

**DISTRICT ATTORNEY
OF THE THIRTY-NINTH JUDICIAL DISTRICT
COUSHATTA, LOUISIANA**

**ANNUAL FINANCIAL REPORT
DECEMBER 31, 2018**

District Attorney of the Thirty-Ninth Judicial District
 Coushatta, Louisiana
 Financial Report
 December 31, 2018

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District Attorney of the Thirty-Ninth Judicial District
Coushatta, Louisiana
Financial Report
December 31, 2018

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District Attorney of the Thirty-Ninth Judicial District
P. O. Box 606
Coushatta, LA 71019-0606

Management's Discussion and Analysis (MD&A)

This section of the District Attorney of the Thirty-Ninth Judicial District's (hereafter referred to as the District Attorney) annual financial report presents an overview and analysis of the District Attorney's financial activities for the year ended December 31, 2018. The intent of the MD&A is to look at the District Attorney's financial performance as a whole. It should, therefore be read in conjunction with this report. Certain comparative information is presented to provide an overview of the District Attorney's operations.

Financial Highlights

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the District Attorney as a whole and presents a longer-term view of the District Attorney's finances. These statements tell how these services were financed in the short-term as well as what remains for future spending.

Government-Wide Financial Statements

- The Statement of Net Position presents all of the District Attorney's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between the two reported as "net position". Over time, increases or decreases in the District Attorney's net position may serve as a useful indicator of whether the financial position of the District Attorney is improving or deteriorating.
- The Statement of Activities presents information showing how the District Attorney's net position changed during the current year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Therefore, some revenues and some expenses that are reported in this statement will not result in cash flows until future years.

Fund Financial Statements

These statements provide a short-term view of the District Attorney's finances and assists in determining whether there will be adequate financial resources available to meet the current needs of the District Attorney. The services provided by the District Attorney are financed through governmental funds. 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, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District Attorney conducts its day-to-day operations through a governmental fund, the General Fund. There are also two special revenue funds, the Title IV-D and Worthless Check Funds. The District Attorney also maintains one fiduciary fund, the Forfeiture Fund. The Fiduciary Fund is simply a fund held for other parties and cannot be used for any of the District Attorney's activities, it is not included in the government-wide statements, but is separately reported in the statement of the Fiduciary Funds.

A summary of the basic government-wide financial statements is as follows:

Summary of Statement of Net Position

	<u>2018</u>	<u>2017</u>
ASSETS:		
Current Assets	\$208,288	\$180,003
Capital Assets, Net of Accumulated Depreciation	<u>6,391</u>	<u>10,219</u>
Total Assets	<u>\$214,679</u>	<u>\$190,222</u>
DEFERRED OUTFLOWS OF RESOURCES:	\$ <u>13,398</u>	\$ <u>14,047</u>
LIABILITIES:		
Current- Payables	\$ <u>4,661</u>	\$ <u>3,094</u>
Noncurrent- Net Pension Liability	\$ <u>18,115</u>	\$ <u>15,535</u>
Total Liabilities	\$ <u>22,776</u>	\$ <u>18,629</u>
DEFERRED INFLOWS OF RESOURCES:	\$ <u>4,499</u>	\$ <u>6,647</u>
NET POSITION:		
Net investment in Capital Assets Unrestricted	\$ 6,391 <u>194,411</u>	\$ 10,219 <u>168,774</u>
Total Net Position	<u>\$200,802</u>	<u>\$178,993</u>

Summary of Statement of Activities

	<u>2018</u>	<u>2017</u>
REVENUES:		
Operating Grants	\$201,983	\$203,269
Fees, Fines & Charges for Services	75,157	75,824
Non-employer Pension Revenue	4,920	4,734
On Behalf Payments-Parish Government	289,667	230,149
On Behalf Payments-State	142,905	175,962
Interest & Miscellaneous	<u>2,583</u>	<u>2,729</u>
Total Revenues	<u>\$717,215</u>	<u>\$692,667</u>
EXPENSES:		
Governmental Activities-		
Judicial-		
On Behalf Payments-Parish Government	\$262,834	\$290,223
On Behalf Payments-State	289,667	230,149
	<u>142,905</u>	<u>175,962</u>
Total Expenses	<u>\$695,406</u>	<u>\$696,334</u>
Change in Net Position	<u>\$ 21,809</u>	<u>\$ (3,667)</u>

- The District Attorney's assets exceeded its liabilities by \$200,802 (net position) for the year. For the prior year this was \$178,993.
- Unrestricted net position of \$194,411 represents the portion available to maintain the District Attorney's obligation to both citizens and creditors. For the prior year, this was \$168,774, an increase of \$25,637 for the year.

Budgetary Highlights

In the General Fund, actual revenues were more than budgeted amounts by \$2,675 and actual expenditures were less than budgeted amounts by \$11,597. For the Title IV-D Fund, actual expenditures were \$801 less than budgeted amounts and actual revenues were \$14,976 less than budgeted amounts. This is within acceptable variance of the Local Government Budget Act. Amendments were made during the year to the original budgets for the General and Title IV-D funds.

Economic Factors and Next Year's Budget

Revenues received by the District Attorney continue to be sufficient to maintain the normal day-to-day operational needs of the office. The District Attorney considers many factors when setting the budget for fiscal year 2019, including increasing personnel costs associated with insurance and retirement.

Contacting the District Attorney

This financial report is designed to provide our citizens and creditors with a general overview of the District Attorney's finances and to show the District Attorney's accountability for the money it receives. Any questions about this report or requests for additional information may be directed to Julie C. Jones, District Attorney of the Thirty-Ninth Judicial District at P. O. Box 606, Coushatta, Louisiana 71019-0606.

T | C | B | T
THOMAS, CUNNINGHAM, BROADWAY & TODTENBIER
Certified Public Accountants

Eddie G. Johnson, CPA - A Professional Corporation (1927-1996)

Mark D. Thomas, CPA - A Professional Corporation
Roger M. Cunningham, CPA - A Professional Corporation
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INDEPENDENT AUDITOR'S REPORT

To the Honorable Julie C. Jones, District Attorney
Thirty-Ninth Judicial District
P. O. Box 606
Coushatta, LA 71019-0606

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, the fiduciary fund, and the aggregate remaining fund information of the District Attorney of the Thirty-Ninth Judicial District of Louisiana (District Attorney), a component unit of the Red River District Attorney, as of and for the year ended December 31, 2018, which collectively comprise the District Attorney's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the governmental activities, each major fund, the fiduciary fund, and the aggregate remaining fund information of the District Attorney as of December 31, 2018, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Schedules, Schedule of Employer's Share of Net Pension Liability, and 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 presented for purposes of additional analysis and 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.

The Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer listed as required supplementary information in the Table of Contents is presented for the purpose of additional analysis and is not a required part of the basic financial statements.

We have applied certain limited procedures to the Management's Discussion and Analysis in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the introductory section because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District Attorney's financial statements. The Budgetary Comparison Schedules, Schedule of Employer's Share of Net Pension Liability, Schedule of Employer Contributions, and Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2019, on our consideration of the District Attorney's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District Attorney's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Louisiana Legislative Auditor, we have issued a report, dated June 24, 2019 on the results of our state wide 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 state wide agreed-upon procedures, and the results of that testing, and not to provide an opinion on control or compliance.

Thomas, Cunningham, Broadway & Todtenbier, CPAs

Thomas, Cunningham, Broadway & Todtenbier
Natchitoches, Louisiana

June 24, 2019

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE
FINANCIAL STATEMENTS

District Attorney of the Thirty-Ninth Judicial District
Coushatta, Louisiana
Statement of Net Position
December 31, 2018

ASSETS:

Current Assets-

Cash & Cash Equivalents	\$177,977
Revenue Receivable	<u>30,311</u>

Total Current Assets	\$208,288
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Noncurrent Assets-

Capital Assets (Net)	<u>6,391</u>
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Total Assets	\$ <u>214,679</u>
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DEFERRED OUTFLOWS OF RESOURCES:	\$ <u>13,398</u>
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LIABILITIES:

Current Liabilities-

Accounts Payable	\$ 3,874
Accrued Payroll Expenses	<u>787</u>

Total Current Liabilities	\$ <u>4,661</u>
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Noncurrent Liabilities-

Net Pension Liability	\$ <u>18,115</u>
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Total Liabilities	\$ <u>22,776</u>
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DEFERRED INFLOWS OF RESOURCES:	\$ <u>4,499</u>
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NET POSITION:

Net Investment in Capital Assets	\$ 6,391
Unrestricted	<u>194,411</u>

Total Net Position	\$ <u>200,802</u>
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The accompanying notes are an integral part of this statement.

District Attorney of the Thirty-Ninth Judicial District
Coushatta, Louisiana
Statement of Activities
December 31, 2018

<u>Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expenses) Revenues and Changes in Net Position Governmental Activities</u>
		<u>Fees, Fines and Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Governmental Activities:					
Judicial-					
Personnel Services	\$632,822	\$75,157	\$ 0	\$0	\$(557,665)
Operating Expenses	31,219	0	201,983	0	170,764
Materials & Supplies	13,430	0	0	0	(13,430)
Travel & Other Charges	5,645	0	0	0	(5,645)
Professional Services	<u>12,290</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(12,290)</u>
Total Governmental Activities	<u>\$695,406</u>	<u>\$75,157</u>	<u>\$201,983</u>	<u>\$0</u>	<u>\$(418,266)</u>
General Revenues:					
Interest				\$ 2,533	
Non-Employer Pension Revenue				4,920	
On Behalf Payments-Parish Government				289,667	
On Behalf Payments-State				142,905	
Miscellaneous				<u>50</u>	
Total General Revenues				<u>\$ 440,075</u>	
Change in Net Position				\$ 21,809	
Net Position January 1, 2018				<u>178,993</u>	
Net Position December 31, 2018				<u>\$ 200,802</u>	

The accompanying notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS

District Attorney of the Thirty-Ninth Judicial District
Coushatta, Louisiana
Balance Sheet-Governmental Funds
December 31, 2018

	<u>Major Funds</u>		<u>Non-Major Fund</u>	
	<u>General</u>	<u>Title</u>	<u>Worthless</u>	<u>Total</u>
	<u>Fund</u>	<u>IV-D Fund</u>	<u>Check Fund</u>	
Assets:				
Cash & Cash Equivalents	\$145,373	\$28,276	\$4,328	\$177,977
Revenue Receivable	<u>8,986</u>	<u>21,325</u>	<u>0</u>	<u>30,311</u>
Total Assets	<u>\$154,359</u>	<u>\$49,601</u>	<u>\$4,328</u>	<u>\$208,288</u>
Liabilities:				
Accounts Payable	\$ 3,867	\$ 7	\$ 0	\$ 3,874
Accrued Payroll Expenses	<u>0</u>	<u>787</u>	<u>0</u>	<u>787</u>
Total Liabilities	<u>\$ 3,867</u>	<u>\$ 794</u>	<u>\$ 0</u>	<u>\$ 4,661</u>
Fund Balance:				
Restricted for:				
Special Purposes	\$ 0	\$48,807	\$4,328	\$ 53,135
Unassigned	<u>150,492</u>	<u>0</u>	<u>0</u>	<u>150,492</u>
Total Fund Balances	<u>\$150,492</u>	<u>\$48,807</u>	<u>\$4,328</u>	<u>\$203,627</u>
Total Liabilities and Fund Balance	<u>\$154,359</u>	<u>\$49,601</u>	<u>\$4,328</u>	<u>\$208,288</u>

The accompanying notes are an integral part of this statement.

District Attorney of the Thirty-Ninth Judicial District
Coushatta, Louisiana
Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
December 31, 2018

Total Fund Balance for the Governmental Funds at December 31, 2018	\$203,627
Total Net Position reported for Governmental Activities in the Statement of Net Position is different because:	
Capital Assets used in Governmental Activities are not financial resources and, therefore, are not reported in the fund. Those assets consist of:	
Equipment and Vehicles, Net of Accumulated Depreciation	6,391
Deferred Outflows of Resources used in Governmental Activities are not financial resources and therefore are not reported in the Governmental Fund Balance Sheet-	13,398
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the Governmental Fund Balance Sheet-	
Net Pension Liability	(18,115)
Deferred Inflows of Resources are not due and payable current period and, therefore are not reported in the Governmental Fund Balance Sheet-	<u>(4,499)</u>
Total Net Position of Governmental Activities at December 31, 2018	<u>\$200,802</u>

The accompanying notes are an integral part of this statement.

District Attorney of the Thirty-Ninth Judicial District
Coushatta, Louisiana
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2018

	<u>Major Funds</u>		<u>Non-Major Fund</u>	<u>Total</u>
	<u>General Fund</u>	<u>Title IV-D Fund</u>	<u>Worthless Check Fund</u>	
REVENUES:				
Charges for Services	\$ 72,923	\$ 0	\$2,234	\$ 75,157
Intergovernmental-				
Federal Grants	0	139,199	0	139,199
State Grants	30,000	0	0	30,000
Other Grants	32,784	0	0	32,784
On Behalf Payments-				
Parish Government	289,667	0	0	289,667
On Behalf Payments-State	142,905	0	0	142,905
Miscellaneous	<u>2,580</u>	<u>3</u>	<u>0</u>	<u>2,583</u>
Total Revenues	<u>\$570,859</u>	<u>\$139,202</u>	<u>\$2,234</u>	<u>\$712,295</u>
EXPENDITURES:				
Current-				
General Government-				
Personnel Services & Related Benefits	\$510,876	\$115,945	\$ 0	\$626,821
Operating Expenses	15,840	11,551	0	27,391
Materials & Supplies	8,683	4,747	0	13,430
Travel & Other Charges	5,614	31	0	5,645
Professional Services	<u>12,290</u>	<u>0</u>	<u>0</u>	<u>12,290</u>
Total Expenditures	<u>\$553,303</u>	<u>\$132,274</u>	<u>\$ 0</u>	<u>\$685,577</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ 17,556</u>	<u>\$ 6,928</u>	<u>\$2,234</u>	<u>\$ 26,718</u>
OTHER FINANCING SOURCES (USES):				
Operating Transfers In	\$ 0	\$ 6,144	\$ 0	\$ 6,144
Operating Transfers Out	<u>(6,144)</u>	<u>0</u>	<u>0</u>	<u>(6,144)</u>
Total Other Financing Sources (Uses)	<u>\$ (6,144)</u>	<u>\$ 6,144</u>	<u>\$ 0</u>	<u>\$ 0</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ 11,412</u>	<u>\$ 13,072</u>	<u>\$2,234</u>	<u>\$ 26,718</u>
Fund Balances-Beginning of Year	<u>139,080</u>	<u>35,735</u>	<u>2,094</u>	<u>176,909</u>
Fund Balances-End of Year	<u>\$150,492</u>	<u>\$ 48,807</u>	<u>\$4,328</u>	<u>\$203,627</u>

The accompanying notes are an integral part of this statement.

District Attorney of the Thirty-Ninth Judicial District
Coushatta, Louisiana
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of the Governmental Funds
to the Statement of Activities
For the Year Ended December 31, 2018

Net Change in Fund Balances-Governmental Funds	\$26,718
The Change in Net Position reported for Governmental Activities in the Statement of Activities is different because:	
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the Statement of Revenues, Expenditures and Changes in Fund Balance	
Non-Employer Pension Revenue	4,920
Depreciation Expense on Capital Assets is reported in the Government-wide Financial Statements, but does not require the use of current financial resources and is not reported in the Fund Financial Statements. Current year depreciation expense is	
	(3,828)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and are not reported as expenditures in the Statement of Revenues, Expenditures, and Changes in Fund Balance -	
Change in Pension Expense	<u>(6,001)</u>
Total changes in Net Position at December 31, 2018, per Statement of Activities	<u>\$21,809</u>

The accompanying notes are an integral part of this statement.

District Attorney of the Thirty-Ninth Judicial District
Coushatta, Louisiana
Statement of Fiduciary Assets and Liabilities
Fiduciary Fund
December 31, 2018

	Asset Forfeiture <u>Fund</u>
ASSETS:	
Cash	\$ <u>0</u>
LIABILITIES:	
Due to Other Governments	\$ <u>0</u>

The accompanying notes are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

District Attorney of the Thirty-Ninth Judicial District
Coushatta, Louisiana
Notes to Financial Statements
December 31, 2018

Introduction:

The Thirty-Ninth Judicial District is comprised of the parish of Red River, located in northeast Louisiana. As provided by Article V, Section 26 of the Louisiana Constitution of 1974, the District Attorney has charge of criminal prosecution by the State in his district, is the representative of the State before the grand jury in his district, and is legal advisor to the grand jury. The District Attorney 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.

1. Summary of Significant Accounting Policies:

A. Reporting Entity-

As the governing authority of the parish, for reporting purposes, the Red River Parish Police Jury is the financial reporting entity for Red River Parish. The financial reporting entity consists of (a) the primary government (Police Jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that 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 Red River District Attorney for financial reporting purposes. The basic criteria for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body and
 - a. The ability of the Parish Police Jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the District Attorney.
2. Organizations for which the Parish Police Jury does not appoint a voting majority but are fiscally dependent and
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

District Attorney of the Thirty-Ninth Judicial District
Coushatta, Louisiana
Notes to Financial Statements
December 31, 2018

Although the District Attorney is an independently elected official, he is fiscally dependent on the Red River Parish Police Jury. The Red River Parish Police Jury maintains and operates the parish courthouse in which the District Attorney's office is located and provides funds for other expenses of the District Attorney's office, as necessary. Therefore, the District Attorney was determined to be a component unit of the Red River 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 financial reporting entity.

B. Basis of Presentation-

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and Statement of Activities report information about the reporting government as a whole. They include all funds of the reporting entity except for the fiduciary fund. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities generally are financed through fees and charges, intergovernmental revenues, and other non-exchange revenues.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the District Attorney's governmental activities. Direct expenses are those that are specifically associated with a program or function. Program revenues include (a) fees and charges paid by the recipient for goods or services offered by the program, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

C. Fund Accounting-

The accounts of the District Attorney are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained is consistent with legal and managerial requirements.

The District Attorney maintains four funds. They are categorized as governmental funds and a fiduciary fund. The emphasis on fund financial statements is on major governmental and enterprise funds; each displayed in a separate column. A fund is considered major if it is the primary operating fund of the District Attorney or its total assets, liabilities, revenues, or expenditures of the individual governmental fund is at least 10 percent of the corresponding total for all governmental funds. The District Attorney considers the following governmental funds to be major: General Fund and Title IV-D.

District Attorney of the Thirty-Ninth Judicial District
Coushatta, Louisiana
Notes to Financial Statements
December 31, 2018

The funds of the District Attorney are described below:

Governmental Funds

Governmental funds account for the District Attorney's general activities, including the collection and disbursement of specific or legally restricted monies, and the acquisition of general fixed assets. Governmental funds of the District Attorney include:

General Fund

The General Fund was established in compliance with Louisiana Revised Statute 15:571.11, which provides that a percentage 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 that are legally restricted to expenditures for specified purposes.

Title IV-D

The Title IV-D Fund accounts for receipt and expenditure of federal reimbursement grants passed through 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 program 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.

Worthless Check

The Worthless Check Collection Fee Fund accounts for revenues derived from the fees collected in accordance with Louisiana Revised Statute 16:15, which provides for a specific fee whenever the District Attorney's office collects and processes a worthless check. Expenditures from this fund are at the sole discretion of the District Attorney and may be used to defray the salaries and the expenses of the Office of the District Attorney but may not be used to supplement the salary of the District Attorney.

Fiduciary Funds

Fiduciary Funds are used to account for assets held by the District Attorney in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Fiduciary Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities of the District Attorney, these funds are not incorporated into the government-wide statements.

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D. Measurement Focus/Basis of Accounting-

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

Accrual Basis - Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the District Attorney's office as a whole. Both of these statements have been prepared using the economic measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Modified Accrual Basis - Fund Financial Statements (FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., when they are 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 collected within 60 days after year-end. Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred. The exceptions to this general rule are that (1) unmatured principal and interest on long-term debt, if any, are recorded when due and (2) claims and judgments and compensated absences are recorded as expenditures when paid with expendable available financial resources.

E. Cash and Interest-Bearing Deposits-

For purposes of the Statement of Net Position, cash and cash equivalents include all interest-bearing and demand accounts of the District Attorney.

F. Capital Assets-

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. 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 District Attorney maintains a threshold level of \$1,000 or more for capitalizing assets.

The costs of normal maintenance and repairs that do not add to the value of that asset or materially extend the life of that asset are not capitalized.

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Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation.

The range of useful lives by type of asset is as follows:

Furniture, Fixtures & Equipment	5 years
Vehicles	5 years

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

G. 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 the 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 assets.
- b. Restricted net position - consists of net resources with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provision or enabling legislation.
- c. Unrestricted net position - all other net resources that do 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 statements, governmental fund equity is classified as fund balance. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- a. Nonspendable fund balance - amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;
- b. Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;

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- c. Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- d. Unassigned fund balance - amounts that are available for any purpose; positive amounts are reported only in the general fund.

The General Fund has an unassigned fund balance of \$150,492. 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.

H. Estimates-

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

I. Budget-

Prior to the beginning of each fiscal year, the District Attorney adopts a budget for the next fiscal year for its general fund and each major special revenue funds. The budgets are open for public inspection. All budgetary appropriations lapse at the end of the fiscal year. The budgets for the General Fund and IV-D Fund are prepared on the modified accrual basis of accounting.

J. Pensions-

For purposes of measuring the Net Pension Liability, Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions, and pension expense, information about the fiduciary net positions of the District Attorney's Retirement System of Louisiana and the Parochial Employees' Retirement System of Louisiana and additions to/deductions from the Systems' fiduciary net positions have been determined on the same basis as they are reported by the Systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

K. Deferred Outflows/Inflow of Resources-

The Statement of Net Position reports a separate section for deferred outflows and (or) deferred inflows of financial resources. Deferred outflows of resources represent a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until the applicable period. Deferred inflows of resources represent an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources until that time.

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2. Cash and Cash Equivalents:

The cash and cash equivalents of the District Attorney are subject to the following risk:

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the District Attorney will not be able to recover its deposits. Under state law, these 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 District Attorney 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 deemed to be held in the District Attorney’s name.

For reporting purposes, cash and cash equivalents include demand deposits, time deposits, and certificates of deposit. Cash and cash equivalents are stated at cost, which approximates market. At December 31, 2018, the District Attorney has \$185,509 in collected bank balances. These deposits are fully secured by FDIC Insurance.

3. Interfund Transactions:

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of the governmental funds. Transfers are primarily used to move operation monies to and from various funds. The summary of interfund operating transfers is as follows:

	<u>Operating Transfers In</u>	<u>Operating Transfer Out</u>
General Fund	\$ 0	\$6,144
Special Revenue Funds- Title IV-D	<u>6,144</u>	<u>0</u>
Total	<u>\$6,144</u>	<u>\$6,144</u>

4. Compensated Absences:

Full-time employees earn ten days of vacation and sick leave annually. Vacation and sick leave may not be accumulated and there are no vesting privileges; therefore, no entry is made for compensated absences.

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5. Capital Assets:

Capital asset balances and activity for the year ended December 31, 2018, is as follows:

<u>Governmental Activities</u>	<u>Balance</u> <u>1-1-18</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12-31-18</u>
Capital Assets- Depreciated:				
Office Furniture, Equipment	\$ 62,646	\$ 0	\$0	\$ 62,646
Vehicles	<u>23,340</u>	<u>0</u>	<u>0</u>	<u>23,340</u>
Total Capital Assets	\$ 85,986	\$ 0	\$0	\$ 85,986
Less, accumulated depreciation	<u>(75,767)</u>	<u>(3,828)</u>	<u>0</u>	<u>(79,595)</u>
Net Capital Assets	\$ <u>10,219</u>	\$ <u>(3,828)</u>	\$ <u>0</u>	\$ <u>6,391</u>

Depreciation expense of \$3,828 was charged to the judicial function.

6. Receivables:

The following is a summary of receivables at December 31, 2018:

<u>Class of Receivable</u>	<u>General</u> <u>Fund</u>	<u>IV-D</u> <u>Fund</u>	<u>Total</u>
Charges for Services	\$8,986	\$ 0	\$ 8,986
Intergovernmental Revenues	<u>0</u>	<u>21,325</u>	<u>21,325</u>
Total	<u>\$8,986</u>	<u>\$21,325</u>	<u>\$30,311</u>

7. Employee Retirement System

Substantially all employees of the District Attorney are members of the District Attorneys' Retirement System, State of Louisiana (DARS). This system is a cost-sharing, multiple-employer defined benefit pension plan administered by separate boards of trustees. Pertinent information relative to the plan follows:

A. General Information about the Plan

Plan Description

The District Attorney contributes to the District Attorneys' Retirement System, State of Louisiana, which is a cost-sharing multiple employer defined benefit pension plan. DARS 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. DARS is administered by a Board of Trustees.

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All persons who are district attorneys of the State of Louisiana, assistant district attorneys in any parish of the State of Louisiana, or employed by this retirement system and the Louisiana District Attorneys' Association, except for elected or appointed officials who have retired from service under any publicly funded retirement system within the state and who are currently receiving benefits, shall become members as a condition of their employment; provided, however, that in the case of assistant district attorneys, they must be paid an amount not less than the minimum salary specified by the Louisiana District Attorneys' Retirement System's Board of Trustees. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through DARS in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

Benefit Provided

The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Retirement

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

Members who joined DARS after July 1, 1990, or who elected to be covered by the new provisions, are eligible to receive normal retirement benefits if they are age 60 and have 10 years of service credit, are age 55 and have 24 years of service credit, or have 30 years of service credit regardless of age. The normal retirement benefit is equal to 3.5% of the member's final average compensation multiplied by years of membership service. A member is eligible for an early retirement benefit if he is age 55 and has 18 years of service credit. The early retirement benefit is equal to the normal retirement benefit reduced 3% for each year the member retires in advance of normal retirement age. Benefits may not exceed 100% of average final compensation.

Disability Benefits

Disability benefits are awarded to active contributing members with at least 10 years of service who are found to be totally disabled as a result of injuries incurred while in active service. The member receives a benefit equal to 3% (3.5% for members covered under the new retirement benefit provisions) of his average final compensation multiplied by the lesser of his actual service (not to be less than 15 years) or projected continued service to age 60.

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Survivor's Benefits

Upon the death of a member with less than 5 years of creditable service, his accumulated contributions and interest thereon are paid to his surviving spouse, if he is married, or to his designated beneficiary, if he is not married. Upon the death of any active, contributing member with 5 or more years of service or any member with 23 years of service who has not retired, automatic Option 2 benefits are payable to the surviving spouse. These benefits are based on the retirement benefits accrued at the member's date of death with the option factors used as if the member had continued in service to earliest normal retirement age. If a member has no surviving spouse, the surviving minor children under 18 or disabled children are paid 80% of the member's accrued retirement benefit divided into equal shares. If a member has no surviving spouse or children, his accumulated contributions and interest are paid to his designated beneficiary. In lieu of periodic payments, the surviving spouse or children may receive a refund of the member's accumulated contributions with interest.

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

Cost-of-Living Increases

The Board of Trustees is authorized to grant retired members and surviving beneficiaries of members who have retired an annual cost of living increase of 3% of their original benefit, (not to exceed \$60 per month) and all retired members and widows who are 65 years of age and older a 2% increase in their original benefit. In lieu of other cost of living increases the Board may grant an increase to retirees in the form of "Xx(A&B)" where "A" is equal to the number of years of credited service accrued at retirement or death of the member or retiree and "B" is equal to the number of years since death of the member or retiree to June 30 of the initial year of increase and "X" is equal to any amount available for funding such increase up to a maximum of \$1.00. In order for the Board to grant any of these increases, DARS must meet certain criteria detailed in the statute related to funding status and interest earnings.

Deferred Retirement Option Plan

In lieu of receiving an actual service retirement allowance, any member who has more years of service than are required for a normal retirement may elect to receive a Back-Deferred Retirement Option Program (Back-DROP) benefit.

The Back-DROP benefit is based upon the Back-DROP period selected and the final average compensation prior to the period selected. The Back-DROP period is the lesser of 36 months or the service accrued between the time a member first becomes eligible for retirement and his actual date of retirement. At retirement, the member's maximum monthly retirement benefit is based upon his service, final average compensation, and plan provisions in effect on the last day of creditable service immediately prior to the commencement of the Back-DROP period. In addition to a reduced monthly benefit at retirement, the member receives a lump-sum payment equal to the maximum monthly benefit as calculated above multiplied by the number of months in the Back-DROP period. In lieu of receiving the lump-sum payment, the member may leave the funds on deposit with the system in an interest bearing account.

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Prior to January 1, 2009, eligible members could elect to participate in the Deferred Retirement Option Program (DROP) for up to 36 months in lieu of terminating employment and accepting a service benefit. During participation in the DROP, employer contributions were payable and employee contributions were reduced to ½ of 1%. The monthly retirement benefits that would have been payable to the member were paid into a DROP account, which did not earn interest while the member was participating in the DROP. Upon termination of participation, the participant in the plan received, at his option, a lump sum from the account equal to the payments into the account or systematic disbursements from his account in any manner approved by the Board of Trustees. The monthly benefits that were being paid into the DROP would then be paid to the retiree. All amounts which remain credited to the individual's sub-account after termination of participation in the plan were invested in liquid money market funds. Interest was credited thereon as actually earned.

Contributions

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

In accordance with state statute, DARS receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities. Non-employer contributions were recognized as revenue during the year ended June 30, 2018 and excluded from pension expense. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations. The non-employer contribution was \$4,920.

Contributions to the pension plan from the District Attorney were \$219 for the year ended December 31, 2018.

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

At December 31, 2018 and 2017, the District Attorney reported a total of \$18,115 for its proportionate share of the Net Pension Liability of the Plan.

Plan	Measurement Date	
	June 30, 2018	June 30, 2017
DARS	\$18,115	\$15,535

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The Net Pension Liability was measured as of June 30, 2018 for DARS, 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 the measurement date, the District Attorney's proportion was as follows:

Plan	Proportionate Share	
	June 30, 2018	June 30, 2017
DARS	.05629%	.05760%

For the year ended December 31, 2018 and 2017, the District Attorney recognized pension expense including employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions as follows:

Plan	Measurement Date	
	June 30, 2018	June 30, 2017
DARS	\$8,637	\$5,665

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

	DARS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	97	2,629
Changes in Assumptions	10,988	1,195
Net Difference between projected and actual earnings on pension plan	1,517	-
Changes in employer's proportion of beg NPL	510	648
Differences between employer and proportionate share of contributions	67	27
Subsequent Measurement Contributions	219	-
Total	13,398	4,499

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

Year ended December 31:	
2019	\$3,633
2020	1,673
2021	612
2022	859
2023	1,900
2024	0
2025	0
Total	\$8,677

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability for the valuation date June 30, 2018 for DARS are as follows:

<u>Assumptions</u>	<u>DARS</u>
Actuarial cost method	Entry age normal cost
Expected remaining service lives	7 years
Investment rate of return	6.750%
Inflation rate	2.500%
Salary increases	5.500%

Mortality rates for DARS were based on RP-2000 Combined Healthy with White Collar Adjustment Sex Distinct Mortality Tables (setback 1 year for females) projected to 2032 using scale Assistance were selected for employees, annuitants and beneficiaries. RP-2000 Disabled Lives Table (setback 5 years for males and set back 3 years for females) for disabled annuitants. The mortality rate assumptions were based upon an experience study performed on plan data for the period of July 1, 2009 through June 30, 2014.

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

The rate is 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 and an adjustment for the effect of rebalancing/diversification.

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Best estimate of arithmetic real rate of return for each major asset class included in pension target asset allocation as of June 30, 2018 for DARS are summarized in the following table:

<u>Asset Class</u>	<u>DARS</u>	
	<u>Target Asset Allocation</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Equity	61.72%	10.82%
Fixed Income	28.95%	6.36%
Alternative	8.85%	10.50%
Other	0.48%	0.50%
Totals	<u>100%</u>	6.95%
Inflation		2.50%
Expected Nominal Return		<u>9.45%</u>

The discount rate used to measure the total pension liability was 6.50% for DARS. 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-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, DARS fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District Attorney's proportionate share of the Net Pension Liability using the discount rate as shown above, as well as what the District Attorney's proportionate share of the Net Pension Liability would be if it was calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	1.0% Decrease	Current Discount Rate	1.0% Increase
DARS	\$48,772	\$18,115	\$(7,967)

Pension Plan Fiduciary Net Position

Detailed information about the pension plans' fiduciary net positions are available in the separately issued financial statements of the Plans.

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8. Expenditures of the District Attorney Not Included in the Accompanying Financial Statements:

Certain expenses of the District Attorney's office are paid by the Red River Parish Police Jury. In addition to furnishing the building where the District Attorney's office is located, the Red River Parish Police Jury pays all utility bills, some insurance, and furnishes some of the equipment in the District Attorney's office. The accompanying financial statements do not include certain expenditures of the District Attorney paid by the Red River Parish Police Jury.

9. On-Behalf Payments:

The accompanying financial statements include on-behalf payments made by the Red River Parish Police Jury and the State of Louisiana for salaries and related fringe benefits of the District Attorney's employees, including contributions to PERS and DARS, as required by accounting principles generally accepted in the United States of America.

10. Litigation:

The District Attorney of the Thirty-Ninth Judicial District is a defendant in various lawsuits filed by inmates. Although the outcome of these lawsuits is not presently determinable, in the opinion of the District Attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the Thirty-Ninth Judicial District Attorney.

11. Federal Financial Assistance Programs:

The District Attorney participates in the United States Department of Health and Human Services Support Enforcement, Title IV-D Program, Catalog of Federal Domestic Assistance No. 93.563. This program is funded by indirect assistance payments, in the form of reimbursements of certain expenditures, received from the Louisiana Department of Social Services. For the year ended December 31, 2018, the District Attorney of the Thirty-Ninth Judicial District expended \$132,274 in reimbursement payments.

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

The reimbursement payments may be subjected to further review and audit by the federal grantor agency. No provision has been made in the financial statements for the reimbursement of any expenditures that may be disallowed as a result of such a review or audit.

12. Changes in Fiduciary Fund - Agency Fund:

The following is a summary of the change in the agency fund unsettled balance for the year ended December 31, 2018:

<u>Fund</u>	<u>Balance</u> <u>01-01-18</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12-31-18</u>
Asset/Bond Forfeiture	<u>\$1,208</u>	<u>\$0</u>	<u>\$1,208</u>	<u>\$0</u>

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13. Post-Employment Benefits

The District Attorney does not provide any post-employment benefits; therefore, no disclosure for GASB 45 is required.

14. Subsequent Events:

Management has evaluated events through June 24, 2019, the date which the financial statements were available for issue. There were no items to be reported as subsequent events.

OTHER REQUIRED
SUPPLEMENTARY INFORMATION

District Attorney of the Thirty-Ninth Judicial District
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General Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2018

	Budget <u>Original</u>	Budget <u>Amended</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES:				
Charges for Services	\$ 77,000	\$ 70,000	\$ 72,923	\$ 2,923
Intergovernmental-				
State Grants	30,000	30,000	30,000	0
Other Grants	32,784	32,784	32,784	0
On Behalf Payments-				
Parish Government	0	290,000	289,667	(333)
On Behalf Payments-State	0	142,900	142,905	5
Miscellaneous	<u>2,500</u>	<u>2,500</u>	<u>2,580</u>	<u>80</u>
Total Revenues	<u>\$142,284</u>	<u>\$568,184</u>	<u>\$570,859</u>	<u>\$ 2,675</u>
EXPENDITURES:				
Current-				
General Government-				
Personnel Services & Benefits	\$ 64,000	\$522,400	\$510,876	\$11,524
Operating Expenses	15,000	17,000	15,840	1,160
Materials & Supplies	9,500	5,000	8,683	(3,683)
Travel & Other Charges	17,500	7,000	5,614	1,386
Professional Services	<u>13,000</u>	<u>13,500</u>	<u>12,290</u>	<u>1,210</u>
Total Expenditures	<u>\$119,000</u>	<u>\$564,900</u>	<u>\$553,303</u>	<u>\$11,597</u>
Excess (Deficiency) of Revenues over Expenditures	\$ <u>23,284</u>	\$ <u>3,284</u>	\$ <u>17,556</u>	\$ <u>14,272</u>
OTHER FINANCING SOURCES:				
Operating Transfers In/(Out)	\$ <u>(2,621)</u>	\$ <u>(8,000)</u>	\$ <u>(6,144)</u>	\$ <u>1,856</u>
Excess of Revenues and Other Sources over Expenditures and Other Uses	\$ 20,663	\$ (4,716)	\$ 11,412	\$16,128
Fund Balance-Beginning of Year	<u>139,080</u>	<u>139,080</u>	<u>139,080</u>	<u>0</u>
Fund Balance-End of Year	<u>\$159,743</u>	<u>\$134,364</u>	<u>\$150,492</u>	<u>\$16,128</u>

See independent accountant's review report and notes to financial statements.

District Attorney of the Thirty-Ninth Judicial District
Coushatta, Louisiana
Title IV-D Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2018

	<u>Budget Original</u>	<u>Budget Amended</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:				
Intergovernmental-				
Federal Grants	\$144,000	\$140,000	\$139,199	\$ (801)
Miscellaneous	<u>2</u>	<u>3</u>	<u>3</u>	<u>0</u>
Total Revenues	<u>\$144,002</u>	<u>\$140,003</u>	<u>\$139,202</u>	<u>\$ (801)</u>
EXPENDITURES:				
Current-				
General Government-				
Personnel Services	\$132,000	\$130,000	\$115,945	\$14,055
Travel	50	50	31	19
Operating Services	13,000	12,000	11,551	449
Supplies	<u>4,500</u>	<u>5,200</u>	<u>4,747</u>	<u>453</u>
Total Expenditures	<u>\$149,550</u>	<u>\$147,250</u>	<u>\$132,274</u>	<u>\$14,976</u>
Excess (Deficiency) of Revenues over Expenditures	\$ (5,548)	\$ (7,247)	\$ 6,928	\$14,175
OTHER FINANCING USES:				
Operating Transfers In/(Out)	<u>2,621</u>	<u>8,000</u>	<u>6,144</u>	<u>(1,856)</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	\$ (2,927)	\$ 753	\$ 13,072	\$12,319
Fund Balance-Beginning of Year	<u>35,735</u>	<u>35,735</u>	<u>35,735</u>	<u>0</u>
Fund Balance-End of Year	<u>\$ 32,808</u>	<u>\$ 36,488</u>	<u>\$ 48,807</u>	<u>\$12,319</u>

See independent accountant's review report and notes to financial statements.

District Attorney of the Thirty-Ninth Judicial District
Schedule of Employer's Share of Net Pension Liability
For the Year Ended December 31, 2018

<u>Year</u>	<u>Employer's Proportion of the Net Pension Liability (Asset)</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll</u>	<u>Plan Fiduciary Net Pension as a Percentage of the Total Pension Liability</u>
District Attorney Retirement System (DARS)					
2015	0.05471%	\$ 2,947	\$35,000	8%	98.56%
2016	0.05784%	\$11,071	\$35,000	32%	95.09%
2017	0.05756%	\$15,535	\$35,000	44%	93.57%
2018	0.05629%	\$18,115	\$35,000	52%	92.92%

See independent accountant's review report and notes to financial statements.

District Attorney of the Thirty-Ninth Judicial District
Schedule of Employer's Contributions
For the Year Ended December 31, 2018

<u>Year</u>	<u>Contractually Required Contributions</u>	<u>Contributions in Relation to Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll</u>	<u>Contributions as a Percentage of Covered Employee Payroll</u>
District Attorney Retirement System (DARS)					
2015	\$1,838	\$1,838	\$0	\$35,000	5.25%
2016	\$ 613	\$ 613	\$0	\$35,000	1.75%
2017	\$ 0	\$ 0	\$0	\$35,000	0.00%
2018	\$ 219	\$ 219	\$0	\$35,000	0.63%

District Attorney of the Thirty-Ninth Judicial District
Schedule of Compensation, Benefits and Other Payments to
Agency Head or Chief Executive Officer
For the Year Ended December 31, 2018

Agency Head Name: Julie Jones, District Attorney

<u>Purpose</u>	<u>Amount</u>
<u>Paid by the DA's Office:</u>	
Salary	\$ 35,000
Benefits-Payroll Taxes	508
Pension	219
Vehicle Allowance	9,000
Telephone Allowance	1,413
Conferences & Seminars	1,104
Office Expense Reimbursements	793
<u>Paid by the Red River Parish Police Jury:</u>	
Salary	40,000
Benefits- Retirement	250
Benefits- Insurance	2,685
Benefits- Payroll Taxes	585
<u>Paid by the State Treasurer:</u>	
Salary	50,000
Benefits- Retirement	313
Benefits- Payroll Taxes	725

See independent accountant's review report.

T | C | B | T
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Julie C. Jones, District Attorney
Thirty-Ninth Judicial District
P. O. Box 606
Coushatta, Louisiana 71019-0606

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 and the *Louisiana Governmental Audit Guide*, the financial statements of the governmental activities, each major fund, the fiduciary fund, and the aggregate remaining fund information as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the District Attorney of the Thirty-Ninth Judicial District of Louisiana (District Attorney) basic financial statements and have issued our report thereon dated June 24, 2019.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District Attorney'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 do not express such an opinion. The results of our tests did not disclose any 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. However, this report is a matter of public record and its distribution is not limited. Under Louisiana Revised Statute 25:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Thomas, Cunningham, Broadway & Todtenbier, CPAs

Thomas, Cunningham, Broadway & Todtenbier
Natchitoches, Louisiana

June 24, 2019

District Attorney of the Thirty-Ninth Judicial District
Schedule of Audit Results
Year Ended December 31, 2018

I. Summary of Audit Results

1. The auditor's report expresses an unmodified opinion on the financial statements of the District Attorney of the Thirty-Ninth Judicial District.
2. There were no material weaknesses identified in internal control during the audit of the financial statements.
3. There were no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

II. Findings in Accordance with Governmental Auditing Standards

None identified.

III. Prior Year Findings

None identified.

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**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING
STATEWIDE AGREED-UPON PROCEDURES**

Honorable Julie C. Jones, District Attorney
Thirty-Ninth Judicial District
Coushatta, LA 71019-0606

We have performed the procedures enumerated below, which were specified and agreed to by the Honorable Julie C. Jones, District Attorney of the Thirty-Ninth Judicial District (the "Agency") and the Louisiana Legislative Auditor's (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal year ended December 31, 2018. We are required to perform each procedure and report the results, including any exceptions. The agency is responsible for internal controls and compliance with laws and regulations relative to the SAUPs and for selecting the criteria and procedures and determining that such criteria and procedures are appropriate for those purposes.

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 enumerated below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and associated findings are enumerated below.

Written Policies and Procedures

1. We obtained and inspected the entity's written policies and procedures and observed whether those written policies and procedures address each of the following categories and subcategories (or noted that the entity does not have any written policies and procedures), as applicable:
 - ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - ***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.
 - ***Disbursements***, including processing, reviewing, and approving.

- **Receipts**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation.)
- **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- **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.
- **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

a) *Procedure Results - Not required due to no exceptions in this category in the prior year.*

Board (or Finance Committee, if applicable)

2. We obtained and inspected the board/committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent documents in effect during the fiscal period, and:
 - Observed that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - Observed that the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. *Alternatively, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - For governmental entities, obtained the prior year audit report and observed the unrestricted fund balance in the General Fund. If the General Fund had a negative ending unrestricted fund balance in the prior year audit report, observed that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the General Fund.

a) *Procedure Results - Not required due to no exceptions in this category in the prior year.*

Bank Reconciliations

3. We obtained a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. We identified the entity's main operating account. We selected the entity's main operating account and randomly selected four additional accounts (or all if less than five). We randomly selected one month from the fiscal period, and obtained and inspected the corresponding bank statement and reconciliation for the selected accounts, and observed that:
- Bank reconciliations include evidence that they were prepared within two months of the related statement closing date (e.g. initialed and dated, electronically logged);
 - Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g. initialed and dated, electronically logged); and
 - 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.
- a) *Procedure Results - Not required due to no exceptions in this category in the prior year.*

Collections

4. We obtained a listing of deposit sites for the fiscal period where deposits for cash/check/money order (cash) are prepared and management's representation that the listing is complete. We randomly selected the required amount of deposit sites (up to five).
5. We obtained a listing of collection locations and management's representation that the listing is complete. We randomly selected one collection location for each deposit site selected. We obtained and inspected written policies and procedures relating to employee job duties at each collection location, and observed that job duties were properly segregated at each collection location such that:
- Employees that are responsible for cash collections do not share cash drawers/registers.
 - 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.
 - 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.
 - The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
6. We inquired of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

7. We randomly selected two deposit dates for each of the bank accounts selected for procedure #3 under "Bank Reconciliations" above. We obtained supporting documentation for each of the deposits selected and:
 - We observed that receipts are sequentially pre-numbered.
 - We traced sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - We traced the deposit slip total to the actual deposit per the bank statement.
 - We observed 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).
 - We traced the actual deposit per the bank statement to the general ledger.

b) *Procedure Results - Deposits were not made within one business day of receipt.*

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

8. We obtained a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. We randomly selected the required amount of disbursement locations (up to five).
9. For each location selected under #8 above, we obtained written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and we observed that job duties are properly segregated such that:
 - At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - At least two employees are involved in processing and approving payments to vendors.
 - The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
10. For each location selected under #8 above, we obtained the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtained management's representation that the population is complete. We randomly selected 5 disbursements for each location, and obtained supporting documentation for each transaction and:
 - We observed that the disbursement matched the related original invoice/billing statement.

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

a) *Procedure Results - We noted no exceptions.*

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

11. We obtained from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. We obtained management's representation that the listing is complete.
12. Using the listing prepared by management, we randomly selected the required amount of cards (up to five) that were used during the fiscal period. We randomly selected one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), and obtained supporting documentation, and:
 - We observed that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder.
 - We observed that finance charges and late fees were not assessed on the selected statements.
13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, we randomly selected the required amount transactions (up to ten) from each statement, and obtained supporting documentation for the transactions. For each transaction, we observed that it is supported by (1) an original itemized receipt that identified precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals.

a) *Procedure Results - Not required due to no exceptions in this category in the prior year.*

Travel and Expense Reimbursement

14. We obtained from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. We randomly selected five reimbursements, and obtained the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the five reimbursements selected:
 - If reimbursed using a per diem, we agreed the reimbursement rate to those rates established by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - If reimbursed using actual costs, we observed that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

- We observed that each reimbursement was supported by documentation of the business/public purpose and other documentation required by written policy.
- We observed that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

a) Procedure Results - Not required due to no exceptions in this category in the prior year.

Contracts

15. We obtained from management a listing of all agreements/contracts for professional services, materials, and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. We obtained management's representation that the listing is complete. We randomly selected the required amount of contracts (up to five) from the listing, and:

- We observed that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
- We observed that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
- If the contract was amended (e.g. change order), we observed that the original contract terms provided for such an amendment.
- We randomly selected one payment from the fiscal period for each of the selected contracts, obtained the supporting invoice, agreed the invoice to the contract terms, and observed that the invoice and related payment agreed to the terms and conditions of the contract.

a) Procedure Results - Not required due to no exceptions in this category in the prior year.

Payroll and Personnel

16. We obtained a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. We randomly selected five employees/officials, obtained related paid salaries and personnel files, and agreed paid salaries to authorized salaries/pay rates in the personnel files.

17. We randomly selected one pay period during the fiscal period. For the five employees/officials selected under #16 above, we obtained attendance and leave documentation for the pay period, and:

- We observed that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).
- We observed that supervisors approved the attendance and leave of the selected employees/officials.
- We observed that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

18. We obtained a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. If applicable, we selected the two employees/officials, and obtained related documentation of the hours and pay rates used in management's termination payment calculations. If applicable, we agreed the hours to the employees/officials' cumulative leave records and the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.
19. We obtained management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.
- a) *Procedure Results - Not required due to no exceptions in this category in the prior year.*

Ethics

20. Using the five randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, we obtained ethics compliance documentation from management, and:
- We observed that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - We observed that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.
- a) *Procedure Results - Not required due to no exceptions in this category in the prior year.*

Debt Service (excluding nonprofits)

21. We obtained a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. We selected all bonds/notes on the listing, obtained supporting documentation, and observed that State Bond Commission approval was obtained for each bond/note issued.
22. We obtained a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. We randomly selected one bond/note, inspected debt covenants, obtained supporting documentation for the reserve balance and payments, and agreed actual reserve balances and payments to those required by debt covenants.
- a) *Procedure Results - Not required due to no exceptions in this category in the prior year.*

Other

23. We obtained a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. We selected all misappropriations on the listing, obtained supporting documentation, and observed that the entity reported the misappropriation to the legislative auditor and the district attorney of the parish in which the entity is domiciled.
- a) *Procedure Results - We noted no exceptions, management represented that they are not aware of any misappropriations.*

24. We observed whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

a) *Procedure Results - We noted no exceptions.*

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.

Thomas, Cunningham, Broadway & Todtenbier, CPA's

Thomas, Cunningham, Broadway & Todtenbier
Natchitoches, Louisiana

June 24, 2019

District Attorney of the Thirty-Ninth Judicial District
Management's Response to Exceptions to
Statewide Agreed-Upon Procedures
For the Year Ended December 31, 2018

MANAGEMENT'S RESPONSE TO EXCEPTIONS:

Item 7: Exception: Deposits were not made within one business day of receipt. Deposits were made up to 5 business days after receipt.

Response: Management will institute procedures to ensure collections are deposited in a timely manner in accordance with best practices.