

**DISTRICT ATTORNEY OF THE
SEVENTEENTH JUDICIAL DISTRICT
LAFOURCHE PARISH, LOUISIANA**

ANNUAL FINANCIAL REPORT

***For the Year Ended
December 31, 2017***

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
LAFOURCHE PARISH, LOUISIANA
ANNUAL FINANCIAL REPORT
For the Year Ended December 31, 2017

TABLE OF CONTENTS

	<u>Page</u>
MANAGEMENT'S DISCUSSION AND ANALYSIS	1
INDEPENDENT AUDITOR'S REPORT	6
FINANCIAL SECTION	
<i>Government Wide Financial Statements:</i>	
Statement of Net Position	9
Statement of Activities	10
<i>Fund Financial Statements:</i>	
Balance Sheet – Governmental Funds	11
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	12
Reconciliation of the Statement of Revenues, Expenditures, and Changes In Fund Balances – Governmental Funds to the Statement of Activities	13
<i>Notes to the Financial Statements</i>	14
REQUIRED SUPPLEMENTARY INFORMATION	
Budgetary Comparison Schedules– Major Governmental Funds	
<i>General Fund</i>	33
<i>Special Revenue Funds:</i>	
Worthless Check Collection Fund	34
IV-D Office Fund	35
Louisiana District Attorney Retirement System (DARS)	36
Schedule of the Proportionate share of the Net Pension Liability	
Schedule of Contributions	
Notes to Required Supplementary Information	
OTHER SUPPLEMENTAL INFORMATION	
Schedule of Compensation, Benefits and Other Payments to the Agency Head	37
REPORTS REQUIRED BY GAO	
Independent Auditor's Report and on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	38
Schedule of Current Findings	40

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2017

As financial management, we offer readers of this financial report an overview of the financial activities of our office for the fiscal year. The narrative is designed to assist the reader in focusing on significant financial issues, identify changes in our financial position, identify any material deviations from the approved budget documents, and identify individual fund issues or concerns.

FINANCIAL HIGHLIGHTS

- Net Position of our governmental activities increased by \$110,064 to \$2,294,600 or approximately 5%.
- Of the total ending Net Position, \$106,288 is net investment in capital assets and \$89 is restricted for use only in the IV-D program, the rest is considered unrestricted and available for use.
- The governmental funds reported total ending fund balance of \$2,189,943, an increase of \$67,252 from the prior year - \$2,122,691. Of the ending fund balance, all but \$90,913, which is restricted for the IV-D (\$89) and worthless checks (\$90,824) programs, is considered unassigned.

OVERVIEW OF THE FINANCIAL STATEMENTS

Government-Wide Financial Statements (GWFS)

The GWFS are designed to be similar to those of private sector businesses in that all governmental activities are consolidated into columns that add to a total for the primary government. The statements combine all governmental funds current financial resources with capital assets and long-term obligations. The Statement of Net Position presents information on all assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between the reported as net position. Over time, changes in net position may serve as a useful indicator of whether the financial position is improving or deteriorating.

The Statement of Activities presents information on how the net position changed during the 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. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows only in future fiscal period. For example, earned but unused vacation leave results in cash flows for future periods. The focus of the Statement of Activities is on both the gross and net cost of various activities that are funded by general tax and other revenues. This is intended to summarize information and simplify the analysis of the cost of various governmental services.

The governmental activities reflect the basic services that the District Attorney's office provides - judicial. These services are financed primarily with fines and fees collected and grants from other governments.

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2017

Fund Financial Statements (FFS)

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. Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. The focus is now on major funds, rather than generic fund types.

All of the services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. Unlike the GWFS, governmental FFS focus on near-term outflows of spendable resources, as well as on balances of spendable resources available at the end of the year. Such information may be useful in evaluating a government's current financing requirements.

FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Statements of Net Position includes all of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources and provides information about the nature and amount of investments in resources and the obligations to creditors. This statement provides the basis for evaluating the capital structure and assessing the liquidity and financial flexibility.

To begin our analysis, a condensed summary of the Statement of Net Position is presented in the following table:

	2017	2016	Dollar Change
Current and Other Assets	\$2,296,343	\$2,229,269	\$ 67,074
Capital Assets	106,288	124,111	(17,823)
Total Assets	2,402,631	2,353,380	49,251
Deferred outflows of resources	98,762	304,699	(205,937)
Current Liabilities	106,400	106,578	(178)
Long Term Liabilities	104,603	240,976	(136,373)
Total Liabilities	211,003	347,554	(136,551)
Deferred inflows of resources	85,790	215,989	(130,199)
Net Investment in Capital Assets	106,288	124,111	(17,823)
Restricted	89	89	-
Unrestricted	2,098,223	1,970,336	127,887
Total Net Position	\$2,204,600	\$2,094,536	\$ 110,064

Net position increased by \$110,064 as a result of this year of operations. The balance in net position represents the accumulated results of all past years' operations. The amount

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2017

net investment in capital assets represents 4.8% of the total assets; consequently, these assets are not available for future spending.

Our analysis below focuses on the changes in net assets of the governmental-type activities:

	2017	2016	Dollar Change
Charges for Services	\$ 710,754	\$ 722,089	(11,335)
Operating Grants and Contributions	3,196,431	3,325,241	(128,810)
Program Expenses:			
Current	3,779,427	4,063,815	(284,388)
Depreciation - unallocated	17,822	23,767	(5,945)
Total program expenses	<u>3,797,249</u>	<u>4,087,582</u>	<u>(290,333)</u>
Net program income	109,936	(40,252)	(150,188)
General revenues	128	1,509	(1,381)
Change in Net Position	110,064	(38,743)	148,807
Net Position:			
Beginning of the year	2,094,536	2,133,279	(38,743)
End of the year	<u>\$2,204,600</u>	<u>\$2,094,536</u>	<u>\$ 110,064</u>

The total revenues for the year in governmental activities \$3,907,313 (\$3,907,185 in program revenues and \$128 in general revenues) decreased from the prior year by \$141,526. The total cost of all programs and services was \$3,797,249, a decrease of \$290,333 from the prior year.

FINANCIAL ANALYSIS OF THE FUND FINANCIAL STATEMENTS

The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the financing requirement. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending. The governmental funds reported a combined fund balance of \$2,189,943. This reflects an increase of \$67,252 from the prior year.

The General Fund, the main operating fund, ended the year with an unassigned fund balance of \$2,099,030. Revenues decreased slightly from the prior year to \$3,907,313. Current expenditures also decreased by 3.5%.

The Worthless Check Collection Fund collected fees of \$10,670 in accordance with La Revised Statute 16:15 that provides for a specific fee for the collection and processing of a worthless check. Current expenditures of \$86,430 in personnel and repair and maintenance expenditures resulted in a deficiency of revenues over expenditures of \$75,760. This added to the beginning fund balance of \$166,584 resulted in an ending fund

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2017

balance of \$90,824 – all considered restricted for expenditures associated with this program.

The IV-D Program Fund receives funds as a sub-grantee from the State of Louisiana, Department of Social Services; Office of Family Support. Revenues received from the State were \$417,675 and a transfer from general fund of \$21,372. Expenditures for the program totaled \$439,047, resulted in an ending fund balance of \$89 – all considered restricted for the IV-D program.

GENERAL FUND BUDGETARY HIGHLIGHTS

The original budget for the General Fund was revised during the year. Authorized budget amendments were approved as follows:

Original Budgeted Revenues	\$ 780,360
Amendments were made for:	
Decreased for Fines and Fees	(20,700)
Increased for Intergovernmental	38,225
Decreased Interest and Miscellaneous	(232)
Total revenue amendments	17,293
Amended Budgeted Revenues	\$797,653
Original Budgeted Expenditures	\$677,039
Amendments were made for:	
Decreased current – General Government	31,569
Total expenditure amendments	31,569
Amended Budgeted Expenditures	\$645,470

There was no significant budget variance between final and actual revenues and expenditures.

CAPITAL ASSETS

A summary of capital assets for the current year and prior year is as follows:

	2017	2016
Depreciable:		
Automobiles	46,528	46,528
Equipment	94,285	99,176
Furniture & Fixtures	35,533	35,533
Leasehold Improvements	260,204	260,204
Total Cost	436,550	441,441

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2017

Accumulated Depreciation	<u>330,262</u>	<u>317,330</u>
Net Capital Assets	<u>\$106,288</u>	<u>\$124,111</u>
Depreciation Expense	<u>\$ 17,822</u>	<u>\$ 26,767</u>

This year there no additions or disposals of capital assets, and \$17,822 of depreciation recorded. More detailed information about the capital assets is presented in Note 4 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Among the factors considered in compiling the 2018 budget were:

1. any changes in rates and fees for the next fiscal year
2. any new laws and regulations enacted that would apply to the upcoming year
3. any new revenue sources or expenditures not previously encountered.

Highlights of next year's adopted budget for the general fund include:

Beginning Fund Balance	\$ 2,086,829
Projected Revenue	727,900
Projected Expenditures	(605,632)
Transfers Out	<u>(26,000)</u>
Ending Fund Balance	<u>\$ 2,183,097</u>

CONTACTING FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of finances and to show accountability for the money received. If you have questions about this report or need additional financial information, contact:

Elizabeth Breaux, Accountant
District Attorney of the Seventeenth Judicial District,
103 Maronge St., Suite A
Thibodaux, LA 70301.

FINANCIAL SECTION



STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT AUDITOR'S REPORT

Honorable Kristine Russell
District Attorney of the Seventeenth Judicial District
Lafourche Parish, Louisiana

We have audited the accompanying financial statements of the governmental activities and each major fund of the District Attorney of the Seventeenth Judicial District, Lafourche Parish, Louisiana, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the 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 opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 financial statement presentation.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District Attorney of the Seventeenth Judicial District as of December 31, 2017, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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



Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The Schedule of Compensation, Benefits, and Other Payments to the Agency Head is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Compensation, Benefits, and Other Payments to the Agency Head is fairly stated in all material respects in relation to the basic 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 5, 2018, on our consideration of the internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Lafourche Parish District Attorney's internal control over financial reporting and compliance.

Stagni & Company

Thibodaux, Louisiana
June 5, 2018



DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
LAFOURCHE PARISH, LOUISIANA
Statement of Net Position - Governmental Activities
December 31, 2017

ASSETS	
Cash	\$ 2,168,718
Prepaid expenses	13,286
Due from other governments	114,339
Capital assets, net of depreciation	106,288
TOTAL ASSETS	<u>2,402,631</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources - other	98,762
Total Deferred outflows of resources	<u>98,762</u>
LIABILITIES	
Current:	
Accounts payable and accrued expenses	65,440
Due to other governments	40,960
Total current liabilities	<u>106,400</u>
Long Term:	
Net Pension Liability	104,603
TOTAL LIABILITIES	<u>211,003</u>
DEFERRED INFLOWS OF RESOURCES	85,790
NET Position	
Net Investment in capital assets	106,288
Restricted for:	
IV-D Program	89
Unrestricted	2,098,223
TOTAL NET POSITION	<u><u>\$ 2,204,600</u></u>

See notes to financial statements.

**DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
LAFOURCHE PARISH, LOUISIANA**

Statement of Activities - Governmental Activities
For the Year Ended December 31, 2017

	Program Revenue			Net (Expense)
FUNCTIONS/PROGRAMS	Expenses	Charges for services	Operating Grants	Revenue
Judicial activities:	3,797,249	\$ 710,754	\$ 3,196,431	\$ 109,936
Total governmental activities	<u>3,797,249</u>	<u>710,754</u>	<u>3,196,431</u>	<u>109,936</u>
GENERAL REVENUES				
Interest earned				128
TOTAL GENERAL REVENUES				<u>128</u>
CHANGE IN NET POSITION				110,064
NET POSITION:				
Beginning of year				2,094,536
End of year				<u>\$ 2,204,600</u>

See notes to financial statements.

**DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
LAFOURCHE PARISH, LOUISIANA**

Balance Sheet - Governmental Funds
December 31, 2017

	General	Worthless Check Collection	IV-D Office	Total Governmental Funds
ASSETS				
Cash	\$ 2,077,805	\$ 90,824	\$ 89	\$ 2,168,718
Prepaid expenses	13,286	-	-	13,286
Due from other governments	60,848	-	53,491	114,339
Due from other funds	15,031	-	(15,031)	-
TOTAL ASSETS	\$ 2,166,970	\$ 90,824	\$ 38,549	\$ 2,296,343
LIABILITIES				
Accounts payable and accrued liabilities	\$ 65,440	\$ -	\$ -	\$ 65,440
Due to other governments	2,500	-	38,460	40,960
TOTAL LIABILITIES	67,940	-	38,460	106,400
FUND BALANCES				
Restricted for:				
IV-D	-	-	89	89
Worthless Checks	-	90,824	-	90,824
Unassigned	2,099,030	-	-	2,099,030
TOTAL FUND BALANCES	2,099,030	90,824	89	2,189,943
TOTAL LIABILITIES AND FUND BALANCES	\$ 2,166,970	\$ 90,824	\$ 38,549	

Amounts reported for *governmental activities* in the Statement of Net Position are different because:

Net capital assets used in governmental activities are not financial resources	106,288
--------------------------------------------------------------------------------	---------

Long term liabilities are not due and payable in the current period and therefore, are not report in the funds.	
Net pension liability	(104,603)

Deferred outflows and inflows of resources related to pensions are applicable to future periods and therefore, are not reported in the funds:	
Deferred outflows - others	98,762
Deferred inflows - proportionate share	(85,790)
	12,972

Net assets of governmental activities	\$ 2,204,600
---------------------------------------	---------------------

**DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
LAFOURCHE PARISH, LOUISIANA**

Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds
For the Year Ended December 31, 2017

	General	Worthless Check Collection	IV-D Office	Total Governmental Funds
REVENUES				
Fines and fees	\$ 700,084	\$ 10,670	\$ -	\$ 710,754
Intergovernmental:		-		
Federal Pass through				
VOCA	26,529	-	-	26,529
State of LA		-	417,675	417,675
Victims Assistance	30,000			30,000
Local	49,325	-	-	49,325
On-behalf payments received	2,672,902	-	-	2,672,902
Interest and miscellaneous	128	-	-	128
TOTAL REVENUES	<u>3,478,968</u>	<u>10,670</u>	<u>417,675</u>	<u>3,907,313</u>
EXPENDITURES				
Current: General government - Judicial				
Personnel services	457,868	75,430	65,910	599,208
On-behalf payments	2,672,902	-	-	2,672,902
Insurance	27,197	-	-	27,197
Office operations	21,234	-	2,000	23,234
Court costs	28,862	-	-	28,862
Travel and conventions	39,425	-	-	39,425
Dues and subscriptions	33,145	-	-	33,145
Professional services	10,907	-	-	10,907
Automobile expenses	6,102	-	-	6,102
Telephone	4,375	-	-	4,375
Uniforms	274	-	-	274
Rent	2,346	-	-	2,346
Grant to other governmental agencies	6,050	-	-	6,050
Repair & maintenance	3,897	11,000	-	14,897
Reimburse Lafourche Parish Council	-	-	371,137	371,137
Total current expenditures	<u>3,314,584</u>	<u>86,430</u>	<u>439,047</u>	<u>3,840,061</u>
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	<u>3,314,584</u>	<u>86,430</u>	<u>439,047</u>	<u>3,840,061</u>
Excess (deficiency) of revenues over expenditures	164,384	(75,760)	(21,372)	67,252
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	(21,372)	-	21,372	-
Net Changes in Fund Balance	<u>143,012</u>	<u>(75,760)</u>	<u>-</u>	<u>67,252</u>
FUND BALANCES				
Beginning	1,956,018	166,584	89	2,122,691
Ending	<u>\$ 2,099,030</u>	<u>\$ 90,824</u>	<u>\$ 89</u>	<u>\$ 2,189,943</u>

See notes to financial statements.

**DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
LAFOURCHE PARISH, LOUISIANA**

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2017

Net change in fund balances - total governmental funds (fund financial statements) \$ 67,252

Amounts reported for *governmental activities* in the statement of activities
(government-wide financial statements) are different because:

Governmental funds report capital outlays as expenditures in the individual fund.
Governmental activities report depreciation expense to allocate the cost of those
capital assets over the estimated useful lives of the asset.

Capital asset purchases	\$ -	
Depreciation expense	<u>(17,822)</u>	(17,822)

Governmental funds report district pension contributions as expenditures.
However, in the Statement of Activities, the cost of pension benefits earned net of
employee contributions are reported as pension expense

Employer Pension Contributions	19,909	
Cost of benefits earned net of employee contributions	8,849	
Revenue from non-employer contributing entities	<u>31,876</u>	60,634

Change in net assets of governmental activities	<u><u>\$ 110,064</u></u>
-------------------------------------------------	--------------------------

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT

Lafourche Parish, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 2017

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

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District Attorney of the Seventeenth Judicial District (District Attorney) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies established in GAAP and used by the District Attorney are described below.

A. Reporting Entity

For financial reporting purposes, in conformance with GASB Codification Section 2100, the District Attorney is a part of the district court system of the State of Louisiana. The GASB has established several criteria for determining the governmental reporting entity and component units that should be included within the reporting entity.

Financial accountability is determined by applying criteria established by the GASB as listed below:

- Financial benefit or burden
- Appointment of a voting majority
- Imposition of will
- Fiscally dependent

Certain transactions between the District Attorney and the Lafourche Parish Council are mandated by state statute and do not reflect fiscal dependency; thereby, they do not reflect financial accountability. The other three criteria of financial accountability do not pertain to the District Attorney of the Seventeenth Judicial District when applying them as a means of identifying potential component units of the Lafourche Parish Council. Since, The District Attorney is an independently elected official, is legally separate and fiscally independent, and a separate governmental reporting entity.

These financial statements include all funds and activities that are within the oversight responsibility of the District Attorney.

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT

Lafourche Parish, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

B. Basic Financial Statements - Basis of Presentation

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

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

In the government-wide Statement of Net Position, the governmental activities are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The net assets are reported in three parts— net investment in capital assets; restricted net assets; and unrestricted net assets.

The government-wide Statement of Activities reports both the gross and net cost of each of the functions and activities (judicial.). These functions are also supported by general government revenues (interest earned). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (judicial). Operating grants include operating-specific and discretionary (either operating or capital) grants.

The net costs (by function) are normally covered by general revenue (interest earned). This government-wide focus is more on the sustainability of the District Attorney as an entity and the change in the District Attorney's net assets resulting from the current year's activities.

FUND FINANCIAL STATEMENTS

The financial transactions are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT

Lafourche Parish, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

B. Basic Financial Statements - Basis of Presentation (continued)

The District Attorney utilizes the governmental fund type. The focus of measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income.

Major and Non-major Funds:

All the funds are further classified as major based on the total amount of revenue or assets per fund.

The following is a description of the governmental funds:

Governmental funds – All considered Major Funds:

- *General Fund* - The General Fund was established in compliance with Louisiana Revised Statute 15:571.11, which provides that 12 per cent of the fines collected and bonds forfeited be used to defray the necessary expenses of the office. This fund also accounts for pre-trial intervention fees in connection with the Pre-Trial Intervention Program where the District Attorney can offer the offenders to serve a probation period rather than entering the court system possibly resulting with a criminal conviction.
- *Special Revenue Funds* – are used to account for fees, fines, and costs collected for a specified purpose or grants to be used for specific purposes that deal with judicial prosecution.
 - *Worthless Check Collection Fund* – accounts for fees collected in accordance with LRS 16:15 that provides for a specific fee for the collection and processing of a worthless check. Expenditures from this fund are at the sole discretion of the DA and may be used to defray the salaries and office operations, but may not be used to supplement the salary of the DA.
 - *IV-D Office Fund* – accounts for funds received as a sub-grantee from the State of LA; Department of Social Services; Office of Family Support. The DA's office receives complete referrals or applications by either the custodial parent, non-custodial parent, alleged father and/or witness for the purpose of establishing a legally enforceable order of child and/or medical support using child support award guidelines whenever appropriate, by creating a new order or amending an existing civil order, and establishing paternity when contracted to do so.

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT

Lafourche Parish, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

C. Measurement Focus and Basis of Accounting

Accrual Basis of Accounting

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

Governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources, resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources, resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Non-exchange Transactions."

Program revenues included in the Statement of Activities derive directly from the program itself and reduce the cost of the function to be financed from the general revenues.

Modified Accrual Basis of Accounting

The fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period or within 60 days after year end. Expenditures are generally recorded when the related fund liability is incurred.

With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e. revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. Fines, fees, and other revenues are recorded when collected and are considered susceptible to accrual.

D. Cash

Cash includes demand deposits. Under state law the entities may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
Lafourche Parish, Louisiana
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

E. Interfund Receivables and Payables

During the course of operations transactions occur between individuals funds. These receivables and payables are classified as “due to or due from other funds” on the fund financial statement balance sheet. In the process of aggregating data for the Statement of Net Position and the Statement of Activities some amounts reported as due to/from balances were eliminated. Interfund receivables and payables were eliminated to minimize the “grossing up” effect on the assets and liabilities within the governmental activities column.

F. Capital Assets

In the government-wide financial statements capital assets purchased or acquired with an original cost of \$2,500 or more are recorded at either historical cost or estimated historical cost and depreciated over their estimated useful lives (excluding salvage value). Contributed assets are recorded at fair market value at the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Straight-line depreciation is used based on the following estimated useful lives:

- Office equipment 3-10 years
- Vehicles 5 years
- Leasehold improvements 10 years

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

G. Compensated Absences

The District Attorney applies the following policy relating to vacation and sick leave: Each employee who has been employed for over 6 months earns 10 days of vacation per calendar year. Employees after employed for over 10 years earns 15 days of vacation per calendar year. Vacation days cannot be accumulated nor vest.

Each employee who has been employed for over six months is eligible for ten sick days per calendar year. This includes illness of the employee, illness in the immediate family, and a death in the family. Sick days cannot be accrued and can only be used for legitimate illness. Sick days cannot be used as additional vacation days. Vacation and sick leave do not accumulate or vest; therefore, no liability for compensated absences is recorded.

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT

Lafourche Parish, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

H. Fund Balance

Fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

I. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 revenues and expenditures during the reporting period. Actual results could differ from those estimates.

J. Non-Current Liabilities

In the GWFS non-current obligations to be repaid from governmental resources are reported as liabilities. Long-term obligations for governmental funds are not reported as liabilities in the FFS.

K. 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 position of the District Attorney's Retirement System of Louisiana (DARS) - the Plan, and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
Lafourche Parish, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

L. Deferred Outflows/Inflows of Resources

The statement of financial position will often report 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 a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources until that time.

Note 2 DEPOSITS

Demand (deposits, interest bearing demand deposits and certificates of deposit) are recorded at cost, which approximates fair value. The carrying amount of deposits was \$2,168,718 and the bank balance was \$2,174,228. The difference between the bank balance and the carrying amount represents outstanding checks and deposits in transit.

Custodial credit risk is the risk that in an event of a bank failure, the district's deposits may not be returned to it. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposits insurance or the pledge of securities owned by the fiscal agent bank. At year end \$1,924,228 of the bank balance is exposed to custodial credit risk.

The market values of the pledged securities plus the federal deposit insurance (FDIC) must at all times equal 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. FDIC insurance and the market value of pledged securities adequately secure these deposits from risk. The collateral must be held at the pledging bank's trust department or other bank, acting as the pledging bank's agent, in the District Attorney's name.

Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, R.S. 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 entity that the fiscal agent has failed to pay deposited funds upon demand.

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT

Lafourche Parish, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 3 DUE FROM OTHER GOVERNMENTS

The amounts due are for fines and fees collected by other governments, state and local grants receivable and reimbursable costs to be remitted to the District Attorney's Office. A reserve for uncollectible amounts is not considered necessary for these receivables.

FUND	FOR	FROM	AMOUNT
General Fund	VOCA Grant	State of LA	\$ 5,580
General Fund	Victim Assistance Coordinator	State of LA	2,500
General Fund	Fines and Fees Collected	Lafourche Sheriff	22,730
General Fund	Reimbursement	LPSB	4,537
General Fund	Reimbursement	LPSB	5,501
General Fund	Reimbursement	LPG	20,000
IV-D	Grant	State of LA	53,491
			\$ 114,339

Note 4 CAPITAL ASSETS

A schedule of changes in capital assets follows:

Governmental Activities	Balance 12/31/16	Additions	Disposals/ Adjustments	Balance 12/31/17
Depreciable:				
Automobiles	\$46,528	\$ -	\$ -	\$ 46,528
Equipment	99,176	-	(4,891)	94,285
Furniture & Fixtures	35,533	-	-	35,533
Leasehold Improvements	260,204	-	-	260,204
Totals	\$ 441,441	\$ -	\$ (4,891)	\$ 436,550

Less accumulated depreciation:

Automobiles	\$ 46,529	\$ -	\$ -	\$46,529
Equipment	97,302	1,874	(4,891)	94,285
Furniture & Fixtures	33,756	1,776	1	35,533
Leasehold Improvements	139,743	14,172	-	153,915
Totals	\$317,330	\$17,822	\$(4,890)	\$330,262
Capital assets, net	\$124,111			\$106,288

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
Lafourche Parish, Louisiana
 Notes to the Financial Statements
 For the Year Ended December 31, 2017

Note 4 **CAPITAL ASSETS (continued)**

Depreciation expense charged to governmental activities was \$17,822. There were no assets added and disposals for the year were \$4,891.

Note 5 **BUDGETS**

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

The on-behalf payments received and paid by the State of Louisiana and Lafourche Parish Council are not budgeted or reflected in the Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual –General Fund in this report. The net effect of reflecting the receipt and payment of salaries and benefits on-behalf is zero.

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

	Total Revenue	Total Expenditures
Actual – Page 12	\$3,478,968	\$3,314,584
On-Behalf Payments	2,672,902	2,672,902
Budget – Page 26	\$806,066	\$641,682

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT

Lafourche Parish, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 6 ON BEHALF PAYMENTS & EXPENDITURES

The State of Louisiana and the Lafourche Parish Council pay a portion of the salaries of the District Attorney and the assistant District Attorneys. The Lafourche Parish Council pays the salaries of the office staff with a supplemental payroll check and the Lafourche Parish Council also pays a portion of the Investigator's salary that is paid by the Lafourche Parish Sheriff. The State of Louisiana provides direct payments of salaries to the district attorney and the assistant district attorneys, as designated by the District Attorney's Office. These payments, referred to as "on-behalf payments received", provide the district attorney and assistant district attorneys with a base salary (currently \$50,000 and \$45,000, respectively).

In accordance with GASB No. 24, "Accounting and Financial Reporting for Certain Grants and Other Financial Assistance", the amount (\$2,672,902) of on-behalf salaries and benefits paid has been recognized as revenues and expenditures in the current financial statements.

The accompanying financial statements do not include certain expenditures of the District Attorney paid out of the funds from the Lafourche Parish Criminal Court Fund and the Lafourche Parish Council. Examples of these operating expenditures include portions of rent, health insurance, and IV-D program expenditures that are paid or absorbed by the Lafourche Parish Council.

Note 7 PENSION PLANS

The District Attorney and Assistant District Attorneys are members of the Louisiana District Attorney's Retirement System (DARS), a cost sharing multiple-employer defined benefit pension plan administered by a separate board of trustees.

Assistant District Attorneys who earn, as a minimum, the amounts paid by the state and are under the age of 60 at the time of original employment and all District Attorneys are required to participate in the system.

GASB requires certain disclosures for employers who maintain retirement plans for their employees. District Attorney and Assistant District attorneys employed by the District Attorney's office are compensated by warrants from the State of Louisiana and from supplemental pay from the Lafourche Parish Council and the District Attorney's office. The District Attorney determines the sources and amounts of income for the District Attorney and the Assistant District attorneys. There were no payments required or made on behalf of the District Attorney employees for pension benefits to DARS by the Lafourche Parish Council for the year.

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT

Lafourche Parish, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 7 **PENSION PLANS (continued)**

The District Attorney will be recognizing the long-term obligations for the pension benefits as a liability for the proportionate share of the contributions made for payroll generated by the District Attorney's office and the Lafourche Parish Council.

Louisiana District Attorney's Retirement System (DARS)

Plan Description – The District Attorney and the Lafourche Parish Council on-behalf of the District Attorney contributes to the Louisiana District Attorney's Retirement System (DARS), a cost-sharing multiple-employer defined benefit pension plan established 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, which is administered by a Board of Trustees. DARS provides normal retirement, early retirement, disability benefits, death benefits, Back-Drop and Deferred Retirement Option Program (DROP) benefits to plan members and beneficiaries.

DARS is governed by Louisiana Revised Statutes 11, Chapter 3 specifically, and other general laws of the State of Louisiana. The System issued a publicly available financial report that can be obtained at www.ladars.org.

Benefits Provided – 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 district attorneys, they must be paid an amount not less than the minimum salary specified by the board for assistant district attorneys.

The age and years of creditable service required in order for a member to retire with full benefits are established by state statute, and vary depending on the member's hire date. Members who joined before July 1, 1990, are eligible to receive a normal retirement benefit if:

- 10 or more years of creditable service and are at least age 62, or
- 18 or more years of creditable service and are at least age 60, or
- 23 or more years of creditable service and are at least age 55, or
- 30 years of creditable service at any age

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT

Lafourche Parish, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 2017

NOTE 7 PENSION PLANS (Continued)

The normal retirement benefit for members 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 year of creditable service credit, receive a retirement benefit reduced 3% of 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 after July 1, 1990, or who elected to be covered by the new provisions, are eligible to receive a normal retirement benefit if:

- 10 or more years of creditable service and are at least age 60, or
- 24 or more years of creditable service and are at least age 55, or
- 30 years of creditable service at any age

The normal retirement benefit for members is equal to 3.5% of the member's final average compensation multiplied by the years of membership service. Members are eligible for early retirement at age 55 if they have at least 18 years of creditable service. The early retirement benefit is equal to the normal retirement benefit reduced by 3% of each year the member retires in advance of the normal retirement age. Benefits may not exceed 100% of average final compensation.

Disability Benefits - All members with ten or more years of credited service who are found to be totally disabled as a result of injuries incurred while in active service are awarded disability benefits. The member receives a benefit equal to 3% (3.5% covered under the new 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 sixty.

Survivor (Death) 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 designed beneficiary, if he is not married. Upon death of any active, contributing member with 5 or more year 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.

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT

Lafourche Parish, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 2017

NOTE 7 PENSION PLANS (Continued)

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.

Permanent Benefit Increases/Cost of Living Adjustments – The Board of Trustees is authorized to grant retired members and widows 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 year of age and older a 2% increase in their original benefit. The board can grant other increases, if the system and member meet certain criteria detailed in the statute related to funding status and interest earnings.

Back-Deferred Retirement Option Program (Back-DROP) – In lieu of receiving a service retirement allowance, any member who has more years of service than are required for a 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 on the final average compensation prior to the period selected. The Back-DROP period is the lesser of three years or the service accrued between the time a member first becomes eligible for retirement and his actual date of retirement. At retirement, the member's maximum monthly retirement benefit is based upon his service, final average compensation, and plan provisions in effect on the last day of creditable service immediately prior to the commencement of the Back-DROP period. In addition to the 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.

Deferred Retirement Option Program (DROP) – Prior to January 1, 2009, eligible members could elect to participate in the Deferred Retirement Option Program (DROP) for up to three years in lieu of terminating employment and accepting a service benefit. During participation in the DROP, employer contributions were payable and employee contributions were reduced to ½ of one percent. The monthly retirement benefits that would have been payable to the member were paid into a DROP account, which did not earn interest while the member was participating in 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 disbursement 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.

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT

Lafourche Parish, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 2017

NOTE 7 PENSION PLANS (Continued)

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 – The employer contribution rate is established annually under state statute by the Public Retirement Systems' Actuarial Committee (PRSAC), taking into consideration the recommendation of the System's Actuary. In addition, DARS receives revenue sharing funds as appropriated by the legislature and ad valorem taxes as determined by the PRSAC up to a maximum of .2% of the ad valorem taxes shown to be collected; these contributions are considered support from non-employer contributing entities. According to state statute, in the event the contributions from the ad valorem taxes and revenue sharing funds are insufficient to provide for the gross employer actuarially required contribution, the employer is required to make direct contributions as determined by PRSAC. Plan members are required by state statute to contribute 8% of their annual covered salary and the District Attorney is required to contribute at an actuarially determined rate. The current employer match was 3.5% and 0% of annual covered payroll for the period from January 1 to June 30, 2017 and July 1 to December 31, 2017, respectively.

Employer contributions to the pension plan totaled \$0 for the year ended December 31, 2017.

Pension liabilities, pension expense and deferred outflows of resources and deferred inflows of resources:

As of June 30, 2017 (the measurement date) the District Attorney reported a total of \$104,603 for its proportionate shares of the net pension liability of the DARS Plan as governmental activities. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employers proportion of the net pension liability was based on a projection of the long-term contributions to the plans relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2016 and 2017, the employers proportions of the plan was as follows:

<u>Plan</u>	<u>Proportionate share</u>	
	<u>6/30/16</u>	<u>6/30/17</u>
DARS	3.064220%	3.878180%

For the year ended June 30, 2017, the District Attorney recognized \$19,909 as its proportionate share of pension expense for the DARS plan.

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT

Lafourche Parish, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 2017

NOTE 7 PENSION PLANS (Continued)

In addition, the District Attorney reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Plan</u>	<u>Deferred outflows of resources</u>	<u>Deferred inflows of resources</u>
Changes in proportion	\$ 9,885	\$ -
Differences between expected and actual experience	41,979	(45,945)
Changes in assumptions	46,898	(12,345)
Net difference between projected and actual earnings on pension plan investments		-
TOTALS	<u>\$ 98,762</u>	<u>\$ (85,790)</u>

The deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date (June 30, 2017) will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2018	\$ (15,162)
2019	5,500
2020	6,126
2021	3,908
2022	12,600

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT

Lafourche Parish, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 2017

NOTE 7 PENSION PLANS (Continued)

Actuarial assumptions:

The total pension liabilities in the June 30, 2017 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurements:

Plan	DARS
Inflation	2.5%
Discount rate used to measure pension liability	6.75%
Salary increases	5.5% (2.5% inflation, 3.00% Merit)
Investment rate of return	6.75%, net of investment expense
Actuarial cost method	Entry age normal
Expected remaining service lives	7 years
Cost of Living Adjustment	Only those previously granted

Mortality rates for DARS were based on the RP-2000 Combined Healthy with White Collar Adjustment Sex Distinct Tables (set back 1 year for females) projected to 2032 using Scale AA were selected for employee, annuitant, and beneficiary mortality. The RP 2000 Disabled Lives Mortality Table set back 5 years for males and 3 years for females was selected for disable annuitants.

The mortality rate assumption used was set based upon an experience study performed on plan data for the period July 1, 2009 through June 30, 2014. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the DARS's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that the tables used would produce liability values approximating the appropriate generational mortality tables.

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

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT

Lafourche Parish, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 2017

NOTE 7 PENSION PLANS (Continued)

These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 3.0%. The resulting forecasted long-term rate of return is 9.04% for the years ending June 30, 2017.

The best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation, as of June 30, 2017, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
DARS:		
Equities	61.72%	11.31%
Fixed Income	28.95%	6.84%
Alternatives	8.85%	10.50%
Cash	.48%	0.50%
Totals	100.00%	29.15%
Inflation		6.56%
Expected Rate of Return		9.06%

The discount rate used to measure the total pension liability was 6.75% at June 30, 2017 and 2015. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined rates approved by PERSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all to all periods of projected benefit payments to determine the total pension liability.

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT

Lafourche Parish, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 2017

Sensitivity of the of the District Attorney's proportionate share of the net pension liabilities to changes in the discount rate:

The following presents the District Attorney's proportionate shares of the net pension liabilities of the plans, calculated using the discount rates as shown above, as well as what the proportionate shares of the net pension liabilities would be if they were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
DARS	\$298,916	\$104,603	\$(60,516)

Pension plan fiduciary net position:

Detailed information about the Plans' fiduciary net position is available in the separate issued financial statements of the Plans. The system issues an annual publicly available financial report that includes financial statements and required supplementary information for the system. That report may be obtained by writing to the Louisiana District Attorneys Retirement System, 1645 Nicholson Drive, Baton Rouge, Louisiana 70802, or by calling (225) 267-4824.

Note 8 DEFERRED COMPENSATION PLAN

All current full-time employees are eligible to participate in a deferred compensation plan. Employees can make pre-tax contributions to this 457 plan from eligible pay through payroll deductions - whether the employee is paid by the Parish or the District Attorney's office. The amount allowed to contribute to the plan is based on taxable compensation as defined by the Internal Revenue Code (IRC). Existing deferred compensation plans with a prior employer may be transferred at any time. The District Attorney's office matches employee's contributions up to 8% dollar for dollar after a year of employment for employees other than those eligible for state retirement programs. The total employer contributions made were \$40,524 - \$1,699 paid by the District Attorney payroll and \$38,82 paid by the Parish.

The Security Benefit Group serves as administrator and has the responsibility for maintaining a deferred account with respect to each participant's account in accordance with the participant's investment specification.

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT

Lafourche Parish, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 9 RISK MANAGEMENT

LIABILITY INSURANCE

The District Attorney is exposed to various risks of loss related to tort, theft of, damage to, and destruction of assets; errors and omission; injuring to employees; and natural disasters. The following commercial insurance policies were purchased for any and all claims relating to the above types of risks:

TYPE OF INSURANCE	LIMITS	DEDUCTIBLE
Professional Liability	\$ 100,000/claim \$ 300,000 aggregate	\$ 5,000 / claim
Personal Injury	\$ 100,000/claim \$ 300,000 aggregate	\$ 5,000 / claim
Criminal Proceedings	\$ 75,000/claim	\$ 500 / claim
Disciplinary Proceedings	\$ 10,000/claim	\$ 500 / claim
Auto Liability	\$2,000,000/claim \$5,000 each person – Medical Comprehensive & Collision	
Worker's Compensation	\$1,000,000 each accident \$1,000,000 each employee \$1,000,000 limit	

The payment of the deductible is the only liability associated with the professional liability insurance. The Lafourche Parish Council is responsible for obtaining general liability and worker's compensation insurance for the District Attorney's office and employees on the Parish Payroll.

HEALTH INSURANCE

The Lafourche Parish Council provides health and life insurance of which 25% of the employee's portion of medical and life insurance premiums paid on behalf of the clerical staff is reimbursed by the District Attorney's office. The District Attorney's office also reimburses 25% of the District Attorney, Assistant District Attorney, and senior staff's medical and life insurance premiums and family coverage, if applicable. Settlements have not exceeded insurance coverage in any of the three proceeding years.

REQUIRED SUPPLEMENTARY INFORMATION

DESCRIPTION OF MAJOR FUNDS

General Fund - The General Fund was established in compliance with Louisiana Revised Statute 15:571.11, which provides that 12 per cent of the fines collected and bonds forfeited be transmitted to the District Attorney to defray the necessary expenses of his office.

Worthless Checks Fund - The Worthless Check Collection Fee Special Revenue Fund consists of 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.

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

**DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
LAFOURCHE PARISH, LOUISIANA**

Budget Comparison Schedule - General Fund
For the Year Ended December 31, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget + (-)
	Original	Final		
REVENUES				
Fines and fees	\$ 712,500	\$ 691,800	\$ 700,084	\$ 8,284
Intergovernmental				
Federal Pass through VOCA	24,000	26,400	26,529	(129)
State of Louisiana:				
Victims Assistance	30,000	30,000	30,000	-
Local	13,500	49,325	49,325	-
Interest and Miscellaneous	360	128	128	-
TOTAL REVENUES	<u>780,360</u>	<u>797,653</u>	<u>806,066</u>	<u>8,413</u>
EXPENDITURES				
Current - General government - Judicial:				
Personnel Services	465,543	459,168	457,868	1,300
Insurance	27,500	27,198	27,197	1
Office operations	42,150	21,156	21,234	(78)
Court Costs	28,000	30,000	28,862	1,138
Travel and conventions	41,000	40,000	39,425	575
Dues and subscriptions	32,000	33,145	33,145	-
Professional Services	9,500	10,907	10,907	-
Automobile expenses	5,500	6,500	6,102	398
Telephone	5,000	4,500	4,375	125
Uniforms	500	350	274	76
Rent	2,346	2,346	2,346	-
Donated Supplies and Equipment	6,000	6,000	6,050	(50)
Repair & maintenance	2,000	4,200	3,897	303
	<u>667,039</u>	<u>645,470</u>	<u>641,682</u>	<u>3,788</u>
Capital outlay	10,000	-	-	-
TOTAL EXPENDITURES	<u>677,039</u>	<u>645,470</u>	<u>641,682</u>	<u>3,788</u>
Excess (deficiency) of revenues over expenditures	103,321	152,183	164,384	12,201
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	(6,842)	(21,372)	(21,372)	-
Net Changes in fund Balances	<u>96,479</u>	<u>130,811</u>	<u>143,012</u>	<u>12,201</u>
FUND BALANCES				
Beginning	1,954,063	1,956,018	1,956,018	-
Ending	<u>\$ 2,050,542</u>	<u>\$ 2,086,829</u>	<u>\$ 2,099,030</u>	<u>\$ 12,201</u>

**DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
LAFOURCHE PARISH, LOUISIANA**

Budget Comparison Schedule - Worthless Check Collection Fund
For the Year Ended December 31, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget + (-)
	Original	Final		
REVENUES				
Fines and fees	\$ 12,000	\$ 11,000	\$ 10,670	\$ (330)
Interest	-	-	-	-
TOTAL REVENUES	<u>12,000</u>	<u>11,000</u>	<u>10,670</u>	<u>(330)</u>
EXPENDITURES				
Current - General government - Judicial:				
Personnel Services	72,791	75,618	75,430	188
Repairs & maintenance	11,000	11,000	11,000	-
	<u>83,791</u>	<u>86,618</u>	<u>86,430</u>	<u>188</u>
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>83,791</u>	<u>86,618</u>	<u>86,430</u>	<u>188</u>
Net changes in fund balances	<u>(71,791)</u>	<u>(75,618)</u>	<u>(75,760)</u>	<u>(142)</u>
FUND BALANCES				
Beginning	166,347	166,584	166,584	-
Ending	<u>\$ 94,556</u>	<u>\$ 90,966</u>	<u>\$ 90,824</u>	<u>\$ (142)</u>

**DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
LAFOURCHE PARISH, LOUISIANA**

Budget Comparison Schedule - IV-D Office Fund
For the Year Ended December 31, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget + (-)
	Original	Final		
REVENUES				
Intergovernmental	\$ 437,110	\$ 418,026	\$ 417,675	\$ (351)
Interest	2	-	-	-
TOTAL REVENUES	<u>437,112</u>	<u>418,026</u>	<u>417,675</u>	<u>(351)</u>
EXPENDITURES				
Current - General government - Judicial:				
IV-D program:				
Personnel services	58,842	66,398	65,910	488
Office Operations	4,000	2,000	2,000	-
Dues & Subscriptions	870	-	-	-
Repair & maintenance	240	-	-	-
Reimburse Lafourche Parish Council	380,000	371,000	371,137	(137)
	<u>443,952</u>	<u>439,398</u>	<u>439,047</u>	<u>351</u>
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	<u>443,952</u>	<u>439,398</u>	<u>439,047</u>	<u>351</u>
Excess Revenues Over Expenditures	(6,840)	(21,372)	(21,372)	-
OTHER FINANCING SOURCES (USES)				
Transfer in (out)	6,842	21,372	21,372	-
Total other financing sources (uses)	<u>6,842</u>	<u>21,372</u>	<u>21,372</u>	<u>-</u>
Net Change in Fund Balance	2	-	-	-
FUND BALANCES				
Beginning	90	89	89	-
Ending	<u>\$ 92</u>	<u>\$ 89</u>	<u>\$ 89</u>	<u>\$ -</u>

DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
LAFOURCHE PARISH, LOUISIANA
REQUIRED SUPPLEMENTARY INFORMATION
District Attorney's Retirement System (DARS)
Last Ten Fiscal Years **

For Fiscal Year Ended Measurement Date of Plan	December 31, 2015 June 30, 2015	December 31, 2016 June 30, 2016	December 31, 2017 June 30, 2017
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY			
Proportion of the net pension liability	2.98215%	3.06422%	3.87818%
Proportionate share of the net pension liability	\$ 67,102	\$ 240,976	\$ 104,603
Covered employee payroll	\$ 745,417	\$ 776,296	\$ 814,508
Proportionate share of the net pension liability as a percentage of its covered employee payroll	9.00%	31.04%	12.84%
Plan fiduciary net position as a percentage of the total pension liability	98.56%	95.09%	93.57%
SCHEDULE OF CONTRIBUTIONS			
Contractually required contribution	\$ 52,179	\$ 12,611	\$ -
Contributions made	(51,139)	(12,611)	-
Contribution deficiency (excess)	<u>\$ 1,040</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 745,417	\$ 733,812	\$ 706,036
Contribution as a percentage of covered employee payroll	6.86%	1.72%	0.00%
** Note: Initial Year of GASB 68 Implementation was 2015, Schedule is intended to show information for 10 years. Additional Years will be displayed as they become available.			
Notes to Retirement System Schedules:			
<i>Changes of Benefit Terms</i>	No Changes	No Changes	No Changes
<i>Changes of Assumptions</i>			
Investment rate of return, net of investment expense	7.0%	7.0%	6.8%
Inflation rate	2.5%	2.5%	2.5%
Discount rate	7.0%	7.0%	6.8%

OTHER SUPPLEMENTAL INFORMATION

**DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
LAFOURCHE PARISH, LOUISIANA**

Schedule of Compensation, Benefits and Other Payments to Agency Head
For the Year Ended December 31, 2017

Agency Head Name: Camille A. "Cam" Morvant,II - District Attorney		1/1-11/3/17
Purpose	Amount	
Salary (state, parish & local)	\$ 165,000	
Benefits - insurance	19,903	
Benefits - retirement	0	
Benefits - life insurance	17	
Benefits - Medicare tax	2,392	
Car Allowance	0	
Vehicle provided by government	0	
Per Diem	0	
Reimbursements	0	
Travel	0	
Registration fees	1,075	
Conference travel	4,316	
Continuing professional education fees	0	
Housing	0	
Unvouchered expenses	0	
Meals - trial	0	
Special meals	0	
Fuel	2,396	
Dues	535	
Cell Phone	1,711	
	\$ 197,345	

Agency Head Name: Kristine Russell - District Attorney		11/4-12/31/17
Purpose	Amount	
Salary (state, parish & local)	\$ 20,192	
Benefits - insurance	3,981	
Benefits - retirement	-	
Benefits - life insurance	5	
Benefits - Medicare tax	293	
Car Allowance	0	
Vehicle provided by government	0	
Per Diem	0	
Reimbursements	0	
Travel	0	
Registration fees	0	
Conference travel	0	
Continuing professional education fees	0	
Housing	0	
Unvouchered expenses	0	
Meals - trial	0	
Special meals	0	
Fuel	0	
Dues	0	
Cell Phone	0	
	\$ 24,471	

REPORTS REQUIRED BY GAO



STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

Independent Auditor's Report and on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Honorable Kristine Russell
District Attorney of the Seventeenth Judicial District
Lafourche Parish, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the District Attorney of the Seventeenth Judicial District, Lafourche Parish Louisiana as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the basic financial statements and have issued our report thereon dated June 5, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance 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 or 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Stagni & Company

Thibodaux, Louisiana
June 5, 2018



**DISTRICT ATTORNEY OF THE SEVENTEENTH JUDICIAL DISTRICT
LAFOURCHE PARISH, LOUISIANA
Schedule of Current Findings
For the Year Ended December 31, 2017**

Section I - Summary of Auditor's Reports

- The auditor's report expresses an unmodified opinion on the basic financial statements.
- No deficiencies in internal control over financial reporting were disclosed during the audit of the financial statements.
- No instances of noncompliance or other matters under *Government Auditing Standards* were disclosed during the audit of the financial statements.
- No instances of noncompliance under the provisions of Louisiana Governmental Audit Guide were disclosed during the audit of the basic financial statements.
- There was no management letter issued in connection with this audit.
- The District Attorney neither received nor expended any federal awards during the year.

Section II - Financial Statement Findings

- There were no financial statement findings during the audit of the basic financial statements.

Section III - Federal Award Findings and Questioned Costs

- There were no federal awards received during the fiscal year.



***LAFOURCHE PARISH
DISTRICT ATTORNEY***

**Statewide Agreed Upon
Procedures Report
With Schedule of Findings
and Management's Responses**

***As of and for the Year Ending
December 31, 2017***



STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

AGREED-UPON PROCEDURES REPORT Lafourche Parish District Attorney

Independent Accountant's Report
On Applying Agreed-Upon Procedures

For the Period January 1, 2017 – December 31, 2017

To the Kristine Russell, District Attorney
Lafourche Parish, Louisiana and
Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by Lafourche Parish District Attorney (District Attorney) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2017 through December 31, 2017. The District Attorney's management is responsible for those C/C areas identified in the SAUPs.

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

The procedures and associated results are as follows:

Written Policies and Procedures

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

- c) **Disbursements**, including processing, reviewing, and approving.
- d) **Receipts**, including receiving, recording, and preparing deposits.
- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage.
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Results: The policies of the District Attorney address all the applicable functions listed.

Board (or Finance Committee, if applicable)

- 2. Obtain and review the board/committee minutes for the fiscal period, and:
 - a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.
 - b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).
 - If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.
 - c) Report whether the minutes referenced or included non-budgetary financial information (e.g., approval of contracts and disbursements) for at least one meeting during the fiscal period.

Results: This procedure is not applicable to District Attorney.

Bank Reconciliations

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

Results: We obtained a listing of bank accounts from management and management's representation that the listing is complete.

4. Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three-year rotating basis (if more than five accounts). For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:
 - a) Bank reconciliations have been prepared;
 - b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and
 - c) If applicable, management has documentation reflecting that it has researched items that have been outstanding for more than 6 months reconciling as of the end of the fiscal period.

Results: We selected (2) bank accounts and obtained bank statements and reconciliations. All bank reconciliations and statements provided for each month, included written evidence that a member of management reviewed each reconciliation. There were no outstanding checks or deposits for more than 6 months on any of the reconciliations.

Collections

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

Results: We obtained from management a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.

6. Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three-year rotating basis (if more than five locations). **For each cash collection location selected:**
 - a) Obtain existing written documentation (e.g., insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.
 - b) Obtain existing written documentation (e.g., sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.

- c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:
- Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.
 - Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

Results: There was five (3) collection locations for testing. Each person responsible for collecting cash is bonded. Duties were segregated per the policy. The person responsible for collecting cash was not responsible for reconciling cash collections to the general ledger. The District Attorney has a formal process to reconcile cash collections to the general ledger by a person who is not responsible for cash collections. Several deposits tested were not deposited the same or next day. All of the deposits tested had supporting documentation.

Managements Response: Most of the deposits were for small (less than \$100) District Attorney and PTI fees, and although not deposited the next day were made timely according to the written policy on receipts and collections.

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

Results: The District Attorney has a process specifically defined to determine completeness of all collections, including electronic transfers, for each revenue source by a person who is not responsible for collections.

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

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

Results: We obtained from management a disbursement listing and management's representation that the listing is complete.

9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card/debit card/fuel card/P-card purchases or payments. Obtain supporting documentation (e.g., purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:
- a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.
 - b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.
 - c) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; (2) a receiving report showing receipt of goods purchased, or electronic equivalent; and (3) an approved invoice.

Results: We obtained supporting documentation for 25 disbursements. The criteria in steps 9(a), 9(b) and 9(c) were met for all 25 disbursements tested.

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

Results: The persons responsible for processing payments are prohibited from adding vendors to the District Attorney's disbursement system.

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

Results: The persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.

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

Results: Check stock for the District Attorney are kept in a locked location.

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

Results: No exceptions were identified as a result of these procedures.

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

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

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

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

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

- a) Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder.
- b) Report whether finance charges and/or late fees were assessed on the selected statements.

Results: For the 2 cards selected the monthly statements and supporting documentation were reviewed and approved, in writing, by someone other than the authorized card holder. No finance charges or late fees were assessed on the selected statements.

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

- a) For each transaction, report whether the transaction is supported by:
 - An original itemized receipt (i.e., identifies precisely what was purchased).
 - Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.
 - Other documentation that may be required by written policy (e.g., purchase order, written authorization).
- b) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written purchasing/ disbursement policies and the Louisiana Public Bid Law (i.e., transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.

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

Results: Procedure 16(a) –For the two credit cards selected for testing, both were supported by itemized receipts and documentation of the business/public purpose of each individual charge. Procedures 16(b) and 16(c) - No exceptions were identified as a result of these procedures.

Travel and Expense Reimbursement

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

Results: We obtained the listing of all travel and related expense reimbursements from the detail general ledger and we obtained management's representation that the list was complete.

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

Results: We obtained the written policies related to travel and expense reimbursement. No amounts that exceed GSA rates were noted.

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

- a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.
- b) Report whether each expense is supported by:
 - An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]
 - Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).
 - Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance)

- c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g., hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.
- d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results: No exceptions were identified as a result of these procedures.

Contracts

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

Results: We obtained a listing of all contracts in effect during the fiscal period. We obtained management's representation that the listing is complete.

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

- a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.
- b) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:
 - If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder)
 - If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.
- c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.
- d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.
- e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g., Lawrason Act or Home Rule Charter).

Results: For the 1 contract selected, a formal written contract supports the arrangement and the amounts paid. The contract selected was subject to public bid law. For the largest payment from the contract selected for testing, the supporting invoice and related payment complied with the terms and conditions of the contract. The contract selected for testing was properly approved according to policy and the approved.

Payroll and Personnel

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

- a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.
- b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.

Results: We obtained a listing of employees with their related salaries, and we obtained management's representation that the listing is complete. For the two (5) employees selected, payments were made in strict accordance with the terms and conditions of the pay rate structure. No changes were made during the fiscal period for the five employees selected.

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

- a) Report whether all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).
- b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.
- c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.

Results: Attendance and leave records were selected for 5 employees. All selected employees documented daily attendance and leave. All selected had written documentation that supervisors approved in writing the attendance and leave of the selected employees.

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

Results: A list of employees terminated was obtained and management's representation that the list is complete. Termination payment for 1 employee was made in strict accordance with policy and approved by management.

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

Results: We obtained supporting documentation relating to payroll taxes and retirement contributions during the fiscal period. The employee and employer portions of payroll taxes and retirement contributions as well as the required reporting forms were submitted to the applicable agencies by the required deadlines.

Ethics (excluding nonprofits)

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

Results: All of the employees selected, had documentation to demonstrate that required ethics training was completed.

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

Results: We inquired of management whether any alleged ethics violations were reported during the fiscal period. Management has received no such allegations.

Debt Service (excluding nonprofits)

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

Results: The District Attorney issued no debt during the year, therefore this procedure is not applicable.

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

Results: The District Attorney has no outstanding debt, therefore this procedure is not applicable.

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

Results: The District Attorney has no tax millages relating to debt service, therefore this procedure is not applicable.

Other

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

Results: We inquired of management whether the District Attorney had any misappropriations of public funds or assets. Management reported there have not been any misappropriations of public funds or assets.

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

Results: We noted the required posting on the District Attorney's website. We observed that the District Attorney has posted on its premises the notice required by R.S. 24:523.1.

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

Results: No exceptions were identified as a result of these procedures.

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.

Stagni & Company

Thibodaux, LA
June 5, 2018