

DISTRICT ATTORNEY OF THE TWENTIETH
JUDICIAL DISTRICT

EAST AND WEST FELICIANA PARISH, LOUISIANA

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2017

DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT
PARISHES OF EAST AND WEST FELEICIANA
FINANCIAL REPORT
WITH INDEPENDENT AUDITOR'S REPORT
AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 2017
WITH SUPPLEMENTAL INFORMATION SCHEDULE

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MC DUFFIE K. HERROD, LTD.

(A Professional Accounting Corporation)

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Independent Auditor's Report

The Honorable Samuel D'Aquilla
District Attorney of the Twentieth Judicial District
Parishes of East and West Feliciana
State of Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, the fiduciary funds, and the aggregate remaining fund information of the District Attorney of the Twentieth Judicial District, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the District Attorney of the Twentieth Judicial District'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 the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, the fiduciary funds, and the aggregate remaining fund information of the District Attorney of the Twentieth Judicial District as of December 31, 2017, and the respective changes in financial position for the year then ended in conformity 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 3 through 7, the budgetary comparison information on pages 26 through 27, and the schedule of the District Attorney's proportionate share of the net pension liability on pages 28 and 29 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 the 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.

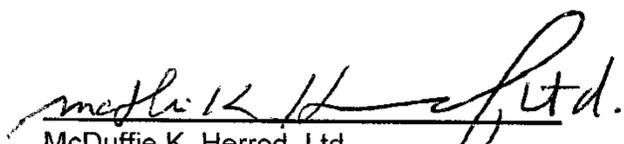
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District Attorney of the Twentieth Judicial District's basic financial statements. The supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the financial statements.

Other Supplementary Information

The other supplemental information schedules listed in the table of contents are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated June 30, 2017, on our consideration of the District Attorney of the Twentieth Judicial District'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 of the Twentieth Judicial District's internal control over financial reporting and compliance.


McDuffie K. Herrod, Ltd.
A Professional Accounting Corporation
June 29, 2018

MANAGEMENT DISCUSSION AND ANALYSIS

**DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2017**

This section of the District Attorney's annual financial report presents our discussion and analysis of the District Attorney's financial performance during the fiscal year ended on December 31, 2017. Please read it in conjunction with the transmittal letter at the front of this report and the District Attorney's financial statements, which follow this section.

PAST ACCOMPLISHMENTS

During 2017, the District Attorney had the following:

- The District Attorney's office in East Feliciana Parish saw 1,192 criminal cases filed.
- The District Attorney's office in West Feliciana Parish saw 747 criminal cases filed.

GRANT PROGRAMS:

- **THE VICTIM ASSISTANCE PROGRAM** offers free counseling to victims who cannot afford counseling on their own. This program uses local licensed counselors who have years of experience in counseling. This program is now in its twelfth year.
- **THE DRUG DIVERSION PROGRAM** offers first time drug offenders educational classes on how to abstain from drugs and alcohol, and the effects of drug and alcohol abuse. Instructors consist of local professionals who have a background in education. This program is now in its eleventh year. The enrollment in the program for the year 2017 was 24 persons.
- **VICTIM RESTITUTION ASSISTANCE PROGRAM** works directly with assigned victims who have received restitution awards. Qualifying victims in East Feliciana Parish was 236 and 99 victims qualified in West Feliciana Parish.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts - management's discussion and analysis (this section), the basic financial statements, required supplementary information, and an optional section that presents combining statements for non-major governmental funds and internal service funds. The basic financial statements include two kinds of statements that present different views of the District Attorney:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the District Attorney's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District Attorney's government, reporting the District Attorney's operations in more detail than the government-wide statements.
- The governmental funds statements tell how general government services, like public safety, were financed in the short term as well as what remains for future spending.
- Fiduciary fund statements provide information about the financial relationships in which the District Attorney acts solely as agent for the benefit of others, to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required

**DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2017**

supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and relate to one another. In addition to these required elements, we have included a section with combining statements that provide details about our non-major governmental funds and internal service funds, each of which are added together and presented in single columns in the basic financial statements.

Government-Wide Statements

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

The two government-wide statements report the District Attorney's net assets and how they have changed. Net assets - the difference between the District Attorney's assets and liabilities - is one way to measure the District Attorney's financial position.

- Over time, increases or decreases in the District Attorney's net assets are an indicator of whether its financial health is improving or deteriorating.
- To assess the overall financial health of the District Attorney, one needs to consider additional financial factors such as changes in the finances of the State of Louisiana and the parishes of East and West Feliciana.

The government-wide financial statements of the District Attorney consist of:

- Governmental activities - all of the District Attorney's basic services are included here, such as the public safety program, and general administration.

Fund Financial Statements

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

- Some funds are required by State law.

The District Attorney has two kinds of funds:

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

**DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2017**

- Fiduciary funds - we excluded these activities from the District Attorney's governmental-wide financial statements because the District Attorney cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE DISTRICT ATTORNEY AS A WHOLE

Net Position. The District Attorney's combined net position was as follows. (See Table A-1.)

**Table A-1
District Attorney's Net Position**

	Governmental Activities	
	2016	2017
Current and other assets	\$ 537,372	\$ 633,457
Capital assets – net	80,350	67,755
Deferred Outflows – Pension	34,642	84,799
Total Assets & Deferred Outflows	\$ 652,364	786,011
Current Liabilities	\$ 22,474	27,802
Long-Term Liabilities	16,618	77,250
Deferred Grant Revenue	2,500	2,500
Deferred Inflows - Pension	65,976	47,283
Total Liabilities & Deferred Inflows	107,568	154,835
Net Assets		
Invested in capital assets	\$ 80,350	67,755
Unrestricted	464,446	563,421
Total Net Assets	\$ 544,796	\$ 631,176

**DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2017**

Governmental Activities

**Table A-2
Changes in District Attorney's Net Position**

	Governmental Activities	
	2016	2017
Revenues		
Program Revenues		
Charges for services	\$ 386,335	\$ 516,478
State grants and entitlements	363,896	468,925
Other	69,222	80,631
Total Revenues	\$ 819,453	\$ 1,066,034
Expenses		
General governmental	825,452	978,420
Total Expenses	825,452	978,420
Increase (decrease) in net position	(\$5,999)	\$ 87,614

**Table A-3
Net Cost of District Attorney's Governmental Activities**

	Total Cost of Services 2016	Total Cost of Services 2017
Public Safety	\$623,307	\$766,135
IVD Program	202,145	212,285
Total	\$825,452	\$978,420

FINANCIAL ANALYSIS OF THE DISTRICT ATTORNEY'S FUNDS

As the District Attorney completed the year, its governmental funds reported a combined fund balance of \$631,176.

**DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2017**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2017, the District Attorney had invested \$67,755 in capital assets (See Table A-4)

**Table A-4
District Attorney's Capital Assets
(net of depreciation)**

	Governmental Activities	
	2016	2017
Furniture and equipment	<u>\$ 80,350</u>	<u>\$ 67,755</u>
Total	<u><u>\$ 80,350</u></u>	<u><u>\$ 67,755</u></u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The District Attorney is dependent on the State of Louisiana and the East and West Feliciana Parishes Police Juries for most of its revenues. The economy is not expected to generate any significant growth. Therefore, the District Attorney's future revenues are expected to be consistent with the current years. The budget for the 2018 year is approximately the same as the year 2017.

CONTACTING THE DISTRICT ATTORNEY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the District Attorney's finances and to demonstrate the District Attorney's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mr. Samuel C. D'Aquila, District Attorney, 11651 Ferdinand St., St. Francisville, Louisiana, 70775.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)

DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT
Statement of Net Position
December 31, 2017

ASSETS AND DEFERRED OUTFLOWS

Cash and Cash Equivalents	\$	360,604
Investments		143,629
Receivables, net		129,224
Capital assets, net of accumulated depreciation		67,755
		<u>701,212</u>
Deferred Outflows		
Pension Related		84,799
		<u>84,799</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS		<u>786,011</u>

LIABILITIES AND DEFERRED INFLOWS

LIABILITIES

Accounts payable		24,642
Accrued payables		3,160
		<u>27,802</u>

LONG-TERM LIABILITIES

Net Pension Liability		77,250
		<u>77,250</u>

DEFERRED INFLOWS

Deferred Grant Revenue		2,500
Pension Related		47,283
		<u>49,783</u>

TOTAL LIABILITIES AND DEFERRED INFLOWS		<u>154,835</u>
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NET POSITION

Invested in capital assets		67,755
Unrestricted		563,421
		<u>563,421</u>

TOTAL NET POSITION	\$	<u>631,176</u>
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The accompanying notes are an integral part of this financial statement

DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT
Statement of Activities
For the Year Ended December 31, 2017

		Program Revenues		Net (Expenses) Revenue and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental unit
<u>FUNCTIONS PROGRAMS</u>				
Governmental activities				
Public safety	\$ 766,135	\$ 516,478	\$ 265,744	\$ 16,087
Health and welfare - IV-D	212,285		203,181	(9,104)
Total governmental activities	\$ 978,420	\$ 516,478	\$ 468,925	\$ 6,983
General Revenues:				
Interest and investment earnings			579	
Other			55,052	
Local revenue			25,000	
Total general revenues and special items				\$ 80,631
Excess of expenditures over revenue				87,614
Net Position - December 31, 2016				560,503
Prior Period Adj, GASB 68				(16,941)
Net Position - December 31, 2016 as restated				543,562
Net position - December 31, 2017				\$ 631,176

The accompanying notes are an integral part of this financial statement

FUND FINANCIAL STATEMENTS

DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT
 Balance Sheet
 Governmental Funds
 December 31, 2017

	General Fund	IV-D Special Revenue Fund	Total
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 320,784	\$ 39,820	\$ 360,604
Investments	57,633	85,996	143,629
Accounts receivables			
State grants			0
Grants from DCFS- IV-D		33,219	33,219
Dept. of Corrections	1,399		1,399
Other receivables	93,772	834	94,606
Prepaid Expense			-
	<u>\$ 473,588</u>	<u>\$ 159,869</u>	<u>\$ 633,457</u>
 <u>LIABILITIES AND FUND BALANCES</u>			
Liabilities			
Accounts payable	\$ 24,642	\$ -	\$ 24,642
Accrued payables	5,280	380	5,660
	<u>29,922</u>	<u>380</u>	<u>30,302</u>
Fund balances:			
Fund Equity - Unassigned	443,666		443,666
Fund Equity - Assigned		159,489	159,489
	<u>443,666</u>	<u>159,489</u>	<u>603,155</u>
TOTAL FUND BALANCES	<u>443,666</u>	<u>159,489</u>	<u>603,155</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 473,588</u>	<u>\$ 159,869</u>	<u>\$ 633,457</u>

The accompanying notes are an integral part of this financial statement

DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2017

Total fund balances - Governmental Funds		\$	603,155
Total net assets reported in the statement of net position is different because:			
Deferred Outflows - Pension Related			84,799
Capital Assets:			
Cost of captial assets at December 31, 2017	309,709		
Less: accumulated depreciation as of December 31, 2017	<u>(241,954)</u>		67,755
Long-term liabilities are not due and payable in the current period and therefore, are not reported in the Governmental Balance Sheet			
Deferred Inflows - Pension Related			(47,283)
Net Pension Liability			<u>(77,250)</u>
Total net position at December 31, 2017 - Governmental Acitivites		\$	<u>631,176</u>

The accompanying notes are an integral part of this financial statement

DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2017

	General Fund	Special Revenue Fund	Total
<u>REVENUES</u>			
Commissions of fines and forfeitures	\$ 127,252		\$ 127,252
Interest earnings	311	268	579
Intergovernmental revenue:			
Department of Children & Family Services		203,181	203,181
Parish Police Jury	36,318		36,318
State of Louisiana			-
Grants	144,049		144,049
Check collection and DA fees	47,822		47,822
Pre-trial intervention fees	137,538		137,538
Other	369,294		369,294
TOTAL REVENUES	\$ 862,584	\$ 203,449	\$ 1,066,033
<u>EXPENDITURES</u>			
General Government:			
Current operating:			
Personnel service & related benefits	\$ 455,269	\$ 199,196	\$ 654,465
Materials & Supplies	280,923	13,089	294,012
Grant expenses	4,808	-	4,808
Capital outlay	12,540		12,540
TOTAL EXPENDITURES	\$ 753,540	\$ 212,285	\$ 965,825
<u>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</u>	109,044	(8,836)	100,208
Fund balances - beginning of year			-
Fund balances - end of year	\$ 109,044	\$ (8,836)	\$ 100,208

The accompanying notes are an integral part of this financial statement

DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT
 RECONCILIATION OF THE GOVERNMENTAL FUNDS
 STATEMENT OF THE REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
 DECEMBER 31, 2017

Net change in fund balances - total governmental funds \$ 100,208

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expenses. This is the amount which depreciation exceeded capital outlays in the current period.

	Depreciation expense	(25,134)
	Capital outlays	12,540
		<hr/>

Change in net position of governmental activities	<u>\$ 87,614</u>
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DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT
STATEMENT OF FIDUCIARY NET ASSETS
DECEMBER 31, 2017

	<u>Special Asset Forfeiture</u>
<u>ASSETS</u>	
Cash	<u>\$ 20,446</u>
TOTAL ASSETS	<u><u>\$ 20,446</u></u>
 <u>LIABILITIES</u>	
Due to other governmental units	<u>\$ 20,446</u>
TOTAL LIABILITIES	<u><u>\$ 20,446</u></u>

The accompanying notes are an integral part of this statement

NOTES TO FINANCIAL STATEMENTS

District Attorney of the Twentieth Judicial District
Notes to Financial Statements
December 31, 2017

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 within his district, is the representative of the State before the grand jury in his district, is the legal advisor to the grand jury, and performs other duties as provided by law. The Twentieth Judicial District encompasses the parishes of East and West Feliciana, Louisiana. The District Attorney is elected for a term of six years.

NOTE # 1 SUMMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the District Attorney of the Twentieth Judicial District have been prepared in conformity with generally accepted accounting principles (GAAP) accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying basic 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, issued in June 1999.

B. REPORTING ENTITY

For financial reporting purposes, in conformity with GASB Codification Section 2100, the District Attorney of the Twentieth Judicial District (the District Attorney) is a part of the district court system in the State of Louisiana. However, the District Attorney operates autonomously from the State of Louisiana and independently from the district court system. Therefore, the District Attorney reports as an independent reporting entity.

As the governing authority of the parish, for reporting purposes, the East Feliciana Parish Police Jury and West Feliciana Parish Council is the financial reporting entity for the East and West Feliciana Parishes. The financial reporting entity consists of (a) the primary government of Police Jury and Council, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusions would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the District Attorney to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the District Attorney.

2. Organizations for which the District Attorney does not appoint a voting majority, but are fiscally dependent on the District Attorney.

District Attorney of the Twentieth Judicial District
Notes to Financial Statements
December 31, 2017

3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the East Feliciana Parish Police Jury and West Feliciana Parish Council provide a significant amount of financial revenues, the District Attorney was determined to be a component unit of the East Feliciana Parish Police Jury and West Feliciana Parish Council, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District Attorney and do not present information on the East Feliciana Parish Police Jury and West Feliciana Parish Council, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. FUND ACCOUNTING

The accounts of the District Attorney are organized on the basis of funds, each of which is considered a separate accounting entity. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained is consistent with legal and managerial requirements. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The funds presented in the financial statements are described as follows:

GOVERNMENTAL FUNDS:

General Fund

The General Fund was established in compliance with Louisiana Revised Statute 15:571.11, which provides that 12% of the fines collected and 30% of bonds forfeited be transmitted to the District Attorney to defray the necessary expenditures of the District Attorney. The General Fund accounts for the operations of the District Attorney's office.

Special Revenue Fund

The Special Revenue Fund consists of grants from the Department of Children and Family Services, authorized by Act 117 of 1975, to establish family and child support programs compatible with Title IV-D of the Social Security Act. The purpose of the fund is to enforce the support obligation owed by absent parents, to their families and children, to locate absent parents, to establish paternity, and to obtain family and child support.

FIDUCIARY FUNDS:

Agency Fund

Agency Funds are used to account for assets held by the Office of the District Attorney as an agent for other governments and/or other funds. The Agency Fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations. The District Attorney has established the following agency fund:

Narcotic Seizure Account

The District Attorney's Narcotic Seizure Account is used to account for assets awarded by court judgments as a result of seizures and forfeitures of property in successfully prosecuted narcotics

District Attorney of the Twentieth Judicial District
Notes to Financial Statements
December 31, 2017

and other criminal investigations. The proceeds are held in custody by the District Attorney for distribution as provided under applicable Louisiana Statutes.

D. ACCOUNTING / MEASUREMENT FOCUS

Accrual Basis - Government Wide Financial Statements (GWFS)

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

Program Revenues

Program revenues included in the Statement of Activities derive directly from parties outside the District Attorney's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District Attorney's general revenues.

Modified Accrual Basis - Fund Financial Statements (FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

Governmental and Agency Funds are accounted for on the modified accrual basis of accounting. Under this basis of accounting, revenues are recognized in the accounting period in which they become susceptible to accrual - that is, when they become measurable and available to pay current period liabilities. Commissions on fines and bond forfeitures are reported in the year they are collected by the tax collector. Grants and state appropriations are recorded when the District Attorney is entitled to the funds. Interest income on investments is recorded when earned. Substantially all other revenues are recorded when received.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Costs of accumulated unpaid vacation, sick leave and other employee benefit amounts are reported in the period due and payable rather than the period earned by the employees, and general long-term obligations principal and interest payments are recognized only when due.

Transfers between funds that are not expected to be repaid are accounted for as other financing resources.

E. BUDGETS AND BUDGETARY ACCOUNTING

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

District Attorney of the Twentieth Judicial District
Notes to Financial Statements
December 31, 2017

1. In accordance with the Budget Act of the State of Louisiana, the District Attorney prepares operating budgets for the General and Special Revenue Funds at least fifteen days prior to the commencement of the budgetary fiscal year. The operating budgets include proposed expenditures and the means of financing them for the upcoming year.
2. The budgets are available for public inspection for a fifteen day period prior to a public hearing held to obtain taxpayer comment.
3. The budgets are adopted at the public hearing and are authorized for implementation on the first day of the fiscal year.
4. The budgets are prepared on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).
5. The budgets may be revised during the year as estimates regarding revenues and expenditures change.
6. Appropriations lapse at the end of each fiscal year.

F. COMPENSATED ABSENCES

On January 10, 2004, the District Attorney adopted a policy for leave benefits which allows a maximum of 10 days of vacation leave per calendar year to be earned; after 5 years of service, 15 days of vacation leave is earned per calendar year. Upon termination, employees are paid for their unused vacation leave. Sick leave is allowed to accrue and accumulate, but not over 20 days. However, such sick leave benefits are payable only upon absence from work for medical reasons. Upon termination, accumulated sick leave lapses, and no payments are made for the unused accumulations. Under the leave policy adopted, accrual of unused vacation leave in the financial statements is required in accordance with GASB Statement No. 16. However, accrual of unused sick leave is not required since the amount accumulated lapses upon termination.

G. CASH AND TIME DEPOSITS

Cash includes amounts in demand deposits, interest-bearing deposits, and money market accounts. 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, and national banks having their principal office in Louisiana.

H. CAPITAL ASSETS

All capital assets are capitalized at historical cost, or estimated historical costs for assets where actual cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District Attorney maintains a threshold level of \$500 or more for capitalizing assets.

Capital assets are recorded in the GWFS, but are not reported in the FFS. All capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed by the District Attorney, no salvage value is taken into consideration for depreciation purposes. Useful lives vary from 5 to 7 years.

District Attorney of the Twentieth Judicial District
Notes to Financial Statements
December 31, 2017

I. OPERATING TRANSFERS IN AND OUT

Advances between funds which are not expected to be repaid are accounted for as transfers. In those cases where repayment is expected, the transfers are accounted for through the various due from and due to accounts.

J. ESTIMATES

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

NOTE # 2 CAPITAL ASSETS

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

	<u>Furniture and Equipment</u>
Cost of capital assets January 1, 2017	\$297,169
Additions	12,540
Deletions	<u>0</u>
Cost of capital assets December 31, 2017	<u>\$309,709</u>
Accumulated depreciation, January 1, 2017	216,819
Deletions	0
Additions	<u>25,135</u>
Accumulated depreciation, December 31, 2017	<u>\$241,954</u>
Capital assets, net of accumulated depreciation, at December 31, 2017	<u>\$67,755</u>

Depreciation expense of \$25,135 for the year ended December 31, 2017 was charged to the following governmental functions:

Public service	\$25,135
Title IV-D	<u>0</u>
	<u>\$25,135</u>

District Attorney of the Twentieth Judicial District
Notes to Financial Statements
December 31, 2017

NOTE # 3 RETIREMENT SYSTEMS

The District Attorney and Assistant District Attorneys are members of the Louisiana District Attorneys Retirement System (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. Assistant District Attorneys who earn, as a minimum, the amount paid by the state for Assistant District Attorneys and are under the age of 60 at the time of original employment and all District Attorneys are required to participate in the System.

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. 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.

Death and disability payments are also provided as established by state statutes.

The System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

Louisiana District Attorneys' Retirement System
1645 Nicholson Drive
Baton Rouge, Louisiana 70802
Phone (225) 343-0171

Funding Policy - Plan members are required to contribute 8 percent of their annual covered salary and the District Attorney is required to contribute an actuarially determined rate of 7 percent. Member contributions and employer contributions for the LDARS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At December 31, 2017, the District Attorney reported a liability of \$77,250 for its proportionate share of the net pension liability of the System. The net pension liability was measured as of June 30, 2017 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District Attorney's 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. At June

District Attorney of the Twentieth Judicial District
Notes to Financial Statements
December 31, 2017

30, 2017, the District Attorney's proportion was 0.28641%, which was an increase of 0.089007% from its proportion measured as of June 30, 2016. For the year ended December 31, 2017, the District Attorney recognized pension expense of \$7,560 representing its proportionate share of the System's net expense, including amortization of deferred amounts.

At December 31, 2017, the District Attorney reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Flows of Resources	Outflows	Inflows
Differences between expected and actual experience	\$ 0	\$20,309
Changes of assumptions	34,635	9,117
Net difference between projected and actual earnings on Pension plan investments	31,002	0
Changes in proportion and differences between employer contributions and proportionate share of contributions	19,162	17,857
Employer contributions subsequent to the measurement date	0	0
Totals	\$ 84,799	\$47,283

The District Attorney reported a total of \$47,283 as deferred outflow of resources related to pension contributions made subsequent to the plan's measurement period of June 30, 2017 which will be recognized as a reduction in net pension liability in the District Attorney's fiscal year ended December 31, 2018.

Other amounts reported as deferred outflows of resources and deferred inflows of resources, including remaining plan's amortization related to pensions, will be recognized in pension expense as follows:

Year	Amount
2018	\$ 2,970
2019	18,229
2020	8,968
2021	1,265
2022	2,694
2023	3,390
Total	\$ 37,516

Actuarial Methods and Assumptions - A summary of the actuarial methods and assumptions used in determining the total pension liability as June 30, 2017 are as follows:

Actuarial Cost Method	Entry age normal cost
Investment Rate of Return	6.75%, net of investment expense
Projected Salary Increases	5.50% (2.50% Inflation / 3.00% Merit)
Mortality Rates	The RP 2000 Combined Healthy with White Collar Adjustment Sex Distinct Tables (set back 1 year for females) projected to 2032 using Scale AA were selected for employee, annuitant, and beneficiary mortality. The RP 2000 Disabled Lives Mortality Table

District Attorney of the Twentieth Judicial District
Notes to Financial Statements
December 31, 2017

set back 5 years for males and set back 3 years for females was selected for disable annuitants. Setbacks in these tables were used to approximate mortality improvement.

Expected Remaining Service Lives	7 years
Cost of Living Adjustments	Only those previously granted

Discount Rate

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

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

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

The long-term expected rate of return selected for this report by the Fund was 6.75%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from the participating employers and non-employer contributing entities will be made at actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement System's Actuarial Committee. Based on these assumptions and the other assumptions and methods as specified in this report, the pension plan'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 investment was applied to all periods of projected benefit payments to determine the total pension liability. Thus, the discount rate used to measure the total pension liability was 6.75%.

The effects of certain other changes in the net pension liability are required to be included in pension expense over the current and future periods. The effects on the total pension liability of

District Attorney of the Twentieth Judicial District
Notes to Financial Statements
December 31, 2017

(1) changes of economic and demographic assumptions or of other inputs and (2) differences between expected and actual experience are required to be included in pension expense in a systematic and rational manner over a closed period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees), determined as of the beginning of the measurement period. The effect on net pension liability of differences between the projected earnings on pension plan investments and actual experience with regard to those earnings is required to be included in pension expense in a systematic and rational manner over a closed period of five years, beginning with the current period. The Expected Remaining Service Lives (ERSL) for 2017 is 7 years.

Sensitivity to Changes in Discount Rate

The following presents the net pension liability of the Fund calculated using the discount rate of 6.75%, as well as what the Fund's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current discount rate (assuming all other assumptions remain unchanged):

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net Pension Liability	220,755	77,250	(44,692)

NOTE # 4 ON-BEHALF PAYMENTS FOR SALARIES AND FRINGE BENEFITS

The financial statements do not include certain expenditures that were paid out of the funds of the criminal court, the parish police juries or by the state. These items were paid by the other governmental units directly.

East Feliciana Parish Police Jury	\$ 42,912
West Feliciana Parish Police Jury	50,351
State of Louisiana	<u>300,988</u>
	<u>\$ 394,251</u>

NOTE # 5 CASH AND CASH EQUIVALENTS

At December 31, 2017, the carrying amount of the District Attorney's deposits were book balances totaling \$360,604.

The bank balances were covered by federal depository insurance and other bank collateral.

NOTE # 6 INVESTMENTS

Investments are limited by Louisiana Revised Statue (R.S.) 33:2955 and the District Attorney's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. All investments are insured by the FDIC.

The following investments are certificates of deposits with maturities that exceed 90 days:

District Attorney of the Twentieth Judicial District
Notes to Financial Statements
December 31, 2017

General Fund	\$ 57,633
IV-D Fund	<u>85,996</u>
Total	<u>\$ 143,629</u>

NOTE # 7 FEDERAL FINANCIAL ASSISTANCE PROGRAM

The District Attorney participates in the United States Department of Health and Human Services Child Support Enforcement, Title IV-D Program, Catalog of Federal Domestic Assistance No. 93.563. This program is funded by indirect assistance payments, in the form of both incentive payments and reimbursements of a portion of certain expenditures, received from the Louisiana Department of Children and Family Services. Beginning in July 1998, the State eliminated incentive payments and began paying 100% of reimbursement requests. For the year ended December 31, 2017, the District Attorney for the Twentieth Judicial District expended \$203,181 in reimbursement payments.

The reimbursement payments are restricted by a formal agreement between the District Attorney and the Department of Children and Family Services and includes a budget of expected expenditures for each fiscal year ending June 30. The District Attorney submits reimbursement requests to the Department of Children and Family Services on a monthly basis.

There are no restrictions on how incentive payments may be expended, except as may be required by state law for any other funds of the District Attorney. The reimbursement payments may be subjected to further review and audit by the federal grantor agency. No provision has been made in the financial statements for the reimbursement of any expenditures that may be disallowed as a result of such a review or audit.

NOTE # 8 RECEIVABLES

The receivables at December 31, 2017 are as follows:

<u>Class of Receivables</u>	<u>General Fund</u>	<u>IV-D Fund</u>
Fines & Court Costs	\$ 23,591	
Bond & DA Fees		
Incentive payments	0	32,219
DOC - Angola 5	1,399	
PTI	46,969	
Other	<u>24,212</u>	<u>834</u>
	<u>\$ 96,171</u>	<u>\$ 33,053</u>

NOTE # 9 RELATED PARTY TRANSACTIONS

There are no known transactions that require disclosure.

NOTE # 10 LITIGATION AND CLAIMS

At December 31, 2017, there was no known litigation or claims against the District Attorney.

District Attorney of the Twentieth Judicial District
Notes to Financial Statements
December 31, 2017

NOTE # 11 RISK MANAGEMENT

The District Attorney's office is exposed to various risks of loss including injuries to workers, criminal or property damage, theft and other possible related claims. The District Attorney purchases commercial insurance to minimize this risk of loss from these types of occurrences.

NOTE # 12 DEFERRED COMPENSATION PLAN

Certain employees of the District Attorney of the Twentieth Judicial District participate in the Louisiana Public Employees Deferred Compensation Plan adopted under the provisions of the Internal Revenue Code Section 457. Complete disclosures relating to the Plan are included in the separately issued audit report for the Plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397. Amounts matched by the District Attorney for the year ended December 31, 2017 was \$23,703.

NOTE # 13 SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 29, 2018, the date on which the financial statements were available to be issued. There were no items to be reported as subsequent events.

NOTE # 14 CLAIMS AND JUDGEMENTS

The District Attorney of the Twentieth Judicial District of the State of Louisiana participates in federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to non-compliance with grant program regulations, the District Attorney may be required to reimburse the grantor government. The District Attorney believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District Attorney.

NOTE # 17 PRIOR PERIOD ADJUSTMENT TO FUND BALANCE

Upon confirmation and research, it was determined that a Certificate of Deposit was understated in a prior period, therefore a restatement of the beginning fund balance was warranted.

The effect of the above restatement, as redetermined in 2017, is shown below:

	Net Position
Beginning balance, as previously reported	\$ 560,503
Adjustment	(16,941)
Beginning balance, as restated	<u>\$ 543,562</u>

SUPPLEMENTAL INFORMATION

**DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)
<u>REVENUES</u>			
Fines and forfeitures	\$103,300	\$127,252	\$23,952
Interest	100	311	211
Intergovernmental revenue:			
Parish police jury	11,376	36,318	24,942
Grants	15,600	144,049	128,449
Check collection fees and DA fees	5,000	47,822	42,822
Pre-trial intervention & traffice income	350,000	474,602	124,602
Victim/Witness Revenue	30,000	25,000	(5,000)
Miscellaneous	2,000	7,230	5,230
TOTAL REVENUES	517,376	862,584	345,208
<u>EXPENDITURES</u>			
General Government:			
Current operating:			
Personnel service & Related benefits	418,800	455,144	(36,344)
Materials and supplies	209,600	280,923	(71,323)
Grant expenses	31,200	4,808	26,392
Donations	1,800	125	1,675
Capital outlay		12,540	(12,540)
TOTAL EXPENDITURES	661,400	753,540	(92,140)
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>	(144,024)	109,044	253,068
<u>FUND BALANCES</u>			
Beginning of year	338,663	88,688	0
End of year	<u>\$194,639</u>	<u>\$197,732</u>	<u>\$253,068</u>

The accompanying notes are an integral part of this financial statement

**DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<u>REVENUES</u>			
Interest			\$0
Intergovernmental revenue:	30	268	\$238
Louisiana Department of Social Services	<u>220,729</u>	<u>203,181</u>	<u>(\$17,548)</u>
TOTAL REVENUES	<u>\$ 220,759</u>	<u>\$ 203,449</u>	<u>\$ (17,310)</u>
<u>EXPENDITURES</u>			
General Government:			
Current operating:			
Personnel service & Related benefits	204,064	199,196	4,868
Materials & supplies	7,258	13,089	(5,831)
Operating expenses	7,500	0	7,500
Travel	<u>1,908</u>	<u>0</u>	<u>1,908</u>
TOTAL EXPENDITURES	<u>\$ 220,730</u>	<u>\$ 212,285</u>	<u>\$ 8,445</u>
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>			
	<u>29</u>	<u>(8,836)</u>	<u>(8,865)</u>
<u>FUND BALANCES</u>			
Beginning of year	<u>172,602</u>	<u>173,941</u>	<u>0</u>
End of year	<u>\$172,631</u>	<u>\$165,105</u>	<u>(\$8,865)</u>

The accompanying notes are an integral part of this financial statement

DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT
 SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY
 DECEMBER 31, 2017

Actuarial Valuation Date	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
June 30, 2015	0.308519%	12,665	141,758	8.93%	95.09%
June 30, 2016	0.197403%	4,181	224,786	45.91%	98.56%
June 30, 2017	0.286410%	23,541	177,138	13.29%	93.57%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 DECEMBER 31, 2017

Actuarial Valuation Date	Contractually Required Contributions	Contributions in Relation to Contractual Required Contributions	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a percentage of covered payroll
June 30, 2015	12,677	12,677	-	141,758	8.9427%
June 30, 2016	6,659	6,659	-	224,786	2.9623%
June 30, 2017	5,926	5,926	-	177,138	3.3454%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT
 SCHEDULE OF COMPENSATION, BENEFITS, AND
 OTHER PAYMENTS TO AGENCY HEAD
 FOR THE YEAR ENDED DECEMBER 31, 2017

In accordance with Act 462 of 2015, which amends Act 706 of the 2014 Legislative Session, the following Schedule of Compensation, Benefits, and Other Payments to Agency Head is presented.

Samuel D'Aquila, District Attorney

PURPOSE	AMOUNT
Salary & Benefits:	
Salary	\$ 104,299
Benefits - Retirement	6,027
Total Salary & Benefits	\$ 110,326
Other Items:	
Education & Training	300
Education Travel & Lodging	255
Total Other Items	\$ 555
Total Salary, Benefits, & Other Items	\$ 110,881

The accompanying notes are an integral part of this statement

MC DUFFIE K. HERROD, LTD.

(A Professional Accounting Corporation)

McDUFFIE K. HERROD
CERTIFIED PUBLIC ACCOUNTANT

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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

The Honorable Samuel D'Aquila
District Attorney of the Twentieth Judicial District
Parishes of East and West Feliciana
State of Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the District Attorney of the Twentieth Judicial District, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the District Attorney of the Twentieth Judicial District's basic financial statements, and have issued our report thereon dated June 29, 2018.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether District Attorney of the Twentieth Judicial District'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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* as shown in finding 2017-1.

District Attorney's Response to Findings

The District Attorney's responses to the findings identified in our audit are described in the accompanying schedule of audit findings. The District Attorney's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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 District Attorney of the Twentieth Judicial District'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 District Attorney of the Twentieth Judicial District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.


McDuffie K. Herrod, Ltd.
A Professional Accounting Corporation
June 29, 2018

DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT
SCHEDULE OF AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2017

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the general purpose financial statements of the District Attorney.
2. No instances of noncompliance material to the financial statements of the District Attorney were disclosed during the audit.
3. No significant deficiencies relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control.

B. PRIOR YEAR FINDINGS – FINANCIAL STATEMENTS AUDIT

No prior findings were reported.

C. PRIOR YEAR FINDINGS – INTERNAL CONTROL OVER FINANCIAL REPORTING

No prior findings were reported.

D. CURRENT YEAR FINDINGS - FINANCIAL STATEMENTS AUDIT

Finding 2017 – 1 Compliance with Local Government Budget Act

Condition:

For the year ended December 31, 2017, in the General Fund, actual expenditures were more than budgeted expenditures by more than the 5% variance allowed. In the Special Revenue fund, actual revenues were less than budgeted revenues by more than the 5% variance allowed.

Criteria:

The Louisiana Local Government Budget Act, LA RS 39:1301-1315, specifies that revenue should not vary 5% or more, and expenditures should not vary 5% or more from budget amounts.

Cause:

Management did not take steps to amend budgets during the year.

DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT
SCHEDULE OF AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2017

Recommendation:

Management should implement a plan whereby expenditures and revenues are monitored on a continuous basis, and amend the budgets as needed during the period.

Management Response:

Management will monitor actual revenues and expenditures more closely and compare to budgeted amounts frequently and amend the budget as needed. Management will seek assistance from an outside accountant to assist with compliance.

E. CURRENT YEAR FINDINGS – INTERNAL CONTROL OVER FINANCIAL REPORTING

No current year findings to report.

F. MANAGEMENT LETTER

A management letter was not issued.

STATEWIDE AGREED-UPON
PROCEDURES

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(A Professional Accounting Corporation)

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

We have performed the procedures enumerated below, which were agreed to by the Office of 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 fiscal period January 1, 2017 through December 31, 2017. The Entity's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:

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

No written policies and procedures were found addressing this function.

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

No written policies and procedures were found addressing this function.

- c) **Disbursements**, including processing, reviewing, and approving
No written policies and procedures were found addressing this function.
- d) **Receipts**, including receiving, recording, and preparing deposits
No written policies and procedures were found addressing this function.
- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
No written policies and procedures were found addressing this function.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process
No written policies and procedures were found addressing this function.
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage
No written policies and procedures were found addressing this function.
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
No written policies and procedures were found addressing this function.
- 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. Note: Ethics requirements are not applicable to nonprofits.
No written policies and procedures were found addressing this function.
- j) **Debt Service**, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
No written policies and procedures were found addressing this function.

Board (or Finance Committee, if applicable)

2. Obtain and review the board/committee minutes for the fiscal period, and:

- a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.

Not applicable

- b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).

- If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.

Not applicable

- c) Report whether the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal period.

Not applicable

Bank Reconciliations

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

A listing of the District Attorney's bank accounts was received from management, as well as management's representation that the listing is complete.

4. Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity fund accounts may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:

- a) Bank reconciliations have been prepared;

Bank statements and reconciliations were obtained noting that all accounts were reconciled monthly.

- b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and
- c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.
No written documentation was found indicating that management reviewed the monthly reconciliations.

Collections

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

A listing of cash collection locations was received, as well as management's representation that the listing is complete.

- 6. Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three year rotating basis (if more than 5 locations). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity funds may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* **For each cash collection location selected:**

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

The employees responsible for collecting cash were bonded and were not responsible for depositing cash in the bank.

The employees responsible for collecting cash are not responsible for recording the related transaction or reconciling the related bank account. Employees were not required to share the same cash register.

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

The District Attorney has designated employees to track collections and keep management apprised of any outstanding items. These employees are not responsible for actually collecting payments.

c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:

- Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.

This is done indirectly during our audit procedures due to the nature of revenues and funding sources. Deposits are made timely.

- Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

In this case, other related documentation is applicable and no exceptions were noted.

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

No written documentation was noted.

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

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

The complete general ledger was obtained and filters were used to identify the District Attorney's disbursements. Management's representation that the general ledger is complete was obtained.

9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card/debit card/fuel card/P-card purchases or payments. Obtain supporting documentation (e.g. purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:

- a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.

All purchases must be approved by the District Attorney. While they do have a system in place for this, they do not utilize purchase orders.

- b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.

All purchases must be approved by the District Attorney.

- c) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.

Receipts and other documentation is attached to all invoices and are approved in writing by the District Attorney.

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

Due to the small accounting staff, vendors are added to the system by the person that processes payments. However, all documentation and checks are approved in writing by the District Attorney.

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

The persons responsible for recording purchases and disbursements has no signatory authority.

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

No exceptions were noted.

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

Not applicable

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

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

The District Attorney provided a list of credit cards, debit cards, fuel cards or p-cards active during the fiscal year.

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

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

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

Documentation was reviewed with no exceptions noted.

- b) Report whether finance charges and/or late fees were assessed on the selected statements.
No finance charges or late fees were assessed.

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

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

Documentation was reviewed with no exceptions noted.

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

Documentation was reviewed with no exceptions noted.

- c) For each transaction, compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. cash advances or non-business purchases, regardless whether

they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

Documentation was reviewed with no exceptions noted.

Travel and Expense Reimbursement

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

The general ledger was used and a filter applied to identify the travel and related expense reimbursements.

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

Policies were obtained with no exceptions noted.

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

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

Documentation was reviewed with no exceptions noted.

- b) Report whether each expense is supported by:

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

Documentation was reviewed with no exceptions noted.

- c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or

donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

Documentation was reviewed with no exceptions noted.

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

Documentation was reviewed with no exceptions noted.

Contracts

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

The District Attorney provided a list of contract's and representation that the list is complete.

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

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

Documentation was reviewed with no exceptions noted.

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

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

Not applicable

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

No amendments were noted.

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

Documentation was reviewed with no exceptions noted.

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

Not applicable

Payroll and Personnel

22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:

- a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.

Documentation was reviewed with no exceptions noted.

- b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.

Not applicable.

23. Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the entity had less than 25 employees during the fiscal period), and:

- a) Report whether all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)

Documentation was reviewed with no exceptions noted.

- b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.

Documentation was reviewed with no exceptions noted.

- c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.

Documentation was reviewed with no exceptions noted.

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

Documentation was reviewed with no exceptions noted.

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

Documentation was reviewed with no exceptions noted.

Ethics (excluding nonprofits)

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

Documentation was reviewed with no exceptions noted.

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

Inquiries made noted no violations.

Debt Service (excluding nonprofits)

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

Not applicable

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

Not applicable

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

Not applicable

Other

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

Inquiries made noted no violations.

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

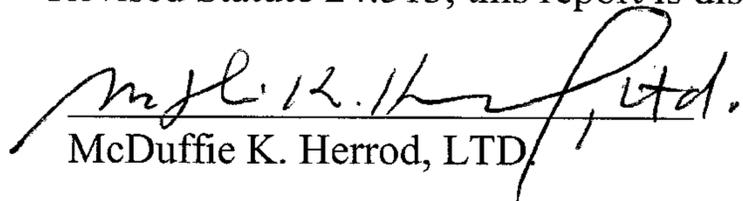
The District Attorney has the flyer posted on the premises, however, does not have the notice on their website.

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

None

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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


McDuffie K. Herrod, LTD.

Clinton, Louisiana

June 29, 2018