>1,242,770</u>	<u>(230)</u>
End of year	<u>\$ 165,000</u>	<u>\$ 713,000</u>	<u>\$ 1,466,220</u>	<u>\$ 753,220</u>

See Independent Auditor's Report.

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
 Budgetary Comparison Schedule – Special Revenue Funds  
 Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Intergovernmental revenue	\$ 800,000	\$ 800,000	\$ 1,606,373	\$ 806,373
Reimbursed attorney fees and salaries	-	200,000	150,000	(50,000)
Fines and fees	200,000	100,000	51,387	(48,613)
Other	100,000	-	6,248	6,248
Interest earned	-	-	1,258	1,258
Total Revenues	<u>1,100,000</u>	<u>1,100,000</u>	<u>1,815,266</u>	<u>715,266</u>
<b>EXPENDITURES</b>				
General government - judicial - current:				
Personnel services	500,000	700,000	763,106	(63,106)
General operating	750,000	750,000	683,388	66,612
Total Current Expenditures	<u>1,250,000</u>	<u>1,450,000</u>	<u>1,446,494</u>	<u>3,506</u>
Capital outlay	10,000	5,000	28,663	(23,663)
Debt service:				
Principal	-	-	15,227	(15,227)
Interest	-	-	2,038	(2,038)
Total Expenditures	<u>1,260,000</u>	<u>1,455,000</u>	<u>1,492,422</u>	<u>(37,422)</u>
Excess of Revenues Over Expenditures	<u>(160,000)</u>	<u>(355,000)</u>	<u>322,844</u>	<u>677,844</u>
<b>OTHER FINANCING USES</b>				
Note payable proceeds	-	-	21,644	21,644
Operating transfers out	-	-	(228,034)	(228,034)
Total Other Financing Uses	<u>-</u>	<u>-</u>	<u>(206,390)</u>	<u>(206,390)</u>
<b>DEFICIENCY OF REVENUES OVER EXPENDITURES AND OTHER FINANCING USES</b>				
	(160,000)	(355,000)	116,454	471,454
<b>FUND BALANCES</b>				
Beginning of year	<u>669,000</u>	<u>738,000</u>	<u>737,894</u>	<u>(106)</u>
End of year	<u>\$ 509,000</u>	<u>\$ 383,000</u>	<u>\$ 854,348</u>	<u>\$ 471,348</u>

See Independent Auditor's Report.

**OTHER INFORMATION**

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
Schedule of Compensation, Benefits, and Other  
Payments to the District Attorney  
For the Year Ended December 31, 2018

**Agency Head Name:** Joseph L. Waitz, Jr., District Attorney

<b>Purpose</b>	<b>Amount</b>
Salary	\$ 67,350
Car allowance/automobile expense	9,000
Benefits	5,388
Travel	2,848
Conference travel	1,032
Cell phone	625
Registration fees	450
Membership fees	-
Deferred compensation	-
Reimbursements	-
Per diem	-
Service fees	-
Vehicle provided by government	-
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Special meals	-

This schedule is used to satisfy the reporting requirements of R.S. 24:513(A)(3).

**REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS  
AND UNIFORM GUIDANCE**

**Martin  
and  
Pellegrin**

103 Ramey Road  
Houma, Louisiana 70360

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(A Professional Corporation)*

Ph. (985) 851-3638  
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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

To the Honorable Joseph L. Waitz, Jr.  
District Attorney of the Thirty-Second Judicial District  
Terrebonne Parish Consolidated Government  
Houma, 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, the discretely presented component unit, and each major fund of the District Attorney of the Thirty-Second Judicial District (the District Attorney), a component unit of the Terrebonne Parish Consolidated Government, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the District Attorney's basic financial statements, and have issued our report thereon dated June 28, 2019.

**Internal Control Over Financial Reporting**

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

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

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

### **Compliance and Other Matters**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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. This report is intended solely for the information and use of management, the reporting entity, federal awarding agencies and pass-through entities, and the Legislative Auditor for the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Houma, Louisiana  
June 28, 2019

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2018

**Section I – Summary of Auditor’s Results**

1. The auditor’s report expresses an unmodified opinion on the financial statements of the District Attorney of the Thirty-Second Judicial District.
2. No deficiencies in internal control were noted during the audit of the financial statements.
3. No instances of noncompliance required to be reported in accordance with *Government Auditing Standards* were noted during the audit.
4. No deficiencies in internal control were noted during the audit of internal control over the major federal award program.
5. The auditor’s report on compliance for the major federal award program for the District Attorney of the Thirty-Second Judicial District expresses an unmodified opinion on the major federal program.
6. No audit findings relative to the major federal award program were noted.
7. The program tested as a major program was the U.S. Department of Health and Human Services Child Support Enforcement program, CFDA #93.563.
8. The threshold used for distinguishing between Type A and B programs was \$750,000.
9. The District Attorney of the Thirty-Second Judicial District qualified as a low-risk auditee.
10. A management letter was not issued.

**Section II – Financial Statement Findings**

No findings related to the basic financial statements of the District Attorney of the Thirty-Second Judicial District were noted during the audit.

**Section III – Internal Control Findings**

No findings related to the District Attorney of the Thirty-Second Judicial District’s internal control, which would be required to be reported in accordance with *Government Auditing Standards*, were noted during the audit.

**Section IV – Findings and Questioned Costs – Major Federal Award Program Audit**

No significant control deficiencies, findings, or questioned costs were noted during the audit of the major federal award program.

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
Management's Corrective Action Plan for Current Year Findings  
For the Year Ended December 31, 2018

The contact person for all corrective actions noted below is Mr. Kevin Guidry, Administrator.

**Section I – Internal Control and Compliance**

This section is not applicable.

**Section II – Internal Control and Compliance Material to Federal Awards**

This section is not applicable.

**Section III – Management Letter**

This section is not applicable.

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
Schedule of Prior Findings and Resolution Matters  
For the Year Ended December 31, 2018

Note: The prior findings all relate to the December 31, 2017 audit engagement.

**Section I – Internal Control and Compliance Material to the Financial Statements**

This section is not applicable.

**Section II – Internal Control and Compliance Material to Federal Awards**

This section is not applicable.

**Section III – Management Letter**

This section is not applicable.

**INDEPENDENT AUDITOR'S REPORT FOR EACH MAJOR FEDERAL  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN  
ACCORDANCE WITH THE UNIFORM GUIDANCE**

To the Honorable Joseph L. Waitz, Jr.  
District Attorney of the Thirty-Second Judicial District  
Terrebonne Parish Consolidated Government  
Houma, Louisiana

**Report on Compliance for Each Major Federal Program**

We have audited the District Attorney of the Thirty-Second Judicial District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District Attorney's major federal programs for the year ended December 31, 2018. The District Attorney's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

The District Attorney's financial statements include the operations of the Thirty-Second Judicial Enforcement District (blended component unit) and the Terrebonne Children's Advocacy Center (legally separate nonprofit organization), which expended no federal awards and is not included in the District Attorney's schedule of expenditures of federal awards during the year ended December 31, 2018.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the District Attorney's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the

United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District Attorney's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for its major federal program. However, our audit does not provide a legal determination of the District Attorney's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, the District Attorney of the Thirty-Second Judicial District, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2018.

### **Report on Internal Control Over Compliance**

Management of the District Attorney is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District Attorney's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District Attorney's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. This report is intended solely for the information and use of management, federal awarding agencies, pass-through entities, and the Legislative Auditor for the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Houma, Louisiana  
June 28, 2019

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2018

Federal Grantor/ Pass-through Grantor/ Program Title	Federal CFDA Number	Contract Number	Federal Expenditures
<u>DEPARTMENT OF HEALTH AND HUMAN SERVICES/</u>			
<u>Administration for Children and Families/</u>			
<u>Pass-through payments from the Louisiana Department</u>			
<u>of Children and Family Services</u>			
Child Support Enforcement	93.563	2000211222	\$ 509,612 *
<u>Substance Abuse and Mental Health Services</u>			
<u>Administration</u>			
Substance Abuse and Mental Health Services			
Projects of Regional and National Significance	93.243	1H79TI080156-01; 5H79TI080156-02	213,311
<u>Administration for Children and Families/</u>			
<u>Pass-through payments from the State of Louisiana/</u>			
<u>Office of the Judicial Administrator</u>			
Temporary Assistance for Needy Families	93.558	N/A	123,357
<u>DEPARTMENT OF JUSTICE/</u>			
<u>Office of Justice Programs/</u>			
<u>Bureau of Justice Assistance</u>			
Drug Court Discretionary Grant Program	16.585	2016-DC-BX-0069	108,549
<u>Office for Victims of Crime/</u>			
<u>Pass-through payments from the Louisiana</u>			
<u>Commission on Law Enforcement</u>			
Crime Victim Assistance	16.575	2016-VA-03/02-3863	84,352
<u>DEPARTMENT OF TRANSPORTATION/</u>			
<u>National Highway Traffic Safety Administration/</u>			
<u>Pass-through payments from the Louisiana</u>			
<u>Highway Safety Commission</u>			
Alcohol Open Container Requirements	20.607	N/A	<u>75,000</u>
			<u>\$ 1,114,181</u>

\* Denotes a major program

See Independent Auditor's Report.

**District Attorney of the Thirty-Second Judicial District**  
**Terrebonne Parish, Louisiana**  
Notes to the Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2018

**Note A – Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the District Attorney of the Thirty-Second Judicial District and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

**Note B – Definition of a Major Program**

The Single Audit Act defines a major program based on the total federal awards expended during the year.

**Note C – CFDA Numbers**

The CFDA numbers included in this report were determined based on the program name, review of grant contract information, and the OMB's Catalog of Federal Domestic Assistance.

**Note D – Indirect Cost Rate**

The District Attorney did not elect to use the 10% de minimis indirect cost rate as allowed in the Uniform Guidance, Section 414.

**STATEWIDE AGREED-UPON PROCEDURES**

**Martin  
and  
Pellegrin**

103 Ramey Road  
Houma, Louisiana 70360

*Certified public Accountants  
(A Professional Corporation)*

Ph. (985) 851-3638  
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**INDEPENDENT ACCOUNTANT'S REPORT  
ON APPLYING AGREED-UPON PROCEDURES**

To the Honorable Joseph L. Waitz, Jr.  
District Attorney of the Thirty-Second Judicial District  
Terrebonne Parish Consolidated Government  
Houma, Louisiana

We have performed the procedures enumerated below, which were agreed to by the District Attorney of the Thirty-Second Judicial District (the 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 year ended December 31, 2018. The District Attorney 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 findings are described on pages 53-67.

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 Louisiana Legislative Auditor as a public document.



Houma, Louisiana  
June 28, 2019

**District Attorney of the Thirty-Second Judicial District**  
Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
As of and for the Year Ended December 31, 2018

The required procedures and our findings are as follows:

Procedures performed on the District Attorney's written policies and procedures:

**Written Policies and Procedures**

1. Obtain and inspect the District Attorney's written policies and procedures and observe that they address each of the following categories and subcategories, as applicable:

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

Performance: Obtained and inspected the written policy for budgeting and found it to contain the elements included above.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Obtained and read the written policy for purchasing and found it to contain all requirements above except for the requirement noted below.

Exceptions: The policy does not include the use of purchase orders.

Management's response: Management will consider adding a purchase order system to the purchasing policy.

c) Disbursements, including processing, reviewing, and approving

Performance: Obtained and read the written policy for disbursements and found it to contain the requirements included above.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Obtained and read the written policy for receipts/collections and found it to contain the requirements except for the requirement noted below.

Exceptions: Although it is known who collects and makes the deposits at cash collection location number 1, it is not documented in the policy.

Management's response: Management will consider adding the names of those who collect and make deposits at cash collection location number 1 to the policy.

**District Attorney of the Thirty-Second Judicial District**  
Schedule of Procedures and Associated Findings of the  
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- e) Payroll/Personnel, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked

Performance: Obtained and read the written policy for payroll and personnel and found it to contain the requirements except for the requirements noted below.

Exceptions: There is no mention of approval of leave or overtime worked.

Management's response: Management will consider adding the process for approving leave and overtime worked to the policy.

- f) Contracting, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process

Performance: Obtained and read the written policy related to contracting and found it to contain the requirements except for the requirements noted below.

Exceptions: The policy does not include the types of services requiring written contracts nor legal review of written contracts.

Management's response: Management will consider adding the types of services requiring written contracts and legal review of written contracts to its policy.

- 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

Performance: Obtained and read the written policy related to credit cards and found it to contain the requirements except for the requirement noted below.

Exceptions: Although credit card transactions are approved, the required approver is not listed in the policy.

Management's response: Management will consider adding the position of the required approver to its policy.

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

Performance: Obtained and read the travel and expense reimbursement policy and found it contained all requirements listed above except for the requirements below.

Exceptions: Dollar thresholds by category of expense are not disclosed. The policy mentions that meals shall be reimbursed to employees while traveling out of town on any business forum in an amount not to exceed the state-allowed rates. Mileage reimbursement is not discussed in the policy.

Management's response: Management will consider adding dollar thresholds and the mileage rate to the written policy.

**District Attorney of the Thirty-Second Judicial District**  
Schedule of Procedures and Associated Findings of the  
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As of and for the Year Ended December 31, 2018

- 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

Performance: Obtained and read the ethics policy.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Determined whether the District Attorney has a written debt service policy.

Exceptions: While the District Attorney does have a debt service policy, it is not written.

Management's response: The District Attorney will include its debt service policy in its written policies.

**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) Observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund, as well as monthly financial statements.
- c) 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.

Performance: Determined that board meetings were not required to be held. As such, this section does not apply.

**District Attorney of the Thirty-Second Judicial District**  
Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
As of and for the Year Ended December 31, 2018

**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 four additional accounts (or all accounts if less than five). 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 two 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);
  - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Performance: Determined that the procedures under #3 could be excluded as the District Attorney did not have any exceptions in the Bank Reconciliations category in the prior year.

**Collections**

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

Performance: Observed the listing of deposit sites from management and received management's representation in a separate letter.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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. five collection locations for five deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

Performance: Observed the listing of cash/check/money order (cash) collection locations from management and received management's representation in a separate letter.

**District Attorney of the Thirty-Second Judicial District**  
Schedule of Procedures and Associated Findings of the  
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Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Inspected policy manuals and inquired of client as to all of the requirements.

Exceptions: The person responsible for making the deposit can also collect cash. At cash collection location number 3, five of the employees share two drawers.

Management's response: Management will separate these duties when it is cost-beneficial to do so. Management will continue to closely monitor the collection activities of the District Attorney.

- 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.

Performance: Inspected policy manuals and inquired of client to ensure separation of duties for those employees collecting cash and those employees preparing/making bank deposits.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Inspected policy manuals and inquired of client to ensure separation of duties for those employees collecting cash and those employees posting collection entries to the general ledger or subsidiary ledgers.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- 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.

Performance: Inspected policy manuals and inquired of client to ensure separation of duties for those employees collecting cash and those employees reconciling cash collections to the general ledger and/or subsidiary ledgers. Determined that outside certified public accountant reconciles cash accounts.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

**District Attorney of the Thirty-Second Judicial District**  
Schedule of Procedures and Associated Findings of the  
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6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

Performance: Determined that employees who have access to cash are covered by a bond or insurance policy for theft.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

7. Randomly select two deposit dates for five random bank accounts. Obtain supporting documentation for each of the ten deposits and:

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

Performance: Determined that sequentially pre-numbered receipts were not required for the ten randomly selected deposits as there was no cash included.

Exceptions: Not applicable.

Management's response: Not applicable.

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

Performance: Inspected deposits from two random deposit dates to determine if they had collection documentation that agreed to the respective deposit slips. Noted that all collections were supported by adequate documentation.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Inspected deposits from two random deposit dates to determine if the deposit slips agreed to the actual deposits per the bank statements.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- 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 ten miles from the collection location or the deposit is less than \$100).

Performance: Determined if deposits from two random dates were deposited within one business day of receipt.

Exceptions: It could not be determined if deposits were made within one business day of receipt as check stubs are not stamped when they are received.

Management's response: Deposits are made within a reasonable amount of time, not to exceed three to five days.

**District Attorney of the Thirty-Second Judicial District**  
Schedule of Procedures and Associated Findings of the  
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- e) Trace the actual deposit per the bank statement to the general ledger.

Performance: Inspected deposits from two random deposit dates to determine if the deposits per the bank statements agree to the general ledger.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

**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 five locations (or all locations if less than five).

Performance: Obtained a listing of locations that processed payments for the fiscal period from management and received management's representation in a separate letter. Determined that only one location processed payments.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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, 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.

Performance: Obtained a listing of those employees involved with non-payroll purchasing and payment functions along with written policies and procedures for those functions to determine if there was a proper segregation of duties for initiating, approving, and making purchases.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Obtained a listing of those employees involved with non-payroll purchasing and payment functions along with written policies and procedures for those functions to determine if there was a proper segregation of duties for processing and approving payments to vendors.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

**District Attorney of the Thirty-Second Judicial District**  
Schedule of Procedures and Associated Findings of the  
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As of and for the Year Ended December 31, 2018

- 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.

Performance: Inspected policy and inquired of management as to separation of duties related to vendor files.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Inquired of management to determine if the employee responsible for processing payments mails those respective payments.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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 five disbursements for each location, obtain supporting documentation for each transaction and:

Performance: Obtained the completed general ledger for the fiscal period and obtained management's representations in a separate letter. Randomly selected five disbursements using a random number generator for check numbers to test the requirements below.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Determined that the five random disbursements matched their respective original invoices.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Determined whether the documentation for the five random disbursements gave evidence of the segregation of duties tested under #9 above.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

**District Attorney of the Thirty-Second Judicial District**  
Schedule of Procedures and Associated Findings of the  
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**Credit Cards/Debit Cards/Fuel Cards/P-Cards**

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

Performance: Observed the listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) from management and received management's representation in a separate letter.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

12. Using the listing prepared by management, randomly select five cards (or all cards if less than five) 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.

Performance: Observed written approvals of credit card transactions on monthly statements.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Traced selected credit card statements to determine if any finance charges or late fees were applied to balances.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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).

**District Attorney of the Thirty-Second Judicial District**  
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Performance: Observed whether randomly selected credit card transactions were supported by the requirements listed above.

Exceptions: Three receipts/invoices were missing; however, one of these invoices is a monthly software support fee for which no invoice is ever sent. One invoice did not include the business purpose.

Management's response: Management will ensure that only credit card purchases supported by the requirements above be paid by the District Attorney.

**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 five reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the five reimbursements selected:

Performance: Obtained a list of all travel and related expense reimbursements. Management's representation of the listing was confirmed in a separate letter. Randomly selected five travel reimbursements to test.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Determined that the randomly selected reimbursements paid on a per diem basis were not in excess of GSA rates.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Determined that the randomly selected travel reimbursements were each supported by an original itemized receipt that identifies precisely what was purchased.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- 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).

**District Attorney of the Thirty-Second Judicial District**  
Schedule of Procedures and Associated Findings of the  
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Performance: Reviewed documentation of the business/public purpose for each expense.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Inspected each expense reimbursement request to find approval by supervisors.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

**Contracts**

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Obtain management's representation that the listing is complete. Randomly select five contracts (or all contracts if less than five) from the listing, excluding the practitioner's contract, and:

Performance: Observed the listing of contracts in effect during the fiscal year from management and received management's representation of completeness in a separate letter. Randomly selected five contracts to determine if they complied with the requirements below.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Determined that the District Attorney does not have to comply with the Public Bid Law or Procurement Code for any of the selected contracts in place.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- 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).

Performance: Determined that no board meetings are held and that board approval on contracts does not apply to the District Attorney.

Exceptions: Not applicable.

Management's response: Not applicable.

**District Attorney of the Thirty-Second Judicial District**  
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- c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.

Performance: Determined that none of the contracts were amended.

Exceptions: Not applicable.

Management's response: Not applicable.

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

Performance: Inspected one invoice and payment from each of the five contracts to determine if the invoice and related payment complied with the terms of each respective contract.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

### **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 five employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Performance: Observed the listing of employees with their related salaries from management and received management's representation of completeness in a separate letter. Compared compensation in the salary schedules with payments made to randomly selected employees. Reviewed salary/hourly amounts in personnel files.

Exceptions: While personnel files are updated with payrates for those District Attorney employees paid by the Parish, only a spreadsheet with the set rate of pay for each employee directly paid by the District Attorney's Office is kept.

Management's response: Management will update the other personnel files.

17. Randomly select one pay period during the fiscal period. For the five 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).

Performance: Randomly selected one pay period to test leave taken during that period. Inspected all daily attendance and leave records for proper documentation.

Exceptions: The attendance of salaried employees is not documented.

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Management's response: Salaried employees are not required to document their attendance, only their absences.

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

Performance: Confirmed that attendance and leave records were reviewed and approved by the proper supervisor.

Exceptions: The attendance of salaried employees is not documented.

Management's response: Salaried employees are not required to document their attendance, only their absences; however, a spreadsheet provides their set salary/hourly amount to be paid.

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

Performance: Inquired and confirmed that the District Attorney maintains written leave records for each employee eligible for paid leave.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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' leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.

Performance: Inquired and inspected list of employees that terminated during the period and received management's representation of completeness in a separate letter. Determined that no termination payments were made or required.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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.

Performance: Obtained management's representation that employer and employee portions of payroll taxes, retirement contributions, and health insurance premiums have been paid, and associated forms have been filed, by required deadlines.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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**Ethics**

20. Using the five 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 District Attorney's ethics policy during the fiscal period.

Performance: Determined that the procedures under #20 could be excluded as the District Attorney did not have any exceptions in the Ethics category in the prior year.

**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.

Performance: Determined that the procedures under #21 and #22 could be excluded as the only debt outstanding by the District Attorney is for vehicles purchased under State contract. This type of debt does not fall under this section.

**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.

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Performance: Determined that the procedures under #23 and #24 could be excluded as the District Attorney did not have any exceptions in the Other category in the prior year.