23RD JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE (PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

P&N

Postlethwaite & Netterville

A Professional Accounting Corporation

www.pncpa.com

23RD JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

CONTENTS

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A Professional Accounting Corporation

INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of the governmental activities and the major fund of 23rd Judicial District Public Defender Office (the "Public Defender") as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Public Defender's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the 23rd Judicial District Public Defender Office as of June 30, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison schedule information on pages 3 through 8 and 22 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

The schedule of compensation, benefits and other payments to agency head or chief executive officer is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated December 18, 2017, on our consideration of the 23rd Judicial District Public Defender Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 23rd Judicial District Public Defender's internal control over financial reporting and compliance.

Postlethwaite & Netterville

December 18, 2017
Gonzales, Louisiana

23RD JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE (PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES) MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2017

This section of the 23rd Judicial District Public Defender Office's financial report presents our discussion and analysis of the Public Defender's financial performance during the year ended on June 30, 2017. Please read it in conjunction with the Public Defender's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The Public Defender's total net position increased by $136,323 over the course of the year's operations.
- The Public Defender's expenses were $136,323 less than the $1,148,480 generated in charges for services and other revenue.
- Revenues increased by 17.8% or approximately $173,000 to $1,148,208 while expenses for the year increased by 2.5% percent or approximately $24,000 to $1,012,157.
- The general fund reported a fund balance of $268,816, an increase from June 30, 2016 of approximately $138,000.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

Figure A-1
Major Features of Public Defender's Government-wide and Fund Financial Statements

		Fund Statements
	Government-wide Statements	Governmental Funds
Scope	Entire Public Defender government	The activities of the Public Defender
Required financial statements	• Statement of net position • Statement of activities	• Balance sheet • Statement of revenues, expenditures, and changes in fund balances
Accounting basis and measurements focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received or have otherwise been incurred

Government-wide Statements

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

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

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

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

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

Fund Financial Statements

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

The Public Defender has one type of fund:

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

FINANCIAL ANALYSIS OF THE PUBLIC DEFENDER AS A WHOLE

Net position. The Public Defender's net position increased between the year ended 2017 and 2016 to $270,489. (See Table A-1.)

Table A-1
Public Defender's Net position

	Governmental Activities			
	2017		2016	
Current and other assets	$	274,894	$	136,184
Capital assets		1,673		3,137
Total assets		**276,567**		**139,321**
Current liabilities		6,078		5,155
Total liabilities	**$**	**6,078**	**$**	**5,155**
Net position				
Net investment in capital assets		1,673		3,137
Unrestricted		268,816		131,029
Total net position	**$**	**270,489**	**$**	**134,166**

Net position of the Public Defender's governmental activities increased approximately 102 percent or $136,323 during the year. Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by enabling legislation or other legal requirements - changed from $131,029 at June 30, 2016, to $268,816 at the end of the current fiscal year.

Changes in Net position. Total revenues for the Public Defender increased from $975,208 to $1,148,480 representing an increase of 17.8 percent. (See Table A-2). Approximately 57 percent of the Public Defender's revenue comes from court fines and forfeitures.

Total expenses increased by $24,320 or 2.5 percent. The Public Defender expenses cover all of the services performed by its office.

Governmental Activities

Revenues for the Public Defender's governmental activities increased 17.8 percent, while total expenses also increased by 2.5 percent.

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

	Governmental Activities	
	2017	**2016**
Revenues		
Program revenues		
Charges for services	$ 655,657	$ 677,541
Grants	22,222	19,712
Interest	370	403
Miscellaneous	24,872	26,164
Intergovernmental	445,359	251,388
Total revenues	**1,148,480**	**975,208**
Expenses		
Personnel	843,774	818,876
Other Operating	168,383	168,961
Total expenses	**1,012,157**	**987,837**
Increase (decrease) in net position	**$ 136,323**	**$ (12,629)**

- The cost of all governmental activities for the year increased approximately 2.5 percent to $1,012,157 primarily due to the increase in contract attorneys' expenditures.

FINANCIAL ANALYSIS OF THE FUNDS

As the Public Defender completed the year, its governmental funds reported a fund balance of $268,816, an increase from last year of approximately $138,000.

General Fund Budgetary Highlights

Original budgeted revenues were $1,094,465 and expenditures were $1,097,300. There were no amendments to the budget in the current fiscal year.

CAPITAL ASSETS

Capital Assets

At June 30, 2017, the Public Defender had invested $1,673 in capital assets. (See Table A-3.)

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

	Governmental Activities	
	2017	2016
Furniture & Equipment	$ 52,363	$ 52,363
Accumulated Depreciation	(50,690)	(49,226)
Net Capital Assets	**$ 1,673**	**$ 3,137**

- There were no additions for the current fiscal year.
- There were no disposals for the current fiscal year.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Public Defender is dependent on providing criminal legal services for indigent individuals in Ascension, Assumption and St. James Parishes for approximately 57 percent of its revenues. The economy is not expected to generate any significant growth. The 2017-2018 budget projects an incline in total revenues as a result of an increase in the amount received from the State Board in DAF (District Assistance Funds).

CONTACTING THE PUBLIC DEFENDER'S FINANCIAL MANAGEMENT

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

23RD JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)
STATEMENT OF NET POSITION
JUNE 30, 2017

ASSETS

	Governmental Activities
Cash	$ 210,794
Receivables	64,100
Capital assets, net of accumulated depreciation	1,673
TOTAL ASSETS	$ 276,567

LIABILITIES AND NET POSITION

LIABILITIES	
Accounts payable	$ 3,910
Payroll liabilities	2,168
TOTAL LIABILITIES	6,078
NET POSITION	
Net investment in capital assets	1,673
Unrestricted	268,816
TOTAL NET POSITION	270,489
TOTAL LIABILITIES AND NET POSITION	$ 276,567

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

23RD JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017

		Program Revenues		Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants	Governmental Unit
FUNCTIONS/PROGRAMS				
Governmental activities:				
General government	$ 1,012,157	$ 655,657	$ 22,222	$ (334,278)
Total governmental activities	$ 1,012,157	$ 655,657	$ 22,222	(334,278)
General Revenues:				
Intergovernmental				445,359
Interest				370
Miscellaneous				24,872
Total general revenues				470,601
Change in net position				136,323
Net position - July 1, 2016				134,166
Net position - June 30, 2017				$ 270,489

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

23RD JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2017

ASSETS

		General Fund
Cash	$	210,794
Receivables		64,100
TOTAL ASSETS	$	274,894

LIABILITIES AND FUND BALANCES

Liabilities		
Accounts payable	$	3,910
Payroll liabilities		2,168
Total liabilities		6,078
Fund balance		
Unassigned		268,816
Total fund balance		268,816
TOTAL LIABILITIES AND FUND BALANCES	$	274,894

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

23RD JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2017

Total fund balances - Governmental Funds	$ 268,816
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds.	1,673
Total net position at June 30, 2017 - Governmental Activities	$ 270,489

The accompanying notes are an integral part of this financial statement

23RD JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-GOVERNMENTAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

	General Fund
REVENUES	
Costs on fines and forfeitures	$ 655,657
Interest	370
Intergovernmental	445,359
Grants	22,222
Miscellaneous	24,872
Total Revenues	1,148,480
EXPENDITURES	
General government	
Personnel	843,774
Investigations	5,273
Capital representation	-
Conflict	11,371
Expert witness	6,288
Indigent parent fund grant	22,222
Office	16,084
Travel & training	10,263
Utilities	6,535
Rent	18,000
Professional fees	18,461
Insurance	49,581
Repairs	1,980
Miscellaneous	548
Dues & subscriptions	313
Total Expenditures	1,010,693
Excess of revenues over expenditures	137,787
Fund balance, beginning of year	131,029
Fund balance, end of year	$ 268,816

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

23RD JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)
RECONCILIATION OF THE GOVERNMENTAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017

Net change in fund balances- Governmental funds	$ 137,787
Capital Assets:	
Depreciation Expense for the year ended June 30, 2017	(1,464)
Change in Net Position- Governmental Activities	$ 136,323

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

INTRODUCTION

The 23rd Judicial District Public Defender Office was created according to the Louisiana Revised Statute 15:141. This statute has been amended by Act No. 307. The purpose of the Public Defender is to provide adequate legal representation of indigent persons charged with commission of criminal offenses.

A. BASIS OF PRESENTATION

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

B. REPORTING ENTITY

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

C. FUND ACCOUNTING

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. FUND ACCOUNTING (continued)

Governmental Funds

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

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

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Fund Financial Statements (FFS)

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

The amounts reflected in the General Fund use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period of soon enough thereafter to pay liabilities of the current period. The Public Defender considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred expect 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 liquated with expendable available financial resources.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING (continued)

Government-Wide Financial Statements (GWFS)

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

Program Revenues- Program revenues included in the column labeled Statement of Activities are derived directly from Public Defender users as a fee for services; program revenues reduce the cost of the function to be financed directly from the Public Defender's general revenues.

E. BUDGETS AND BUDGETARY ACCOUNTING

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

1. The Public Defender prepares an operating budget for the general fund at least fifteen days prior to the commencement of the budgetary year end. The operating budgets include proposed expenditures and the means of financing them for the upcoming year.

2. The budget is made available for public inspection for a fifteen-day period prior to a public hearing held to obtain taxpayer comment.

3. The budget for the General Fund is adopted on a basis consistent with generally accepted accounting principles (GAAP).

4. The budget is adopted at the public hearing and is authorized for implementation on the first day of the calendar year.

5. All annual appropriations lapse at year end.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. CASH AND CERTIFICATES OF DEPOSIT

Cash includes amounts in demand deposits and time deposits. The Public Defender considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Under state law, the Public Defender may deposit funds in demand deposits, interest bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

G. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Public Defender maintains a threshold level of $250 or more for capitalizing capital assets.

Capital assets are recorded in the Statement of Net Position and Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets are depreciated using the straight-line method over their estimated useful lives. Useful lives vary from 5 to 7 years.

H. ESTIMATES

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. NET POSITION IN THE GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

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

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

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

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

J. FUND EQUITY OF FUND FINANCIAL STATEMENTS

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. FUND EQUITY OF FUND FINANCIAL STATEMENTS (continued)

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

Unassigned- represents balances for which there are no constraints.

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

2. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2017, are as follows:

	Furniture and Equipment
Cost of Capital Assets, June 30, 2016	$ 52,363
Additions	-
Cost of Capital Assets, June 30, 2017	52,363
Accumulated depreciation, June 30, 2016	49,226
Additions	1,464
Accumulated depreciation June 30, 2017	50,690
Capital assets, net of accumulated depreciation, at June 30, 2017	$ 1,673

For the year ended June 30, 2017, depreciation expense was $1,464.

3. CASH

At June 30, the Defender had cash (book balances) as follows:

	2017
Demand Deposits	$ 210,794

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

Custodial Credit Risk - Is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2017, the bank balance was not exposed to custodial credit risk.

4. LITIGATIONS AND CLAIMS

There was no pending or threatened litigation against the 23rd Judicial District Public Defender as of June 30, 2017.

5. OPERATING LEASE

The Public Defender leases office space under a month to month agreement. The Public Defender paid monthly rental payments of $1,500. Payments under this lease totaled $18,000 for the year ended June 30, 2017.

6. SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date the financial statement was available to be issued, December 18, 2017, and determined that there were no events that require disclosure.

No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

23RD JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual
REVENUES			
Costs on fines and forfeitures	$ 588,379	$ 588,379	$ 655,657
Interest	500	500	370
Intergovernmental	468,164	468,164	445,359
Grants	22,222	22,222	22,222
Miscellaneous	15,200	15,200	24,872
Total Revenues	1,094,465	1,094,465	1,148,480
EXPENDITURES			
Personnel	926,000	926,000	843,774
Investigations	5,000	5,000	5,273
Capital representation	20,000	20,000	-
Conflict	10,000	10,000	11,371
Expert witness	10,000	10,000	6,288
Indigent parent fund grant	38,500	38,500	22,222
Insurance	17,400	17,400	49,581
Office	7,700	7,700	16,084
Travel	7,000	7,000	10,263
Utilities	7,000	7,000	6,535
Rent	18,000	18,000	18,000
Professional fees	18,000	18,000	18,461
Repairs	5,000	5,000	1,980
Miscellaneous	850	850	548
Dues and subscriptions	6,850	6,850	313
Total Expenditures	1,097,300	1,097,300	1,010,693
Excess of revenues (under) over expenditures	(2,835)	(2,835)	137,787
Fund Balance, July 1, 2016	131,029	131,029	131,029
Fund Balance, June 30, 2017	$ 128,194	$ 128,194	$ 268,816

SUPPLEMENTARY INFORMATION

23RD JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
JUNE 30, 2017

Agency Head Name/Title: Alan Robert, District Defender

Purpose	**Amount**
Salary	$ 110,000
Benefits-insurance	17,716
Cell phone	1,478
Dues	585
Travel	6,946
	$ 136,725

See independent auditors' report.

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of 23rd Judicial District Public Defender Office (the "Public Defender"), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Public Defender's basic financial statements, and have issued our report thereon dated December 18, 2017.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Postlethwaite & Netterville

December 18, 2017
Gonzales, Louisiana

23RD JUDICIAL DISTRICT PUBLIC DEFENDER

SCHEDULE OF FINDINGS AND RESPONSES

YEAR ENDED JUNE 30, 2017

A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unmodified opinion on the basic financial statements of the 23rd Judicial District Public Defender Office.

2. No significant deficiencies or material weaknesses relating to the audit of the financial statements are reported in the 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*.

3. No instances of noncompliance material to the financial statements of the 23rd Judicial District Public Defender Office were disclosed in the audit.

B. FINDING – FINANCIAL STATEMENTS AUDIT

None

C. NON COMPLIANCE WITH STATE LAWS AND REGULATIONS

None

SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED JUNE 30, 2017

A. FINDINGS – FINANCIAL STATEMENT AUDIT

None noted.

B. FINDINGS – COMPLIANCE

None noted.

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23RD JUDICIAL DISTRICT PUBLIC DEFENDER
GONZALES, LOUISIANA

STATEWIDE AGREED-UPON PROCEDURES

FOR THE YEAR ENDED JUNE 30, 2017

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23RD JUDICIAL DISTRICT PUBLIC DEFENDER
GONZALES, LOUISIANA

STATEWIDE AGREED-UPON PROCEDURES

FOR THE YEAR ENDED JUNE 30, 2017

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Honorable Alan Robert
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the management of the 23rd Judicial District Public Defender Office (the "Public Defender") and the Louisiana Legislative Auditor (LLA) (the specified parties) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2016 through June 30, 2017. The Entity's management is responsible for those C/C areas identified in the SAUPs.

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

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain the entity's written policies and procedures and reported 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.

   We performed the procedures above and noted no exceptions.

   b) Purchasing, including (1) how purchases are initiated; (2) the preparation and approval process of purchase requisitions and purchase orders; (3) controls to ensure compliance with the public bid law or state purchasing rules and regulations; and (4) documentation required to be maintained for all bids and price quotes.

   We performed the procedures above and noted no exceptions.

   c) Disbursements, including processing, reviewing, and approving.

   We performed the procedures above and noted no exceptions.

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d) Receipts, including receiving, recording, and preparing deposits.

We performed the procedures above and noted no exceptions.

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

We performed the procedures above and noted no exceptions.

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

We performed the procedures above and noted no exceptions.

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

Not applicable.

h) *Travel and expense reimbursement*, including (1) allowable expenses, (2) dollar thresholds by category of expense, (2) documentation requirements, (3) time-frame in which requests must be submitted and (4) required approvers

We performed the procedures above and noted no exceptions.

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, and (3) system to monitor possible ethics violations.

Not applicable.

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

Not applicable.

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Board (or Finance Committee, if applicable)

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

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

      Not applicable.

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

      Not applicable.

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

      Not applicable.

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Bank Reconciliations

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

    We performed the procedures above and noted no exceptions.

4. Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:

    a) Bank reconciliations have been prepared;

    b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and

    c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

    We performed the procedures above and noted no exceptions.

Collections

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

   We performed the procedures above and noted no exceptions.

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

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

   We performed the procedures above and noted the following exception:

   - **The Public Defender only has one cash collection location. Per testing of this location, it was noted that (2) the same person responsible for cash collections is also responsible for making deposits.**

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

   We performed the procedures above and noted no exceptions.

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

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

      We performed the procedures above and noted the following exception:

      - **Per testing of the highest (dollar) week of cash collections, it was noted that 8 out of 10 collections tested were not deposited within one day of collection. The number of days ranged from 2 to 16.**

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

We performed the procedures above and noted no exceptions.

7. Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the Public Defender has a process specifically defined (identified as such by the Public Defender) to determine completeness of all collections, including electronic transfers, for each revenue source (e.g. periodic confirmation with outside parties, reconciliation of receipt number sequences, reasonableness of cash collections based on licenses issued) by a person who is not responsible for collections.

We performed the procedures above and noted the following exception:

- **According to written documentation (policies and procedures), the Public Defender does not have a process to determine completeness of all collections by a person who is not responsible for collections.**

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Disbursements – Other General

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

   We performed the procedures above and noted no exceptions.

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

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

   We performed the procedures above and noted no exceptions.

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

   We performed the procedures above and noted no exceptions.

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

   We performed the procedures above and noted no exceptions.

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

    We performed the procedures above and noted no exceptions.

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

    We performed the procedures above and noted no exceptions.

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

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Defender documentation (electronic system control documentation) and report whether the persons with signatory authority have system access to print checks.

We performed the procedures above and noted no exceptions.

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

We performed the procedures above and noted no exceptions.

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

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

    Not applicable.

15. Using the listing prepared by management, randomly select five cards that were used during the fiscal period. Obtain the monthly statements, or combined statements with the largest dollar activity for each card (for a debit card, select the monthly bank statement with the largest dollar amount of debit card purchases) and:

    a) Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder.

       Not applicable.

    b) Report whether finance charges and/or late fees were assessed on the selected statements.

       Not applicable.

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

    a) For each transaction, report whether the transaction is supported by:

       - An original itemized receipt (i.e., identifies precisely what was purchased).

         Not applicable.

       - Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.

         Not applicable.

       - Other documentation that may be required by written policy (e.g., purchase order, written authorization.)

         Not applicable.

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

Not applicable.

c) For each transaction, compare the Public Defender's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. cash advances or non-business purchases, regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

Not applicable.

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Travel and Expense Reimbursement

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

    We performed the procedures above and noted no exceptions.

18. Obtain the Public Defender's written policies related to travel and expense reimbursements. Compare the amounts in the policies to the per diem and mileage rates established by the state's travel rules and regulations (i.e. PPM 49) and report any rates that exceed the rates established by PPM49. Note: Report rates that exceed those established in PPM49 even if the Public Defender has the legal authorization to establish its own rates.

    We performed the procedures above and noted no exceptions.

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

    a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the Public Defender does not have written policies, compare to the PPM 49 rates (#18 above) and report each reimbursement that exceeded those rates.

    We performed the procedures above and noted no exceptions.

    b) Report whether each expense is supported by:

    - An original itemized receipt that identifies precisely what was purchased.
    - Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).
    - Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance).

    We performed the procedures above and noted no exceptions.

    c) Compare the Public Defender's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

    We performed the procedures above and noted no exceptions.

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

We performed the procedures above and noted the following exception:

- **Per testing results, it was noted that the District Defender approves his own travel and expense reimbursements.**

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Contracts

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

    We performed the procedures above and noted no exceptions.

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

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

    We performed the procedures above and noted no exceptions.

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

    - If yes, obtain/compare supporting contract documentation to legal requirements and report whether the Public Defender complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder).

      Not applicable.

    - If no, obtain supporting contract documentation and report whether the Public Defender solicited quotes as a best practice.

    We performed the procedures above and noted no exceptions.

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

    Not applicable.

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

    We performed the procedures above and noted no exceptions.

    e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law.

    Not applicable.

Payroll and Personnel

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

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

    We performed the procedures above and noted no exceptions.

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

    We performed the procedures above and noted no exceptions.

23. Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, select 25 employees and:

    a) Report whether all selected employees documented their daily attendance and leave (e.g., vacation, sick, compensatory).

    Not applicable.

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

    Not applicable.

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

    Not applicable.

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

    Not applicable.

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

We performed the procedures above and noted the following exception:

- **Per testing results, it was noted that one EFTPS payments was paid 3 days late.**

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Ethics

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

    Not applicable.

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

    Not applicable.

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Debt Service

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

Not applicable.

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

Not applicable.

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

Not applicable.

Other

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

Not applicable.

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

We performed the procedures above and noted the following exception:

- **Per testing results, it was noted that the Public Defender had not posted, on it premises or website, the notice required by R.S. 24:523.1. Per discussion with the client, they were not aware of such a requirement.**

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

We performed the procedures above and noted no exceptions.

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Corrective Action

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

SEE ATTACHMENT FOR MANAGEMENT'S CORRECTIVE ACTION PLANS

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

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

Postlethwaite & Netterville

Postlethwaite & Netterville
Gonzales, Louisiana
December 18, 2017

District Public Defender
23rd Judicial District
Alan J. Robert
(225) 644-2968
alan_pdo@eatel.net

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(225) 647-9986
Telecopy: (225) 647-9683

December 21, 2017

Response of 23rd Judicial District
Public Defender Office

Re: Independent accountants' Report (2017)

Question 6.a and c. The Public Defender Office will have the designated front office receptionist collect all cash payment and provide a numbered receipt. The receptionist will give the cash and copy of the receipt to the office manager on a daily basis. The office manager will maintain the cash in a secure locked metal file cabinet until a deposit is made at the bank. The office manager will prepare the deposit ticket and deposit all cash received weekly on the Friday of each week.

Question 7. On a monthly basis the District defender or his designee (who is not the cash collector or depositor) will review the cash deposit tickets and reconcile them with the cash receipts. Any discrepancies will be noted to the office manager, as well as the outside CPA, and the notice shall be maintained as a Public Defender Office record for 5 years for review by the Auditors.

Question 19. D). All travel and mileage reimbursement request will be made on a form provided by the Public Defender Office, and signed by the person seeking reimbursement and presented to the office manager who will sign the form as received and approved, and keep the forms as a Public Defender Office record for 5 years.

Question 25. All payroll EFT PWS payments will be made on time by the office manager.

Question 32. This has been corrected and the notice has been posted in the lobby of the Public Defender Office

Respectfully submitted
December 21, 2017

Alan J. Robert
District Defender

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