

**DISTRICT ATTORNEY OF THE
SEVENTH JUDICIAL DISTRICT
Parishes of Catahoula and Concordia, Louisiana**

**Annual Financial Statements
With Independent Auditor's Report
As of and for the Year Ended
December 31, 2019
With Supplemental Information Schedules**

DISTRICT ATTORNEY OF THE
SEVENTH JUDICIAL DISTRICT
Parishes of Catahoula and Concordia, Louisiana

Annual Financial Statements
With Independent Auditor's Report
As of and for the Year Ended December 31, 2019
With Supplemental Information Schedules

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DISTRICT ATTORNEY OF THE
SEVENTH JUDICIAL DISTRICT
Parishes of Catahoula and Concordia, Louisiana
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Independent Auditor's Report

HONORABLE BRAD BURGET
DISTRICT ATTORNEY OF THE
SEVENTH JUDICIAL DISTRICT
Parishes of Catahoula and Concordia, Louisiana

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, the major funds and the fiduciary fund of the District Attorney of the Seventh Judicial District, a component unit of the Catahoula and Concordia Parish Police Juries, as of December 31, 2019, and for the year then ended, and the related notes to the financial statements, which collectively comprise the District Attorney of the Seventh 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my 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 I 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 Seventh 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 Seventh Judicial District's internal control. Accordingly, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

DISTRICT ATTORNEY OF THE
SEVENTH JUDICIAL DISTRICT
Parishes of Catahoula
and Concordia, Louisiana
Independent Auditor's Report,
December 31, 2019

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the government activities and major fund information of the District Attorney of the Seventh Judicial District as of December 31, 2019, 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 and the Budgetary Comparison Schedules and notes to required supplementary information, the Schedule of Employer's share of the Net Pension Liability, and the Schedule of Employer Contributions as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

My audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District Attorney of the Seventh Judicial District's basic financial statements. The accompanying schedule of compensation, benefits and other payments to agency head on page 42 is presented for the purpose of additional analysis and is not a required part of the financial statements.

This schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 my opinion, the schedule of compensation, benefits and other payments is fairly stated, in all material respects, in relation to the basic financial statements.

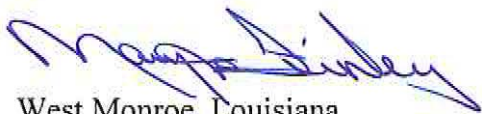
DISTRICT ATTORNEY OF THE
SEVENTH JUDICIAL DISTRICT
Parishes of Catahoula
and Concordia, Louisiana
Independent Auditor's Report,
December 31, 2019

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued a report dated April 8, 2020, on my consideration of the District Attorney of the Seventh Judicial District's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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 Seventh Judicial District's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Louisiana Legislative Auditor, I have issued a report, dated April 8, 2020, on the results of my statewide agreed-upon procedures performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards*. The purpose of that report is solely to describe the scope of testing performed on those control and compliance areas identified in the Louisiana Legislative Auditor's statewide agreed-upon procedures, and the results of that testing, and not to provide an opinion on control or compliance.



West Monroe, Louisiana
April 8, 2020

REQUIRED SUPPLEMENTARY INFORMATION
PART I

DISTRICT ATTORNEY OF THE
SEVENTH JUDICIAL DISTRICT
Parishes of Catahoula and Concordia, Louisiana
Management's Discussion and Analysis
December 31, 2019

As management of the District Attorney of the Seventh Judicial District, I offer readers of the District Attorney of the Seventh Judicial District's financial statements this narrative overview and analysis of the financial activities of the District Attorney of the Seventh Judicial District for the fiscal year ended December 31, 2019. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

Overview of the Financial Statements

This Management Discussion and Analysis document introduces the district attorney's basic financial statements. The annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (Government-wide Financial Statements) provide information about the financial activities as a whole and illustrate a longer-term view of the district attorney's finances. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund (Fund Financial Statements) tell how these services were financed in the short term as well as what remains for future spending. Fund Financial Statements also report the operations in more detail than the Government-Wide Financial Statements by providing information about the most significant funds. This report also contains other supplementary information in addition to the basic financial statements themselves.

Our auditor has provided assurance in her independent auditor's report that the Basic Financial Statements are fairly stated. The auditor, regarding the Required Supplemental Information and the Supplemental Information is providing varying degrees of assurance. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the District Attorney of the Seventh Judicial District's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the District Attorney of the Seventh Judicial District's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District Attorney of the Seventh Judicial District is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, earned, but unused, sick leave).

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District Attorney of the Seventh Judicial District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District Attorney of the Seventh Judicial District can be divided into two categories: governmental funds and fiduciary (agency) funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District Attorney of the Seventh Judicial District adopts an annual appropriated budget for the general fund and the special revenue fund. A budgetary comparison statement is provided for the major funds to demonstrate compliance with this budget.

Fiduciary funds. Fiduciary (agency) funds are used to account for resources held for the benefit of parties outside the government. Since these resources are not available to support the District Attorney of the Seventh Judicial District's programs, Fiduciary (agency) funds are not reflected in the government-wide financial statement.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the District Attorney of the Seventh Judicial District's performance.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, liabilities of the District Attorney of the Seventh Judicial District exceeded assets by \$9,598. The District Attorney of the Seventh Judicial District's net position reflects its investment in capital assets (e.g., equipment), less any related debt used to acquire those assets that is still outstanding is more than the total net position. These assets are not available for future spending.

An additional portion of the District Attorney of the Seventh Judicial District's net position represents resources that are subject to external restrictions (e.g., debt service). The balance in unrestricted net position is affected by two factors: 1) resources expended, over time, by the District Attorney of the Seventh Judicial District to acquire capital assets from sources other than internally generated funds (i.e., debt), and 2) required depreciation on assets.

STATEMENT OF NET POSITION
Governmental Funds

	2019	2018
ASSETS		
Cash and cash equivalents	\$103,105	\$161,910
Receivables	29,883	62,091
Net Pension asset		55,115
Capital assets (net of accumulated depreciation)	3,710	3,004
TOTAL ASSETS	<u>136,698</u>	<u>282,120</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension related	346,553	170,541
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$483,251</u>	<u>\$452,661</u>
LIABILITIES		
Accounts payable	\$19,749	\$27,511
Payroll withholdings payable	29,939	25,024
Net pension liability	400,646	59,332
TOTAL LIABILITIES	<u>450,334</u>	<u>111,867</u>
DEFERRED INFLOWS OF RESOURCES		
Pension related	42,515	185,254
NET POSITION		
Invested in capital assets, net of related debt	3,710	3,004
Unrestricted	(13,308)	152,536
TOTAL NET POSITION	<u>(9,598)</u>	<u>155,540</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$483,251</u>	<u>\$452,661</u>

STATEMENT OF ACTIVITIES

	2019	2018
Judicial:		
Personal services	\$1,025,916	\$976,491
Operating services	206,723	193,948
Materials and supplies	21,882	35,044
Travel	20,281	22,229
Intergovernmental	62,390	54,011
Depreciation expense	2,858	1,670
Total Program Expenses	<u>1,340,050</u>	<u>1,283,393</u>
Program revenues:		
Charges for services	573,964	586,328
Commissions on fines and forfeitures	28,963	14,118
Use of money - interest	284	375
Federal grants	192,273	207,893
State grants	305,000	305,000
State grants	39,896	39,896
Total program revenues	<u>1,140,380</u>	<u>1,153,610</u>
Net Program Expenses	<u>(199,670)</u>	<u>(129,783)</u>
General revenues - other revenues	<u>34,530</u>	<u>21,685</u>
Change in Net Position	<u>(165,140)</u>	<u>(108,098)</u>
Net Position - Beginning of year	<u>155,542</u>	<u>263,638</u>
Net Position - End of year	<u>(\$9,598)</u>	<u>\$155,540</u>

Financial Analysis of the Government's Funds

As noted earlier, the District Attorney of the Seventh Judicial District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of December 31, 2019, combined governmental fund balance of \$83,300 showed a decrease of \$88,166 over December 31, 2018. The General Fund's portion of the unassigned fund balance of \$65,603 shows a decrease (of approximately \$81,373) from the prior year amount.

General Fund Budgetary Highlights

Differences in the general fund budget between revenues of the original budget and the final budget were due primarily to a decrease in fees, charges and commissions for services. The major differences between expenditures in the original budget and the final budget were due to a decrease in travel and other charges and increases in operating services, materials and supplies, intergovernmental and capital outlay.

There were no budget amendments for the IV-D fund.

Capital Asset and Debt Administration

Capital assets. The District Attorney of the Seventh Judicial District's investment in capital assets for its governmental activities as of December 31, 2019, amounts to \$3,710 (net of accumulated depreciation). This investment includes furniture and equipment. There were increases of \$3,564 and no decreases in capital assets for the year.

Long-term debt. The District Attorney of the Seventh Judicial District has debt outstanding at the end of the year of net pension liability for parochial retirement system of \$338,491 and district attorneys retirement system of \$62,155 at December 31, 2019.

The District Attorney of the Seventh Judicial District contributes to a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The plan provides lifetime healthcare insurance for eligible retirees through the district attorney's group health insurance plan. There is no Net OPEB obligation associated with the Retiree Health Plan at December 31, 2019. The retired District Attorney passed away in 2011, therefore per actuarial this is immaterial to the District Attorney's office.

Requests for Information

This financial report is designed to provide a general overview of the District Attorney of the Seventh Judicial District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the District Attorney of the Seventh Judicial District, Courthouse Building, Vidalia, LA 71373.

BASIC FINANCIAL STATEMENTS

Statement A

DISTRICT ATTORNEY OF THE
SEVENTH JUDICIAL DISTRICT
Parishes of Catahoula and
Concordia, Louisiana

Governmental Activities
Statement of Net Position
December 31, 2019

Assets	
Cash and cash equivalents	\$103,105
Receivables	29,883
Capital assets (net)	<u>3,710</u>
Total Assets	<u>136,698</u>
Deferred Outflow of Resources	
Pension related	<u>346,553</u>
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	<u><u>\$483,251</u></u>
Liabilities	
Accounts payable	\$19,749
Payroll withholding payable	29,939
Net pension liability	<u>400,646</u>
Total Liabilities	<u>450,334</u>
Deferred Inflows of Resources	
Pension related	42,515
Net Position	
Invested in capital assets, net of related debt	3,710
Unrestricted	<u>(13,308)</u>
Total Net Position	<u>(9,598)</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u><u>\$483,251</u></u>

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

Statement B

DISTRICT ATTORNEY OF THE
SEVENTH JUDICIAL DISTRICT
Parishes of Catahoula and
Concordia, Louisiana

STATEMENT OF ACTIVITIES
December 31, 2019

EXPENSES

Judicial:

Personal service	\$1,025,916
Operating services	206,723
Materials and supplies	21,882
Travel	20,281
Intergovernmental	62,390
Depreciation expense	2,858
Total Program Expenses	<u>1,340,050</u>

REVENUES

Program revenues:

Charges for services	573,964
Commissions on fines and forfeitures	28,963
Use of money - interest	284
Federal grants	192,273
State grants	305,000
Local funds	39,896
Total program revenues	<u>1,140,380</u>
Net Program Expenses	(199,670)

General revenues:

Other revenues	<u>34,530</u>
Change in Net Position	(165,140)
Net Position - Beginning of year	155,542
Net Position - End of year	<u><u>(\$9,598)</u></u>

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

DISTRICT ATTORNEY OF THE
SEVENTH JUDICIAL DISTRICT
Parishes of Catahoula and
Concordia, Louisiana
GOVERNMENTAL FUNDS

Combined Balance Sheet, December 31, 2019

	...MAJOR FUNDS...		
	IV-D		
	GENERAL	SPECIAL	
	FUND	REVENUE	TOTAL
	FUND	FUND	
ASSETS			
Cash	\$94,950	\$8,155	\$103,105
Receivables	14,152	15,731	29,883
Due from other funds		1,629	1,629
TOTAL ASSETS	\$109,102	\$25,515	\$134,617
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts payable	\$18,854	\$895	\$19,749
Payroll deductions payable	23,016	6,923	29,939
Due to other funds	1,629		1,629
Total Liabilities	43,499	7,818	51,317
Fund Equity - fund balance (deficit):			
Restricted - other general government		17,697	17,697
Unassigned	65,603		65,603
Total Fund Equity	65,603	17,697	83,300
TOTAL LIABILITIES AND FUND EQUITY	\$109,102	\$25,515	\$134,617

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

DISTRICT ATTORNEY OF THE
SEVENTH JUDICIAL DISTRICT
Parishes of Catahoula and
Concordia, Louisiana

Reconciliation of Governmental Funds
Balance Sheet to the Statement of Net Position

For the Year Ended December 31, 2019

Total Fund Balances at December 31, 2019 - Governmental Funds (Statement C)		<u>\$83,300</u>
Deferred outflows of resources		346,553
Cost of capital assets at December 31, 2019	\$236,394	
Less: Accumulated depreciation as of December 31, 2019	<u>(232,684)</u>	3,710
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		
Net pension liability		(400,646)
Deferred inflows of resources		<u>(42,515)</u>
Net Position at December 31, 2019 (Statement A)		<u><u>(\$9,598)</u></u>

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

DISTRICT ATTORNEY OF THE
SEVENTH JUDICIAL DISTRICT
Parishes of Catahoula and
Concordia, Louisiana

Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 2019

Major Funds....		
	General	IV-D	Total
REVENUES			
Intergovernmental revenues:			
Federal grants		\$192,273	\$192,273
State grants	\$305,000		305,000
Local funds	39,896		39,896
Fees, charges, and commissions for services	562,264	11,700	573,964
Commissions on fines and forfeitures	28,963		28,963
Use of money - interest	284		284
Other revenues	10,563		10,563
Total revenues	<u>946,970</u>	<u>203,973</u>	<u>1,150,943</u>
EXPENDITURES			
Current:			
Judicial:			
Personal services and related benefits	673,369	250,900	924,269
Operating services	197,044	9,679	206,723
Materials and supplies	19,401	2,481	21,882
Travel and other charges	19,525	756	20,281
Capital outlay	3,564		3,564
Intergovernmental	62,390		62,390
Total expenditures	<u>975,293</u>	<u>263,816</u>	<u>1,239,109</u>
Excess (Deficiency) of revenues over expenditures	<u>(28,323)</u>	<u>(59,843)</u>	<u>(88,166)</u>
Other Financing Sources (Use)			
Transfer in		53,050	53,050
Transfer out	<u>(53,050)</u>		<u>(53,050)</u>
Total Other Financing Sources (Use)	<u>(53,050)</u>	<u>53,050</u>	<u>NONE</u>
Excess (Deficiency) of revenues and other sources over expenditures and other use	<u>(81,373)</u>	<u>(6,793)</u>	<u>(88,166)</u>
FUND BALANCES - BEGINNING	<u>146,976</u>	<u>24,490</u>	<u>171,466</u>
FUND BALANCES - ENDING	<u><u>\$65,603</u></u>	<u><u>\$17,697</u></u>	<u><u>\$83,300</u></u>

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

DISTRICT ATTORNEY OF THE
SEVENTH JUDICIAL DISTRICT
Parishes of Catahoula
and Concordia, Louisiana

Reconciliation of Governmental Funds
Statement of Revenue, Expenditures, and Changes
in Fund Balances to the Statement of Activities

For the Year Ended December 31, 2019

Total net change in fund balances - governmental funds (Statement D)	(\$88,166)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceed depreciation for the period.	
	706
Non-employer contributions to cost-sharing pension plan	23,967
Pension expense	<u>(101,647)</u>
Change in net position of governmental activities (Statement B)	<u><u>(\$165,140)</u></u>

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

DISTRICT ATTORNEY OF THE
SEVENTH JUDICIAL DISTRICT
Parishes of Catahoula and
Concordia, Louisiana

Statement of Fiduciary Net Assets - Agency Fund

December 31, 2019

WORTHLESS
CHECK
FUND

ASSETS

Cash and cash equivalents

\$20,752

LIABILITIES

Deposits due others

\$20,752

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

DISTRICT ATTORNEY OF THE
SEVENTH JUDICIAL DISTRICT
Parishes of Catahoula and
Concordia, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Article V, Section 26 of the Louisiana Constitution of 1974, the district attorney has charge of every criminal prosecution by the state in his district, is the representative of the state before the grand jury in his district, and is the legal advisor to the grand jury. He performs other duties as provided by law. The district attorney is elected by the qualified electors of the judicial district for a term of six years. The judicial district encompasses the Parishes of Catahoula and Concordia, Louisiana.

The accompanying financial statements of the District Attorney of the Seventh Judicial District have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. 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.

A. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Concordia Parish Police Jury is the financial reporting entity for Concordia Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which 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 exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Concordia Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial responsibility. 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.

DISTRICT ATTORNEY OF THE
SEVENTH JUDICIAL DISTRICT

Parishes of Catahoula and Concordia, Louisiana
Notes to the Financial Statements (Continued)

2. Organizations for which the district attorney does not appoint a voting majority but are fiscally dependent on the district attorney.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury maintains and operates the parish courthouse in which the district attorney's office is located and provides partial funding for equipment, furniture and supplies of the district attorney's office, the district attorney was determined to be a component unit of the Concordia Parish Police Jury, 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 police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the Concordia Parish financial reporting entity.

B. BASIC FINANCIAL STATEMENTS - GOVERNMENT-WIDE STATEMENTS

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

The district attorney reports the following major governmental funds:

The General Fund is the district attorney's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Title IV-D Fund consists of incentive payments and reimbursement grants from the Louisiana Department of Social Services, authorized by Act 117 of 1975, to establish family and child support programs compatible with Title IV-D of the Social Security Act. The purpose of the 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.

DISTRICT ATTORNEY OF THE
SEVENTH JUDICIAL DISTRICT

Parishes of Catahoula and Concordia, Louisiana
Notes to the Financial Statements (Continued)

The Statement of Net Position (Statement A) and the Statement of Activities (Statement B) display information about the reporting government as a whole. These statements include all the financial activities of the district attorney.

In the Statement of Net Position, governmental activities are presented on a consolidated basis and are presented on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term obligations. Net position is reported in three parts; invested in capital assets, net of any related debt; restricted net position; and unrestricted net position. The district attorney first uses restricted resources to finance qualifying activities.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program Revenues - Program revenues included in the Statement of Activities (Statement B) are derived directly from parties outside the district attorney's taxpayers or citizenry. Program revenues reduce the cost of the function to be financed from the district attorney's general revenues.

Allocation of Indirect Expenses - The district attorney reports all direct expenses by function in the Statement of Activities (Statement B). Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function.

C. BASIC FINANCIAL STATEMENTS - FUND FINANCIAL STATEMENTS

The financial transactions of the district attorney are reported in individual funds in the fund financial statements. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Fund financial statements report detailed information about the district attorney. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

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A fund is a separate accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Funds are classified into three categories; governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. The district attorney's current operations require the use of only governmental funds. The governmental fund types used by the district attorney is described as follows:

Governmental Fund Type

**General Fund (District
Attorneys' Expense)**

The General Fund was established in compliance with Louisiana Revised Statute 15:571.11, which provides that twelve per cent of the fines collected and bonds forfeited be transmitted to the district attorney to defray the necessary expenditures of his office.

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources such as federal and state grants and fees for services. Those revenues are legally restricted, either by grant agreement or state law, to expenditures for specified purposes such as family and child support programs, and specified expenses of the district attorney's office.

Fiduciary Fund Type - Agency Fund

The agency worthless check fund is used as a depository for partial payments on the collection of worthless checks. Disbursements are made to merchants and to the sheriff's office when full amount is collected. The agency fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations. The Special Asset Forfeiture Agency Fund accounts for all transactions involving money seized during controlled substance cases, sale of property seized during controlled substance cases and later declared forfeited by the courts, and the distribution of the above funds in accordance with Louisiana Revised Statute 40:2616. The fund was created by the Seizure and Controlled Dangerous Substance Property Forfeiture Act of 1989 and became effective January 1, 1990.

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Notes to the Financial Statements (Continued)

D. BASIS OF ACCOUNTING

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

1. Accrual:

The governmental type activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

The governmental fund financial statements are presented on the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

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Revenues

Commissions on fines and bond forfeitures are recorded in the year they are collected by the parish tax collector.

Fees from the collection of worthless checks are recorded in the year they are collected. Grants are recorded when the district attorney is entitled to the funds. Interest income on time deposits is recorded when the time deposits have matured and the interest is available. Substantially all other revenues are recorded when received.

Based on the above criteria, commissions on fines and bond forfeitures, and grants have been treated as susceptible to accrual.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

E. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation.

Capital assets are reported in the government-wide financial statements but not in the fund financial statements. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes by the district attorney, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Furniture and fixtures	5 - 10 years
Vehicles	5 - 15 years
Equipment	5 - 20 years

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Notes to the Financial Statements (Continued)

F. VACATION AND SICK LEAVE

Employees of the district attorney's office receive from 5 to 15 days of non-cumulative vacation leave each year, depending on their length of service. Each employee is allowed 10 days of sick leave each calendar year. There is no limit on the amount of sick leave that an employee can accumulate. However, at retirement or termination, the employee forfeits all unused sick leave.

G. RISK MANAGEMENT

The district attorney is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. To handle such risk of loss, the district attorney maintains commercial insurance policies covering his automobile, professional liability and surety bond coverage. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended December 31, 2019.

H. CASH AND CASH EQUIVALENTS

Under state law, the district attorney may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The district attorney may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2019, the district attorney has cash and cash equivalents (book balances) totaling \$123,857.

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. Under state law, the deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the judicial expense that the fiscal agent bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be

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deemed to be held in the district attorney's name. The district attorney does not have a policy concerning custodial risk.

Cash and cash equivalents (bank balances) at December 31, 2019, are secured as follows:

Bank balances	<u>\$145,541</u>
Federal deposit insurance	<u>\$145,541</u>
Pledged securities (uncollateralized)	<u>210,713</u>
Total	<u><u>\$356,254</u></u>

I. PENSION PLANS

The District Attorney's Office is a participating employer in a cost-sharing, multiple-employer defined benefit pension plan as described in Note 4. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions for the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within the plan.

J. EQUITY CLASSIFICATIONS

In the government-wide statements, equity is classified as net position and displayed in three components:

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

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- c. Unrestricted net position - All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

When an expense is incurred for the purposes for which both restricted and unrestricted net position is available, management applies unrestricted resources first, unless a determination is made to use restricted resources. The policy concerning which to apply first varies with the intended use and legal requirements. This decision is typically made by management at the incurrence of the expense.

In the fund financial statements, governmental fund equity is classified as fund balance and displayed in five components. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

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

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

Committed - represents balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the district attorney’s highest level of decision-making authority.

Assigned - represents balances that are constrained by the government’s intent to be used for specific purposes, but are not restricted nor committed.

Unassigned - represents balances that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund.

The General Fund has an unassigned fund balance of \$65,603. If applicable, the district attorney would typically use restricted fund balances first, followed by committed resources and assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds.

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K. 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.

2. RECEIVABLES

The following is a summary of receivables at December 31, 2019:

	General Fund	Title IV-D Special Revenue Fund	Total
Intergovernmental revenues:			
Federal-Department of Health and Human Services		\$15,731	\$15,731
Fees, charges and commissions, etc.	\$14,152		14,152
Total	<u>\$14,152</u>	<u>\$15,731</u>	<u>\$29,883</u>

3. CHANGES IN CAPITAL ASSETS

A summary of changes in office equipment follows:

Balance, January 1, 2019	\$232,830
Additions	3,564
Deletions	<u>NONE</u>
Balance at December 31, 2019	<u>236,394</u>
Less accumulated depreciation	<u>(232,684)</u>
Net capital assets	<u>\$3,710</u>

4. RETIREMENT SYSTEMS

Parochial Employees' Retirement System of Louisiana (System)

Plan Description

The Parochial Employees' Retirement System of Louisiana (System) is a cost-sharing multiple-employer defined benefit pension plan established by Act 205 of the 1952 regular session of the Legislature of the

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State of Louisiana to provide retirement benefits to all employees of any parish in the state of Louisiana or any governing body or a parish which employs and pays persons serving the parish.

Substantially all employees of the 7th Judicial District Attorney are members of the Parochial Employees' Retirement System of Louisiana (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. This system is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the District Attorney are members of Plan A.

Summary of Significant Accounting Policies.

The Parochial Employees' Retirement System of Louisiana prepares its employer pension schedules in accordance with Governmental Accounting Statement No. 68 - *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*. GASB Statement No. 68 established standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources and expenses/expenditures. It provides methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to periods of employee service. It also provides methods to calculate participating employer's proportionate share of net pension liability, deferred inflows, deferred outflows, pension expense and amortization periods for deferred inflows and deferred outflows.

The System's employer pension schedules were prepared using the accrual basis of accounting. Members' earnable compensation, for which the employer allocations are based, is recognized in the period in which the employee is compensated for services performed. The member's earnable compensation is attributed to the employer for which the member is employed as of December 31, 2018.

The System complies with the provisions of GASB Statement No. 67, *Financial Reporting for Pension Plans*, which included specifying the approach of contributing entities to measure pension liabilities for benefits provided through the pension plan.

Plan Fiduciary Net Position

Plan fiduciary net position is a significant component of the System's collective net pension liability. The System's plan fiduciary net position was determined using the accrual basis of accounting. The System's assets, liabilities, revenues, and expenses were recorded with the use of estimates and assumptions in conformity with accounting principles generally accepted in the United States of America. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements and estimates over the determination of the fair market value of the System's investments. Accordingly, actual results may differ from estimated amounts.

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Plan Description.

The Parochial Employees' Retirement System of Louisiana is the administrator of a cost sharing multiple employer defined benefit pension plan. The System was established and provided for by R.S. Title 11:1901 of the Louisiana Revised Statute (LRS).

The System provides retirement benefits to employees of taxing districts of a parish or any branch or section of a parish within the state which does not have their own retirement system and which elects to become members of the System.

All permanent parish government employees (except those employed by Orleans, Lafourche and East Baton Rouge Parishes) who work at least 28 hours a week shall become members on the date of employment. New employees meeting the age and social Security criteria have up to 90 days from the date of hire to elect to participate.

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

For employees hired prior to January 1, 2007:

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

For employees hired after January 1, 2007:

1. Age 55 with 30 years of service.
2. Age 62 with 10 years of service.
3. Age 67 with 7 years of service.

Generally, the monthly amount of the retirement allowance of any member of Plan A shall consist of an amount equal to three percent of the member's final average compensation multiplied by his/her years of creditable service. However, under certain conditions, as outlined in the statutes, the benefits are limited to specified amounts.

The Parochial Employees' Retirement System of Louisiana issued a stand-alone audit report on its financial statements for the year ended December 31, 2018. Access to the report can be found on the System's website: www.persla.org or on the Office of Louisiana Legislative Auditor's website, www.lla.state.la.us.

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The process of preparing the schedule of employer allocations and schedule of pension amounts in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Accordingly, actual result may differ from estimated amounts.

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

At December 31, 2019, the District Attorney reported a liability of \$338,491 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District Attorneys' proportion of the net pension liability was based on a projection of the District Attorneys' long-term share of contributions to the pension plan relative to the projected contributions of all participating employers', actuarially determined. At December 31, 2018, the District Attorneys' proportion was .0763 percent, which was an increase of .0020 from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the District Attorney recognized pension expense of \$127,548. At December 31, 2019, the District Attorney reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience		\$20,622
Changes in assumptions	\$84,634	
Net differences between projected and actual earnings on pension plan	162,037	
Changes in employers proportion of beginning NPL	778	292
Differences between employer and proportionate share of contributions		141
Subsequent measurement contributions	52,513	
Total	\$299,962	\$21,055

\$52,513 reported as deferred outflows of resources related to pensions resulting from the District Attorneys' contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

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Year ended December 31:	
2019	\$77,572
2020	42,510
2021	34,734
2022	71,578
Total	\$226,394

Actuarial assumptions. The total pension asset in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Salary increases	4.75%
Investment rate of return	6.50%, net of investment expense

Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2018 scale for annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2018 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale for disabled annuitants.

The discounted rate used to measure the total pension liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up).

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2018 are summarized in the following table:

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Asset Class	Expected Rate of Return	
	Target Asset Allocation	Long-term Expected Portfolio Real Rate of Return
Fixed Income	35%	1.22%
Equity	52%	3.45%
Alternative Investments	11%	0.65%
Real assets	2%	0.11%
Totals	100%	5.43%
Inflation		2.00%
Expected Arithmetic Nominal Return		7.43%

Sensitivity of the District Attorneys' proportionate share of the net pension liability to changes in the discount rate. The following presents the net pension asset of the participating employers calculated using the discount rate of 6.50%, as well as what the employers' net pension liability as of December 31, 2018, would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate.

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
District Attorneys' proportionate share of the net pension liability	\$718,865	\$338,491	\$20,532

District Attorney's Retirement System of Louisiana (System)

Plan Description

The District Attorney of the Seventh Judicial District contributes to the District Attorneys' Retirement System (System) which is a cost sharing multiple employer defined benefit pension plan. The System was established on August 1, 1956,. By Act 56 of the 1956 session of the Louisiana Legislature, for the purpose of providing allowances and other benefits for district attorneys and their assistants in each parish. The fund is administered by a Board of Trustees. Benefits, including normal retirement, early retirement, disability retirement, and death benefit are provided as specified in the plan.

The District Attorneys' Retirement System prepares its employer schedules in accordance of the Governmental Accounting Statement No. 68 - *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*. GASB Statement No. 68 established standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expenses/expenditures. It provides methods and assumptions that should be used to project benefit

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payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. It also provides methods to calculate participating employers' proportionate share of net pension liability, deferred inflows, deferred outflows, pension expense, and amortization periods for deferred inflows and deferred outflows.

The District Attorneys' Retirement System's employer schedules are prepared using the accrual basis of accounting. Members' earnable compensation, for which the employer allocations are based, is recognized in the period in which the employee is compensated for services performed.

The deferred outflows and deferred inflows of resources attributable to differences between projected and actual earnings on pension plan investments recorded in different years are netted to report only a deferred outflow or a deferred inflow on the schedule of pension amounts. The remaining categories of deferred outflows and deferred inflows are not presented on a net basis.

Any member of the Plan who was hired prior to July 1, 1990, and who have elected not to be covered under the new provisions, are eligible to receive normal retirement benefit if one of the following criteria is met:

1. Age 62 after 10 or more years of creditable service.
2. Age 60 after 18 or more years of creditable service.
3. Age 55 after 23 or more years of creditable service.
4. Any age after 30 or more years of creditable service.

Generally, the monthly amount of the retirement allowance of any member of the Plan shall consist of an amount equal to three percent of the employee's final compensation for each year of creditable service. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts. Retirement benefits may not exceed 100% of final average compensation.

Any member of the Plan who was hired after July 1, 1990, or who have elected to be covered under the new provisions, are eligible to receive normal retirement benefit if one of the following criteria is met:

1. Age 60 after 10 or more years of creditable service.
2. Age 55 after 24 or more years of creditable service.
3. Any age after 30 or more years of creditable service.

Generally, the monthly amount of the retirement allowance of any member of the Plan shall consist of an amount equal to 3.5% of the employee's final compensation multiplied by years of membership service. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts. Retirement benefits may not exceed 100% of final average compensation.

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The System also provides death and disability benefits. Benefits are established or amended by state statute.

For the year ended December 31, 2019, the District Attorney's total payroll for all employees was \$1,161,320. Total covered payroll was \$172,804. Covered payroll refers to all compensation paid by the District Attorney of the Seventh Judicial District to active employees covered by the Plan.

The District Attorneys' Retirement System issued a stand-alone audit report on their financial statements for the year ended June 30, 2019. Access to the report can be found on the Louisiana Legislative Auditor's website, www.lila.la.gov.

Contributions

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ended December 31, 2019, the actual employer contribution rate was 1.25% for January through June and 4.0% for July through December, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. In accordance with state statute, the System receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations.

Members are required by state statute to contribute 8.00% of their annual covered salary. The contributions are deducted from the employee's wages or salary and remitted by the District Attorney to the System monthly. The District Attorney's contributions to the System for the year ending December 31, 2019 were \$2,160.

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

At December 31, 2019, the Employer reported a liability of \$62,155 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2019 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 30, 2019, the District Attorney's proportion was 0.1932%, which was a decrease of 0.0088% from its proportion measured as of June 30, 2018.

For the year ended December 31, 2019, the District Attorney recognized pension expense of \$33,900 plus employer's amortization of change in proportionate share and differences between employer contributions

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and proportionate share of contributions, which was (\$7,288) Total pension expense for the District Attorney for the year ended December 31, 2019 was \$26,612.

At December 31, 2019, the District Attorney reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$267	\$19,400
Changes in assumptions	28,309	2,050
Net difference between projected and actual earnings on pension plan	8,717	
Changes in employer's proportion of beginning NPL	5,867	10
Difference between employer and proportionate share of contributions	618	
Employer contributions subsequent to the measurement date	2,813	
Total	\$46,591	\$21,460

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ended December 31,	
2020	8,238
2021	3,670
2022	4,635
2023	8,426
2024	(2,651)
TOTAL	22,318

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2019, are as follows:

Valuation Date	June 30, 2019
Actuarial Cost Method	Entry age normal costs
Actuarial Assumptions:	
Investment Rate of Return	6.50%, per annum
Salary increases	5.50% (2.4% inflation, 3.1% merit)
Mortality rates	RP 2000 Combined Healthy with White Collar Adjustment Sex Distinct Table(set back 1 year for females)

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	RP 2000 Disabled Lives Mortality Table set back 5 years for males and 3 years for females
Expected remaining service lives	6 years
Cost of Living Adjustments	Only those previously granted

The estimated long-term rate of return on pension plan investments was determined using a building-block method in which best-estimates 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 7.56% for the year ended June 30, 2019. Best estimates of real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2019 are summarized in the following table:

Asset Class	Long-Term Target Asset Allocation	Expected Portfolio Real Rate of Return
Equities	48.42%	5.13%
Fixed income	40.10%	1.65%
Alternatives	10.99%	0.78%
Cash	.49%	0%
Totals	100%	
Inflation		2.49%
Expected arithmetic nominal return	7.56%	

Discount Rate

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

Sensitivity of the District Attorney of the Seventh Judicial District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

DISTRICT ATTORNEY OF THE
SEVENTH JUDICIAL DISTRICT
Parishes of Catahoula and Concordia, Louisiana
Notes to the Financial Statements (Continued)

The following presents the District Attorney of the Seventh Judicial District's proportionate share of the net pension liability calculated using the discount rate of 6.50%, as well as what the District Attorney's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (5.50%) or one percentage-point higher (7.50%) than the current rate:

	1.0% Decrease (5.50%)	Current Discount Rate (6.50%)	1.0% Increase (7.50%)
Employer's proportionate share of net pension liability	\$169,304	\$62,155	(\$29,083)

Plan Fiduciary Net Position

Detailed information about the System's fiduciary net position is available in the separately issued District Attorneys' Retirement System of Louisiana Audit Report at www.ladars.org.

5. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

The postemployment benefits other than pensions was determined to be immaterial to the financial statements of the District Attorney's office. The requirements are 25 years of service and age 55. The current District Attorney is several years away from this requirement.

6. CHANGES IN AGENCY FUND BALANCES

A summary of changes in unsettled deposits due to others for the year ended December 31, 2019, follows:

Balance, January 1, 2019	\$20,229
Additions	80,928
Reductions	<u>(80,405)</u>
Balance, December 31, 2019	<u>\$20,752</u>

7. LITIGATION AND CLAIMS

At December 31, 2019, the district attorney is not involved in any lawsuits.

DISTRICT ATTORNEY OF THE
SEVENTH JUDICIAL DISTRICT
Parishes of Catahoula and Concordia, Louisiana
Notes to the Financial Statements (Continued)

**8. EXPENDITURES OF THE DISTRICT ATTORNEY
NOT INCLUDED IN THE FINANCIAL STATEMENTS**

The accompanying financial statements do not include certain expenditures of the district attorney paid out of the funds of the criminal court, the parish police jury, or directly by the state.

9. FEDERAL FINANCIAL ASSISTANCE

For the year ended December 31, 2019, the district attorney participated in the following federal financial assistance programs:

<u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR NAME/ PROGRAM TITLE</u>	<u>PASS-THROUGH GRANTOR'S NUMBER</u>	<u>CFDA NUMBER</u>	<u>EXPENDITURES</u>
UNITED STATES DEPARTMENT HEALTH AND HUMAN SERVICES			
Passed through Louisiana Department of Social Services - Child Enforcement Title IV-D	509089	13.783	<u>\$192,273</u>

Required Supplemental Information (Part II)

**DISTRICT ATTORNEY OF THE
SEVENTH JUDICIAL DISTRICT
Parishes of Catahoula and
Concordia, Louisiana**

**Budgetary Comparison Schedule - General Fund
For the Year Ended December 31, 2019**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental revenues:				
State grants	\$305,000	\$305,000	\$305,000	
Local funds	39,896	39,896	39,896	
Fees, charges and commissions for services	700,000	550,000	562,264	\$12,264
Commissions on fines and forfeitures	40,000	40,000	28,963	(11,037)
Use of money - interest			284	284
Other revenues			10,563	10,563
Total revenues	<u>1,084,896</u>	<u>934,896</u>	<u>946,970</u>	<u>12,074</u>
Expenditures				
Current:				
Judicial:				
Personal services and related benefits	694,000	694,000	673,369	20,631
Operating services	212,500	217,500	197,044	20,456
Materials and supplies	12,000	13,000	19,401	(6,401)
Travel and other charges	22,000	18,000	19,525	(1,525)
Intergovernmental	65,000	80,000	62,390	17,610
Capital outlay	1,000	1,300	3,564	(2,264)
Total expenditures	<u>1,006,500</u>	<u>1,023,800</u>	<u>975,293</u>	<u>48,507</u>
Excess (Deficiency) of Revenues over Expenditures	<u>78,396</u>	<u>(88,904)</u>	<u>(28,323)</u>	<u>60,581</u>
Other Financing Source (Use)				
Transfer in	5,000	5,000		(5,000)
Transfer out			(53,050)	(53,050)
Total Other Financing Source (Use)	<u>5,000</u>	<u>5,000</u>	<u>(53,050)</u>	<u>(58,050)</u>
Excess (Deficiency) of Revenues and Other Source over Expenditures and Other Use	<u>83,396</u>	<u>(83,904)</u>	<u>(81,373)</u>	<u>2,531</u>
Fund Balance - Beginning	<u>NONE</u>	<u>100,000</u>	<u>146,976</u>	<u>46,976</u>
Fund Balance - Ending	<u>\$83,396</u>	<u>\$16,096</u>	<u>\$65,603</u>	<u>\$49,507</u>

(Continued)

DISTRICT ATTORNEY OF THE
SEVENTH JUDICIAL DISTRICT
Parishes of Catahoula and
Concordia, Louisiana

Budgetary Comparison Schedule
IV-D Fund
For the Year Ended December 31, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues			
Intergovernmental revenues - Federal	\$192,273	\$192,273	
Other revenues	11,700	11,700	
Total revenues	<u>203,973</u>	<u>203,973</u>	<u>NONE</u>
Expenditures			
Current:			
Judicial:			
Personal services and related benefits	250,900	250,900	
Operating services	9,679	9,679	
Materials and supplies	2,481	2,481	
Travel and other charges	756	756	
Total expenditures	<u>263,816</u>	<u>263,816</u>	<u>NONE</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(59,843)</u>	<u>(59,843)</u>	
Other Financing Source			
Transfer in	53,050	53,050	
Excess of Revenues and other Source over Expenditures	<u>(6,793)</u>	<u>(6,793)</u>	
Fund Balance - Beginning	<u>24,490</u>	<u>24,490</u>	<u>NONE</u>
Fund Balance - Ending	<u>\$17,697</u>	<u>\$17,697</u>	<u>NONE</u>

(Concluded)

**District Attorney for the Seventh Judicial District
Parishes of Catahoula and Concordia, Louisiana**

**Required Supplementary Information
Budgetary Comparison Schedules for Major Funds
For the Year Ended December 31, 2019**

The proposed budget, prepared on the modified accrual basis of accounting, is made available for public inspection at least fifteen days prior to the beginning of each fiscal year. The budget is then legally adopted by the district attorney and amended during the year, as necessary. The budget is established and controlled by the district attorney at the object level of expenditure. The district attorney does not utilize encumbrance accounting. Appropriations lapse at year-end and must be reappropriated for the following year to be expended. All changes in the budget must be approved by the district attorney.

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying financial statement include the original adopted budget amounts and all subsequent amendments.

**District Attorney of the
Seventh Judicial District
Parochial Employees' Retirement System of Louisiana
Schedule of Employer's Share of Net Pension Liability
December 31, 2019**

Fiscal Year *	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
2015	0.084836%	\$23,195	\$480,073	4.83%	99.15%
2016	0.093618%	\$246,430	\$441,072	55.87%	92.23%
2017	0.074372%	\$153,170	\$457,046	33.51%	94.15%
2018	0.074254%	(\$55,115)	\$457,164	(12.06%)	101.98%
2019	0.076265%	\$338,491	\$456,631	74.13%	88.86%

* - Amounts presented were determined as of the measurement date (previous fiscal year end).

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

**District Attorney of the
Seventh Judicial District
District Attorney Retirement System of Louisiana
Schedule of Employer's Share of Net Pension Liability
December 31, 2019**

Fiscal Year *	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
2014	0.122400%	\$2,441	\$77,604	3.15%	99.45%
2015	0.122156%	\$6,580	\$75,854	8.67%	98.56%
2016	0.123135%	\$23,569	\$76,004	31.01%	95.09%
2017	0.180067%	\$48,568	\$103,511	46.92%	93.57%
2018	0.184380%	\$59,332	\$163,471	36.30%	92.92%
2019	0.193206%	\$62,155	\$172,804	35.97%	93.13%

* - Amounts presented were determined as of the measurement date (6/30/19)

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

Schedule 3

**District Attorney of the
Seventh Judicial District
Parochial Employees' Retirement System of Louisiana
Schedule of Employer Contributions
December 31, 2019**

Fiscal Year *	Contractually Required Contribution	Contributions in Relations to Contractual Required Contributions	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a Percentage of Covered Payroll
2015	\$76,812	\$76,812	\$0	\$480,073	16.00%
2016	\$57,339	\$57,339	\$0	\$441,072	13.00%
2017	\$57,131	\$57,131	\$0	\$457,046	12.50%
2018	\$52,574	\$52,574	\$0	\$457,164	11.50%
2019	\$52,513	\$52,513	\$0	\$456,631	11.50%

* - Amounts presented were determined as of the end of the fiscal year.

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

**District Attorney of the
Seventh Judicial District
District Attorney's Retirement System of Louisiana
Schedule of Employer Contributions
December 31, 2019**

<u>Fiscal Year *</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relations to Contractual Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
2014	\$7,556	\$7,556	\$0	\$77,604	9.75%
2015	\$5,310	\$5,310	\$0	\$75,854	7.00%
2016	\$2,661	\$2,661	\$0	\$76,004	3.50%
2017	\$0	\$0	\$0	\$103,511	0.00%
2018	\$0	\$0	\$0	\$163,471	0.00%
2019	\$2,160	\$2,160	\$0	\$172,804	1.25%

* - Amounts presented were determined as of the end of the measurement date (6/30/19).

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

OTHER SUPPLEMENTARY INFORMATION

PART III

DISTRICT ATTORNEY FOR THE SEVENTH JUDICIAL DISTRICT
VIDALIA, LOUISIANA

Schedule of Compensation, Benefits and Other Payments to Agency Head
For the Year Ended December 31, 2019

BRADLEY BURGET, DISTRICT ATTORNEY

<u>PURPOSE</u>	<u>AMOUNT</u>
Salary (District Attorney)	\$81,148
Salary (State)	50,000
Salary (Police Juries)	39,896
Benefits-retirement	14,704
Benefits-insurance	22,118
Benefits-medicare	2,480
Registration fees	1,075
Meals	332
Travel - housing and lodging	3,746
Fuel	4,826
Dues	448

**REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS
PART III**

**Independent Auditor's Report Required
by *Government Auditing Standards***

The following independent auditor's report on compliance with laws, regulations, contracts and internal control is presented in compliance with the requirements of *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

**Independent Auditors Report on Internal Control Over Financial
Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed
in Accordance With *Government Auditing Standards***

HONORABLE BRAD BURGET
DISTRICT ATTORNEY OF THE
SEVENTH JUDICIAL DISTRICT
Parishes of Catahoula and Concordia, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the major funds and the fiduciary fund of the District Attorney of the Seventh Judicial District, a component unit of the Catahoula and Concordia Parish Police Juries as of and for the year ended December 31, 2019 and the related notes to the financial statements, which collectively comprise the District Attorney of the Seventh Judicial District's basic financial statements, and have issued my report thereon dated April 8, 2020.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the District Attorney of the Seventh 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 my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District Attorney of the Seventh Judicial District's internal control. Accordingly, I do not express an opinion on the effectiveness of the District Attorney of the Seventh Judicial District's internal control.

A *deficiency in internal control* exist 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.

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

DISTRICT ATTORNEY OF THE
SEVENTH JUDICIAL DISTRICT
PARISHES OF CATAHOULA
AND CONCORDIA PARISHES
Independent Auditor's Report on Compliance
And Internal Control Over Financial Reporting, etc.
December 31, 2019

Compliance and Other Matters


As part of obtaining reasonable assurance about whether District Attorney of the Seventh Judicial District's financial statements are free from material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and is included as findings 2019-001 in the accompanying schedule of findings and responses.

District Attorney of the Seventh Judicial District's Response to Findings

The district attorney's response to the findings identified in my audit is described in the accompanying schedule of findings and questioned costs. The district attorney's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, I express no opinion on it.

Purpose of this Report

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



West Monroe, Louisiana
April 8, 2020

DISTRICT ATTORNEY OF THE SEVENTH
JUDICIAL DISTRICT
Parishes of Catahoula and Concordia, Louisiana

Schedule of Findings and Responses
For the Year Ended December 31, 2019

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unmodified opinion on the general purpose financial statements of District Attorney of the Seventh Judicial District.
2. One instance of noncompliance material to the financial statements of District Attorney of the Seventh Judicial District was 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. FINDINGS - FINANCIAL STATEMENTS AUDIT

Finding 2019-001 Need to Comply with Louisiana Local Government Budget Act

Condition: The district attorney's office did not allow 10 days between the date of publication of the public hearing and the public hearing.

Criteria: The Local Government Budget Act, LSA-R.S. 39:1307 requires, among other things, that the political subdivisions with proposed expenditures greater than five hundred thousand dollars shall afford the public an opportunity to participate in the budgetary process. The notice for public hearing shall be published at least ten days prior to the date of the public hearing.

Cause of Condition: Management did not advertise at least 10 days prior to the public hearing. The notice for the public hearing was advertised on December 5, 2018 and the public hearing was held December 10, 2018.

Effect of Condition: The District Attorney is in violation of the Local Government Budget Act and related statutes.

Recommendation: Management should comply with all the requirements of the Louisiana Local Government Budget Act.

Response: Management will comply with the Louisiana Local Government Budget Act in the future.

**DISTRICT ATTORNEY OF THE SEVENTH
JUDICIAL DISTRICT
Parishes of Catahoula and Concordia, Louisiana**

**Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2019**

There were no findings reported in the audit report for the year ended December 31, 2018.

Office of the District Attorney

7th Judicial District

Catahoula and Concordia Parishes

Catahoula Office
P.O. Box 597
Harrisonburg, LA 71340
Phone: (318) 744-5232
Fax: (318) 744-9587

Concordia Office
4001 Carter St., Suite 9
Vidalia, LA 71373
Phone: (318) 336-5526
Fax: (318) 336-9790



Bradley R. Burget
District Attorney

April 8, 2020

Louisiana Legislative Auditor
P. O. Box 94397
Baton Rouge, LA 70804-9397

RE: Finding 2019-001

Dear Sir:

Need to Comply With Local Government Budget Act

Please be advised that the Seventh Judicial District Attorney's Office sent notice on November 27, 2018, to both the Concordia Parish Sentinel and the Catahoula News Booster to run a Legal Notice for the first week of December regarding the inspection for the proposed Budget for 2019 on December 10, 2018. The Notice ran on the 5th day of December, 2018. *The amount of time (10 days) between the notice and the day of the inspection was insufficient.* Please note that error has been corrected for the 2020 Budget.

Should you have any questions, please do not hesitate to call me.

Sincerely,

A handwritten signature in black ink, appearing to be "BRB", with a long horizontal flourish extending to the right.

Bradley R. Burget
District Attorney
BRB/lc

Independent Accountant's Report
on Applying Agreed-Upon Procedures

District Attorney of the Seventh Judicial District
Courthouse Building
Vidalia, LA 71373

To the District Attorney of the Seventh Judicial District

I have performed the procedures enumerated below, which were agreed to by the management of the District Attorney of the Seventh Judicial District and the Louisiana Legislative Auditor, State of Louisiana, on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2019 through December 31, 2019. Management of District Attorney of the Seventh Judicial District 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, I 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:

AGREED-UPON PROCEDURES

WRITTEN POLICIES AND PROCEDURES

1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:
 - A. Budgeting, including preparing, adopting, monitoring, and amending the budget.
 - B. Purchasing, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
 - C. Disbursements, including processing, reviewing, and approving

- D. Receipts, including receiving, recording, and preparing deposits
- E. Payroll/Personnel, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- F. Contracting, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process
- G. Credit Cards (and debit cards, fuel cards, P-Cards, if applicable), including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage.
- H. Travel and expense reimbursement, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- I. Ethics, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.
- J. Debt Service, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- K. Disaster Recovery/Business Continuity, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification personnel, processes, and tools needed to recover operations after a critical event.

The District Attorney of the Seventh Judicial District had policies and procedures in the prior year AUP, therefore this section was excluded from testing for the current period. The Disaster Recovery/Business Continuity policy and procedures was added as required.

BOARD (OR FINANCE COMMITTEE, IF APPLICABLE)

- 2. The District Attorney of the Seventh Judicial District does not have a board or a finance committee therefore this procedure is not applicable.

BANK RECONCILIATIONS

- 3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all

accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:

- A) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
- B) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged);
- C) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

The agency provided me with a certified list of all bank accounts. May, 2019 was randomly selected to be tested. For the 5 bank accounts selected for testing it was determined that the bank reconciliations were performed by an outside consultant and reviewed by the District Attorney. There was evidence that the reconciliations are performed within 60 days of the bank statement date. 2 of the 5 accounts selected to test had outstanding reconciling items over 12 months.

COLLECTIONS

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

Agency provided me with a certified list of deposit sites and I verified that it was complete.

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

- A) Employees that are responsible for cash collections do not share cash drawers/registers.
- B) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
- C) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

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

The agency has 4 collection locations with no cash drawers. The District Attorneys office does not accept cash. In the DA's office in Vidalia, the receptionist receives the check payments and makes the appropriate entries in the court system and then gives them to the accounting department, who makes daily deposits and posts the receipts to the accounting software. At the end of the month, an outside consultant reconciles the bank accounts for the DA expense fund and IVD fund. At the DA's office in Harrisonburg, monies are handled in the same manner, but deposits are made on a weekly basis. All posting to the accounting software is done at the DA office in Vidalia. There are 2 worthless check locations. Money is collected at both locations and deposits are made weekly. The accounting for these are kept at each location. The Clerks in each location prepare the bank reconciliations and these are reviewed by the supervisor.

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

The District Attorney's office does not have employee theft insurance on the employees.

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

- A) Observe that receipts are sequentially pre-numbered.
- B) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip,
- C) Trace the deposit slip total to the actual deposit per the bank statement.
- D) ● Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
- E) Trace the actual deposit per the bank statement to the general ledger.

The District Attorney does not use pre-numbered receipts. Deposit documentation was traced to the supporting documentation for the deposits. The deposit slips selected were traced to the bank statement. The deposits were traced to the posting in the Quickbooks accounting software. Deposits from DA office in Vidalia are made daily. DA office in Harrisonburg monies are made weekly. Money from worthless check locations are made weekly.

NON-PAYROLL DISBURSEMENTS (EXCLUDING CARD PURCHASES/PAYMENTS, TRAVEL REIMBURSEMENTS, AND PETTY CASH PURCHASES)

8. The District Attorney of the Seventh Judicial District had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.
9. The District Attorney of the Seventh Judicial District had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.
10. The District Attorney of the Seventh Judicial District had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

CREDIT CARDS/DEBIT CARDS/FUEL CARDS/P-CARDS

11. The District Attorney of the Seventh Judicial District had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.
12. The District Attorney of the Seventh Judicial District had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.
13. The District Attorney of the Seventh Judicial District had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

TRAVEL AND EXPENSE REIMBURSEMENT

14. The District Attorney of the Seventh Judicial District had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

CONTRACTS

15. The District Attorney of the Seventh Judicial District had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

PAYROLL AND PERSONNEL

16. The District Attorney of the Seventh Judicial District had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.
17. The District Attorney of the Seventh Judicial District had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.
18. The District Attorney of the Seventh Judicial District had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

19. The District Attorney of the Seventh Judicial District had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

ETHICS (EXCLUDING NONPROFITS)

20. The District Attorney of the Seventh Judicial District had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

DEBT SERVICE

21. The District Attorney of the Seventh Judicial District had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

22. The District Attorney of the Seventh Judicial District had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

OTHER

23. The District Attorney of the Seventh Judicial District had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

24. The District Attorney of the Seventh Judicial District had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

I was 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, I do not express such an opinion or conclusion. Had I performed additional procedures, other matters might have come to my 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.



Mary Jo Finley, CPA
April 8, 2020

Office of the District Attorney

7th Judicial District

Catahoula and Concordia Parishes

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P.O. Box 597
Harrisonburg, LA 71340
Phone: (318) 744-5232
Fax: (318) 744-0587

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Fax: (318) 336-9790



Bradley R. Burget
District Attorney

April 8, 2020

Louisiana Legislative Auditor
P. O. Box 94397
Baton Rouge, LA 70804-9397

RE: 2019 Application of Agreed-Upon Procedures

Dear Sir:

We respond to the application of the AUPs as follows, to-wit:

3. We have cleaned up all bank accounts with the exception of the Hot Checks. We are researching the account and will reconcile the outstanding items as soon as possible.
5. Deposits for the Catahoula Parish District Attorney's Office will be made on a *weekly basis* as the bank in which the deposits are made is located in Concordia Parish. Deposits for the Worthless Checks Department (Catahoula and Concordia) are made in a feasible manner as collections are limited.
6. The District Attorney's Office does not carry coverage for employee theft, but will research options to insure or obtain surety bond coverage for all employees that deposit funds.
7. Deposits for the Catahoula Parish District Attorney's Office will be made on a *weekly basis* as the bank in which the deposits are made is located in Concordia Parish. Deposits for the Worthless Checks Department (Catahoula and Concordia) are made in a feasible manner as collections are limited.

Should you have any questions, please do not hesitate to call me.

Sincerely,

A handwritten signature in black ink, appearing to read "Bradley R. Burget", with a stylized flourish at the end.

Bradley R. Burget
District Attorney
BRB/lc