

BASIC FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT

DISTRICT ATTORNEY OF THE THIRTY-EIGHTH
JUDICIAL DISTRICT
CAMERON PARISH, LOUISIANA
December 31, 2018

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INDEPENDENT AUDITORS' REPORT

Honorable Jennifer Jones
District Attorney of the
Thirty-Eighth Judicial District
Cameron Parish, Louisiana

We have audited the accompanying financial statements of the governmental activities of the District Attorney of the Thirty-Eighth Judicial District, a component unit of the Cameron Parish Police Jury, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the District Attorney of the Thirty-Eighth Judicial District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Summary of Opinions

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Qualified
General Fund	Unmodified
Special Revenue Fund	Unmodified
Agency Fund – Victims’ Assistance	Unmodified
Agency Fund – Bond Forfeiture	Unmodified

Basis for Qualified Opinion on Governmental Activities

Management has not adopted GASB 68 Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27 in the General Fund because those liabilities and disclosures are recorded in the accounting records of other entities. Accounting principles generally accepted in the United States of America require that a liability be provided for pension expenses, which would change the deferred inflow, deferred outflow, liabilities, fund balance, revenues and expenses in the Governmental Activities. The amount by which this departure would affect the deferred inflow, deferred outflows, liabilities, fund balance, revenues, and expenses of the Governmental Activities has not been determined.

Qualified Opinion

In our opinion, except for the effects of the matter described in the “Basis for Qualified Opinion on Governmental Activities” paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the Governmental Activities of the District Attorney of the Thirty-Eighth Judicial District of Cameron Parish, Louisiana as of December 31, 2018, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the general fund of the District Attorney of the Thirty-Eighth Judicial District of Cameron Parish, Louisiana as of December 31, 2018, and the respective changes in financial position thereof 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 budgetary comparison information of pages 25 and 26 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquires, 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.

Management has omitted management’s discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by

the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District Attorney of the Thirty-Eighth Judicial District's basic financial statements. The schedule of compensation, benefits and other payments to agency head is presented for purposes of additional analysis and are not a required part of the basic financial statements.

This supplementary information is the responsibility of management and is derived from and related 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 combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated June 28, 2019, on our consideration of the District Attorney of the Thirty-Eighth Judicial District's internal control over financial reporting and our test of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District Attorney of the Thirty-Eighth Judicial District's internal control over financial reporting and compliance.

This report is intended solely for the information and use of management and the Legislative Auditor, and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Joseph, Williams & Co., LLP

Lake Charles, Louisiana
June 28, 2019

DISTRICT ATTORNEY OF THE THIRTY-EIGHTH JUDICIAL DISTRICT
PARISH OF CAMERON, LOUISIANA

STATEMENT OF NET POSITION
December 31, 2018

ASSETS	
Cash and cash equivalents	\$ 518,663
Receivables:	
Commissions on fines and forfeitures	4,111
Due from other funds	<u>20,601</u>
Total Assets	<u><u>\$ 543,375</u></u>
LIABILITIES	
Payroll tax benefits payable	\$ 5,704
Due to other agencies	2,576
Due to other funds	<u>2,726</u>
Total Liabilities	11,006
NET POSITION	
Unrestricted	<u>532,369</u>
Total Liabilities and Net Position	<u><u>\$ 543,375</u></u>

The accompanying notes are an integral part of this statement.

**DISTRICT ATTORNEY OF THE THIRTY-EIGHTH JUDICIAL DISTRICT
PARISH OF CAMERON, LOUISIANA**

**STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2018**

Activities	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	
Governmental activities:				
Judicial system	\$ 477,193	\$ 196,927	\$ 318,735	\$ 38,469
Total Governmental Activities	\$ 477,193	\$ 196,927	\$ 318,735	38,469
General revenues:				
		Interest earnings		12
			Total general revenues	12
			Change in net position	38,481
			Net position at beginning of year	493,888
			Net position end of year	\$ 532,369

The accompanying notes are an integral part of this statement.

**DISTRICT ATTORNEY OF THE THIRTY-EIGHTH JUDICIAL DISTRICT
PARISH OF CAMERON, LOUISIANA**

**BALANCE SHEET - GOVERNMENTAL FUNDS
December 31, 2018**

	Governmental Funds		
	General Fund	Special Revenue Fund	Total
<u>ASSETS</u>			
Cash and cash equivalents	\$ 518,450	\$ 213	\$ 518,663
Receivables:			
Commissions on fines and forfeitures	4,111	-	4,111
Due from other funds	20,601	-	20,601
	<u>\$ 543,162</u>	<u>\$ 213</u>	<u>\$ 543,375</u>
Total Assets	<u>\$ 543,162</u>	<u>\$ 213</u>	<u>\$ 543,375</u>
<u>LIABILITIES AND FUND BALANCE</u>			
Liabilities:			
Payroll tax benefits payable	\$ 5,704	\$ -	\$ 5,704
Due to other agencies	2,363	213	2,576
Due to other funds	2,726	-	2,726
Total Liabilities	10,793	213	11,006
Fund Balance:			
Unassigned	532,369	-	532,369
Total Fund Balance	532,369	-	532,369
Total Liabilities and Fund Balances	<u>\$ 543,162</u>	<u>\$ 213</u>	<u>\$ 543,375</u>

The accompanying notes are an integral part of this statement.

**DISTRICT ATTORNEY OF THE THIRTY-EIGHTH JUDICIAL DISTRICT
PARISH OF CAMERON, LOUISIANA**

**RECONCILIATION OF THE BALANCE SHEET -
GOVERNMENTAL FUNDS - TO THE STATEMENT OF NET POSITION
December 31, 2018**

FUND BALANCE OF GOVERNMENTAL FUNDS \$ 532,369

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

Capital asset used in governmental activities are not financial
resources and, therefore, are not reported in the funds.

Those assets consists of:

Cost of capital assets	\$	-	
Less - accumulated depreciation		-	-
		<hr/>	<hr/>

NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 532,369

The accompanying notes are an integral part of this statement.

**DISTRICT ATTORNEY OF THE THIRTY-EIGHTH JUDICIAL DISTRICT
PARISH OF CAMERON, LOUISIANA**

**STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
For the Year Ended December 31, 2018**

	Governmental Funds		
	General Fund	Special Revenue Fund	Total
Revenues:			
Comissions on fines and forfeitures	\$ 196,927	\$ -	\$ 196,927
Intergovernmental			
State grants	142,030	11,263	153,293
Parish government	165,442	-	165,442
Interest	12	-	12
Total revenues	504,411	11,263	515,674
Expenditures:			
Judicial			
Personal and contracted services	417,340	-	417,340
Legal and other professional	15,952	-	15,952
Drug court/pre-trial	22,734	-	22,734
Continuting education/library	2,321	-	2,321
Other services and charges	7,583	11,263	18,846
Total expenditures	465,930	11,263	477,193
Net change in fund balance	38,481	-	38,481
FUND BALANCES - BEGINNING OF PERIOD	493,888	-	493,888
FUND BALANCES - END OF PERIOD	\$ 532,369	\$ -	\$ 532,369

The accompanying notes are an integral part of this statement.

DISTRICT ATTORNEY OF THE THIRTY-EIGHTH JUDICIAL DISTRICT
PARISH OF CAMERON, LOUISIANA

RECONCILIATION OF THE STATEMENT OF REVENUE,
EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS - TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2018

Total net change in fund balances - governmental fund-per the Statement of Revenues, Expenditures, and Changes in Fund Balance	\$ 38,481
Amounts reported for governmental activities in the Statement of Activities are different because:	
	-
Change in Net Position of Governmental Activities	<u>\$ 38,481</u>

The accompanying notes are an integral part of this statement.

**DISTRICT ATTORNEY OF THE THIRTY-EIGHTH JUDICIAL DISTRICT
PARISH OF CAMERON, LOUISIANA**

**STATEMENT OF FIDUCIARY NET ASSETS - AGENCY FUNDS
December 31, 2018**

	Victims' Assistance	Bond Forfeiture	Total
ASSETS			
Cash and cash equivalents	\$ 4,281	\$ 20,601	\$ 24,882
Due from general fund	2,726	-	2,726
Due from others	2,500	-	2,500
TOTAL ASSETS	\$ 9,507	\$ 20,601	\$ 30,108
LIABILITIES			
Due to general fund	\$ -	\$ 20,601	\$ 20,601
Due to other agencies	9,507	-	9,507
TOTAL LIABILITIES	\$ 9,507	\$ 20,601	\$ 30,108

The accompanying notes are an integral part of this statement.

District Attorney of the Thirty-Eighth Judicial District
Parish of Cameron, Louisiana
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

NOTE 1 – INTRODUCTION

As provided by Article V, Section 26 of the Louisiana Constitution of 1974, the District Attorney of the Thirty-Eighth Judicial District (“District Attorney”) has charge of every criminal prosecution by the State in her district, is the representative of the State before the grand jury in her district, is the legal advisor to the grand jury, and performs other duties as provided by law. The District Attorney is elected by the qualified electors of the judicial district for a term of six years. The judicial district encompasses the parish of Cameron, Louisiana.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying basic financial statements of the District Attorney have been prepared in conformity with governmental accounting principles generally accepted (“GAAP”) in the United States of America. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments*, issued in June 1999.

B. FINANCIAL REPORTING ENTITY

For the financial reporting purposes, in conformance with governmental accounting standards, the District Attorney is a part of the district court system in the State of Louisiana. However, the District Attorney operates autonomously from the State of Louisiana and independently from the district court system. Therefore, the District Attorney reports as an independent reporting entity.

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

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

1. Appointing a voting majority of an organization’s governing body, and

District Attorney of the Thirty-Eighth Judicial District
Parish of Cameron, Louisiana
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

B. FINANCIAL REPORTING ENTITY – (Continued)

- a. The ability of the Police Jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Police Jury.
2. Organizations for which the Police Jury does not appoint a voting majority but are fiscally dependent on the parish government and pose a financial benefit or burden to the parish government.
 3. Organizations for which the reporting entity’s financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

The Police Jury financial statements would be misleading if data of the District Attorney were not included because of the nature or significance of the relationship, the District Attorney was determined to be a component unit of the Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District Attorney and do not present information on the Police Jury, the general government services provided by that government unit, or the other governmental units that comprise the financial reporting entity.

C. BASIS OF ACCOUNTING/MEASUREMENT FOCUS

The District Attorney’s basic financial statements include both government-wide and fund financial statements.

A. Government-Wide Financial Statements

The District Attorney’s Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements include all financial activities for the District Attorney, which are considered to be governmental activities. Fiduciary activities of the District Attorney are not included in these statements. They are reported only in the Statement of Fiduciary Assets and Liabilities at the fund financial statement level.

These statements are presented on an “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all of the District Attorney’s assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position.

District Attorney of the Thirty-Eighth Judicial District
Parish of Cameron, Louisiana
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

C. BASIS OF ACCOUNTING/MEASUREMENT FOCUS – (Continued)

Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the District Attorney are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) operating grants and contributions.

B. Governmental Fund Financial Statements

The District Attorney uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain District Attorney's functions and activities. A fund is a separate fiscal and accounting entity with a self-balancing set of accounts. The various funds of the District Attorney are classified into two categories: governmental and fiduciary. The emphasis on fund financial statements is on major funds, each displayed in a separate column.

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the Government-Wide financial statements. The District Attorney has presented all major funds that met those qualifications.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the District Attorney, are fines and forfeitures, collection fees, enrollment fees, and other forfeitures. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

District Attorney of the Thirty-Eighth Judicial District
Parish of Cameron, Louisiana
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

C. BASIS OF ACCOUNTING/MEASUREMENT FOCUS – (Continued)

Funds of the District Attorney are as follows:

Governmental Fund Types:

General Fund

The primary operating fund of the District Attorney and it accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to the District Attorney's policy.

Special Revenue Fund

Account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes, or designated by the District Attorney to be accounted for separately. The special revenue fund of the District Attorney consists of the following:

The Child Support Fund – consists of Title IV-D Fund. The IV-D Fund accounts for grants from the Louisiana Department of Social Services, a pass-through agency, and the United States Department of Health and Human Services, authorized by Act 117 of 1975, to establish family and child support programs compatible with the Title IV-D of the Social Security Act for the provision of child support services. The purpose of the Fund is to enforce the support obligation owed by absent parents to their children, to locate absent parents, to establish paternity, and to obtain child and spousal support.

Fiduciary Fund Type:

Bond Forfeiture Fund

The purpose of the bond forfeiture fund is to collect funds from the bonding company and to then distribute these funds to the Criminal Court Fund, Public Defender's Office, Cameron Sheriff's Office and the District Attorney's Office. The funds distributed to the District Attorney's office are used for training purposes.

Victims' Assistance Fund

The purpose of the victim's assistance fund is to provide educational material, counseling, medical expenses and miscellaneous expenses incurred by victims of crimes.

District Attorney of the Thirty-Eighth Judicial District
Parish of Cameron, Louisiana
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

D. BUDGETS AND BUDGETARY ACCOUNTING

As required by the Louisiana Revised Statutes 39:1303, the District Attorney adopted a budget for its General Fund. The budgetary practices included, when required, public notice of the proposed budget, public inspection of the proposed budget, and public hearings on the budget prior to adoption.

Any amendment involving the transfer of monies from one function to another or increases in expenditures at the functional level must be approved by the District Attorney. All budget amounts which are not expended, or obligated through contracts, lapse at year-end.

The General Fund budget was adopted and amended on a basis consistent with GAAP. The budgeted amounts of the General Fund in the accompanying financial statements are in the original adopted budgets and subsequent adopted amendments.

E. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the District Attorney may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States, certificates of deposit in state or national banks having their principal office in Louisiana or any other federally insured investment.

State law also requires that deposits of all political subdivisions be fully collateralized at all times. Acceptable collateralization includes the FDIC insurance and the market value of securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana, and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision or with an unaffiliated bank or trust company for the account of the political subdivision.

F. ACCUMULATED COMPENSATED ABSENCES

The District Attorney's employees earn and use their vacation and sick leave during the year. Therefore, there is no provision for compensated absences.

District Attorney of the Thirty-Eighth Judicial District
Parish of Cameron, Louisiana
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

G. ENCUMBRANCES

Encumbrance accounting, under which purchase orders, contracts, and other commitments are recorded in the fund, is not utilized by the District Attorney.

H. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

The District Attorney does not provide any post-employment benefits to retirees other than pension and therefore is not required to report under GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions*.

I. EQUITY CLASSIFICATIONS

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

1. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
3. Unrestricted net position – All other net position that do not meet the definition of “restricted” or “net investment in capital assets.”

In the fund financial statements, government fund equity is classified as fund balance. Fund balance reports aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. Proprietary fund equity is classified the same as in the government-wide statements.

The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form—prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned and unassigned.

District Attorney of the Thirty-Eighth Judicial District
Parish of Cameron, Louisiana
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

I. EQUITY CLASSIFICATIONS (Continued)

1. Restricted fund balance – This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions for enabling legislation.
2. Committed fund balance – These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the Board of Directors—the government’s highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the Board of Directors removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.
3. Assigned fund balance – This classification reflects the amounts constrained by the District Attorney’s “intent” to be used for specific purposes, but are neither restricted nor committed. The Board of Directors has the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as non-spendable and are neither restricted nor committed.
4. Unassigned fund balance – This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the District Attorney’s policy to use externally restricted resources first, then unrestricted resources—committed, assigned and unassigned—in order as needed.

The District Attorney considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending.

Additionally, the District Attorney would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

J. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial

District Attorney of the Thirty-Eighth Judicial District
 Parish of Cameron, Louisiana
 NOTES TO THE FINANCIAL STATEMENTS
 For the Year Ended December 31, 2018

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

J. ESTIMATES – (Continued)

statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 3 - CASH AND CASH EQUIVALENTS AND INVESTMENTS

As reflected in the accompanying statements, including the agency funds of \$24,882, the District Attorney had cash and cash equivalents totaling \$543,545, at December 31, 2018. The cash and cash equivalents of \$543,545 consisted of \$517,645 in interest bearing demand deposits and \$25,900 in savings accounts. These deposits (or the resulting bank balance) and investments must be secured under state law by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These pledged securities are held in the name of the pledging fiscal agent bank (GASB Category 3) in a holding or custodial bank that is mutually acceptable to both parties. The deposits (bank balance) and investments at December 31, 2018, were secured as follows:

Institution	Bank Balances	Federal Deposit Insurance	Pledge Securities
Iberiabank	\$ 553,555	\$ 250,000	\$ 324,435
City Savings	420	420	-
	\$ 553,975	\$ 250,420	\$ 324,435

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District Attorney that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 4 – RECEIVABLES

Receivables consist of commissions on fines and forfeitures that are due from other governmental units. As of December 31, 2018 receivables from other governmental units consisted of the following:

	<u>General Fund</u>
Cameron Parish Sheriff	\$ 4,111
Totals	<u>\$ 4,111</u>

District Attorney of the Thirty-Eighth Judicial District
 Parish of Cameron, Louisiana
 NOTES TO THE FINANCIAL STATEMENTS
 For the Year Ended December 31, 2018

NOTE 5 – DUE FROM/TO OTHER FUNDS

Due from/to other funds at December 31, 2018 are as follows:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>	
General Fund	\$ 20,601	\$ 2,726	
Agency Fund	<u>2,726</u>	<u>20,601</u>	
Totals	<u>\$ 23,327</u>	<u>\$ 23,327</u>	

The amounts due from/to other funds are for short-term loans.

NOTE 6 – CAPITAL ASSETS

There are no capital assets or depreciation activity, as of and for the year ended December 31, 2018, for the District Attorney.

NOTE 7 – PENSION PLAN

The District Attorney and assistant district attorneys, whose salaries are paid by the State of Louisiana and the Cameron Parish Police Jury, are members of the Louisiana District Attorneys’ Retirement System. All other employees of the District Attorney participate, if they qualify, in the Cameron Parish Government’s retirement plan. The Louisiana District Attorneys’ Retirement System is a multiple-employer, cost-sharing statewide public employee retirement system administered and controlled by a separate board of trustees. The System provides retirement, death, and disability benefits to participating, eligible employees. Contributions of participating agencies, together with shared revenues, are pooled within the System to fund accrued benefits, with employer/employee contribution rates approved by the Louisiana Legislature. The Louisiana District Attorneys’ Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the Louisiana District Attorneys’ Retirement System at 1645 Nicholson Drive, Baton Rouge, Louisiana 70802-8143, or by calling 1-225-343-0171.

NOTE 8 – ON-BEHALF PAYMENTS

Louisiana Revised Statute 16:6 mandates the Parish Government to pay from their General Fund, any expenses incurred by the parish District Attorney in the discharge of her official duties. These expenses include salaries of stenographers, clerks, secretaries, investigators and other employees’ expense allowances, telephone, transportation, travel, postage, hotel and other expenses.

District Attorney of the Thirty-Eighth Judicial District
 Parish of Cameron, Louisiana
 NOTES TO THE FINANCIAL STATEMENTS
 For the Year Ended December 31, 2018

NOTE 8 – ON-BEHALF PAYMENTS - (Continued)

Several employees of the District Attorney receive payments directly from the Cameron Parish Government and the State of Louisiana for salaries and payroll taxes. Salaries and payroll taxes paid to these employees include \$124,000 from the Cameron Parish Government and \$142,030 from the State. The Cameron Parish Government also pays fringe benefits on behalf of certain employees of the Cameron Parish District Attorney. Fringe benefits paid on behalf of these employees amount to \$41,442 for health insurance.

NOTE 9 – RELATED PARTY TRANSACTIONS

The District Attorney reimburses the Police Jury for the cost of providing services as requested by the Police Jury. Amounts reimbursed to the Police Jury are quasi-external transactions, and as such, are expensed during the period incurred. Amounts reimbursed to the Police Jury for the year ended December 31, 2018 were \$11,263.

NOTE 10 – EXPENDITURES OF THE DISTRICT ATTORNEY NOT INCLUDED IN
 THE FINANCIAL STATEMENTS

The accompanying financial statements do not include certain expenditures of the District Attorney paid out of the funds of the criminal court, the Police Jury, or directly by the state.

NOTE 11 – CHANGES IN AGENCY FUND BALANCES

A summary of changes in agency fund unsettled deposits follows:

	Victim's Assistance Fund	Bond Forfeiture Fund
	<u> </u>	<u> </u>
Unsettled deposits beginning of year	\$ 7,007	\$ 16,979
Additions	33,000	19,707
Reductions	<u>(30,500)</u>	<u>(16,085)</u>
Unsettled deposits end of year	<u>\$ 9,507</u>	<u>\$ 20,601</u>

NOTE 12 – SUBSEQUENT EVENTS

The management of the District Attorney of the Thirty-Eighth Judicial District has evaluated events through the date of the auditors' report, the date the financial statements were available to be issued. Management is not aware of any subsequent events which would require recognition or disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION-PART II

**DISTRICT ATTORNEY OF THE THIRTY-EIGHTH JUDICIAL DISTRICT
PARISH OF CAMERON, LOUISIANA**

**GOVERNMENTAL FUNDS - GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE (GAAP BUDGETARY BASIS) - BUDGET AND ACTUAL
For the Year Ended December 31, 2018**

	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable / (Unfavorable)
Revenues:				
Commissions on fines and forfeitures	\$ -	\$ -	\$ 196,927	\$ 196,927
Intergovernmental				
Parish government	-	-	165,442	165,442
State	-	30,000	142,030	112,030
Other:				
Interest	-	-	12	12
Total revenues	-	30,000	504,411	474,411
Expenditures:				
Judicial:				
Personal and contracted services	342,700	342,700	417,340	(74,640)
Legal and other professional fees	5,000	5,000	15,952	(10,952)
Continuing education	-	-	2,321	(2,321)
Donations	-	-	2,000	(2,000)
Repairs and maintenance	12,500	12,500	-	12,500
Insurance	3,100	3,100	-	3,100
LDAA dues assessment	6,000	6,000	-	6,000
Telephone	18,000	18,000	-	18,000
Travel, lodging, and meals	4,100	4,100	348	3,752
Subscriptions	12,000	12,000	169	11,831
Office supplies, postage	18,600	18,600	5,066	13,534
Pre-trial, court fees	1,100	1,100	22,734	(21,634)
Total expenditures	423,100	423,100	465,930	(42,830)
Excess (deficiency) of revenues over expenditures	(423,100)	(393,100)	38,481	431,581
OTHER FINANCING SOURCES				
Operating transfers (in) out	-	-	-	-
TOTAL OTHER FINANCING SOURCES	-	-	-	-
Net change in fund balance	(423,100)	(393,100)	38,481	431,581
FUND BALANCES - BEGINNING OF PERIOD	493,888	493,888	493,888	-
FUND BALANCES - END OF PERIOD	\$ 70,788	\$ 100,788	\$ 532,369	\$ 431,581

*Note: The District Attorney did not formally adopt a budget in the current year. The above amounts were informally discussed and approved.

**DISTRICT ATTORNEY OF THE THIRTY-EIGHTH JUDICIAL DISTRICT
PARISH OF CAMERON, LOUISIANA**

**GOVERNMENTAL FUNDS - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE (GAAP BUDGETARY BASIS) - BUDGET AND ACTUAL
For the Year Ended December 31, 2018**

	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable / (Unfavorable)
Revenues:				
Intergovernmental				
State grants	\$ 12,000	\$ 12,000	11,263	(737)
Total revenues	12,000	12,000	11,263	(737)
Expenditures:				
Judicial:				
Reimbursement of personal and contracted service	12,000	12,000	11,263	737
Total expenditures	12,000	12,000	11,263	737
Excess of revenues over expenditures	-	-	-	-
FUND BALANCES - BEGINNING OF PERIOD	-	-	-	-
FUND BALANCES - END OF PERIOD	\$ -	\$ -	\$ -	\$ -

*Note: The District Attorney did not formally adopt a budget in the current year. The above amounts were informally discussed and approved.

SUPPLEMENTAL INFORMATION

DISTRICT ATTORNEY OF THE THIRTY-EIGHTH JUDICIAL DISTRICT
PARISH OF CAMERON, LOUISIANA

SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEAD
For the Year Ended December 31, 2018

Agency Head Name: Jennifer Jones

<u>Purpose</u>	<u>Amount</u>
Salary - Cameron Parish Police Jury	\$ 50,000
Salary - State of Louisiana	46,386
Salary	24,600
	<u>\$ 120,986</u>

COMPLIANCE AND INTERNAL CONTROL



Langley, Williams & Company, L.L.C.

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

Honorable Jennifer Jones
District Attorney of the
Thirty-Eighth Judicial District
Cameron 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, the business-type activities, each major fund, and the aggregate remaining fund information of the District Attorney of the Thirty-Eighth Judicial District, a component unit of Cameron Parish Police Jury, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the District Attorney of the Thirty-Eighth Judicial District's basic financial statements and have issued our report thereon dated June 28, 2019.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may

exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

We did identify certain deficiencies in internal control, described in the accompanying Summary Schedule of Current and Prior Year Audit Findings and Corrective Action Plan that we consider to be significant deficiencies.

Item 01-18 (IC)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District Attorney's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Item 01-18 (C)

District Attorney of the Thirty-Eighth Judicial District's Response to Findings

District Attorney's response to the findings identified in our audit is described in the accompanying Summary Schedule of Current and Prior Year Audit Findings and Corrective Action Plan. District Attorney's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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



Lake Charles, Louisiana
June 28, 2019

District Attorney of the Thirty-Eighth Judicial District
Parish of Cameron, Louisiana

SUMMARY SCHEDULE OF CURRENT AND PRIOR YEAR AUDIT FINDINGS AND
CORRECTIVE ACTION PLAN

December 31, 2018

SECTION 1 – SUMMARY OF AUDITORS' RESULTS

<u>Financial Statements</u>	<u>Opinion Unit</u>	<u>Type of Opinion</u>
Type of auditors' report issued:	Governmental Activities	Qualified
	General Fund	Unmodified
	Special Revenue Fund	Unmodified
	Agency Fund – Victims' Assistance	Unmodified
	Agency Fund – Bond Forfeiture	Unmodified
Internal control over financial reporting:		
Material weaknesses identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Significant deficiency identified not considered to be material weaknesses?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> None reported
Noncompliance in accordance with Governmental Auditing Standards?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

District Attorney of the Thirty-Eighth Judicial District
Parish of Cameron, Louisiana

Summary Schedule of Current and Prior Year Audit Findings and Corrective Action Plan
For the Year Ended December 31, 2018

SECTION II – FINANCIAL STATEMENTS FINDING

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
Current year December 31, 2018						
Internal Control:						
01 -18 (IC)	Unknown	The District Attorney did not have adequate segregation of duties within the accounting system.	NA	The Cameron Parish District Attorney's management has determined that it is not cost effective to achieve complete segregation of duties in the accounting department. They have, however, segregated as many duties as possible. No plan is considered necessary.	Terri Welch	NA
Compliance:						
01 -18 (C)	12/31/2018	The District Attorney did not formally adopt a budget in the current year.	NA	Effective immediately, the District Attorney will adopt a budget for 2019.	Terri Welch	7/1/2019

District Attorney of the Thirty-Eighth Judicial District
Parish of Cameron, Louisiana

Summary Schedule of Current and Prior Year Audit Findings and Corrective Action Plan
For the Year Ended December 31, 2017

Prior Year December 31, 2017

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
Internal Control: 01 -17 (IC)	Unknown	The District Attorney did not have adequate segregation of duties within the accounting system.	NA	The Cameron Parish District Attorney's management has determined that it is not cost effective to achieve complete segregation of duties in the accounting department. They have, however, segregated as many duties as possible. No plan is considered necessary.	Terri Welch	NA
Compliance: 01 -17 (C)	12/31/2017	Due to the death of the original engaged auditor, the audit report was to be filed with the Louisiana Legislative Auditor by June 30, 2018. The audit report was not submitted until November 30, 2018.	NA	Due to the unusual circumstances, an extension was obtained from the Louisiana Legislative Auditor until November 30, 2018. No other actions are considered necessary.	Terri Welch	NA



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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Cameron Parish District Attorney 38th Judicial District
Cameron, Louisiana

We have performed the procedures enumerated below, which were agreed to by Cameron Parish District Attorney 38th Judicial District ("CPDAO") 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 from January 1, 2018 through December 31, 2018. The Entity's management is responsible for those C/C areas identified in the SAUPs.

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

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):
 - 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/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
 - 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 of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- 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) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

We obtained a policy letter from CPDAO stating that CPDAO adopted the policies and procedures set forth by the Cameron Parish Sheriff's Office for the above procedures for the fiscal year ended December 31, 2018. Since CPDAO does not have any personnel employed directly through CPDAO there is no payroll and also no required ethics training making these procedures not applicable. In addition, there is no debt service per CPDAO's trial balance making this procedure not applicable.

Board or Finance Committee

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

The CPDAO does not have a Board or Finance Committee. The District Attorney is an elected official responsible for all oversight of the CPDAO. Therefore, this procedure is not applicable.

- b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds.

The CPDAO does not have a Board or Finance Committee. The District Attorney is an elected official responsible for all oversight of the CPDAO. Therefore, this procedure is not applicable.

Board or Finance Committee - Continued

- c) For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.

Per the prior year audit report the unrestricted fund balance in the general fund did not have a negative ending balance; therefore, making this procedure not applicable.

Bank Reconciliations

3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:

We obtained a list of bank accounts from management and management's representation that the list was complete. Once obtained we selected the month of December for testing for five accounts.

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

There were no exceptions noted as a result of applying this procedure.

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

Exception: In reviewing the reconciliations, we found that there was no evidence of management/board member reviewing the bank reconciliations.

Management's response: Management is in the process of updating their policies and procedures to include the sign off on each bank reconciliation by the District Attorney. The compensating controls are that 1) all bank statements are opened by the District Attorney and then handed to the bookkeeper for preparation of the reconciliation and 2) all checks are signed by the District Attorney.

- c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

There were no reconciling items that have been outstanding for more than twelve months from the statement closing date making this procedure not applicable.

Collections

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

Obtained a listing of all deposit sites for the fiscal period and management's representation that the listing is complete.

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

- a) Employees that are responsible for cash collections do not share cash drawers/registers.

The CPDAO does not collect actual cash or checks, making this procedure not applicable. They only accept payments in the form of money orders, money grams, or certified checks from the bank, all of which have to be made out to the CPDAO or the Cameron Parish Sheriff's Office.

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

The CPDAO does not collect actual cash or checks, making this procedure not applicable. They only accept payments in the form of money orders, money grams, or certified checks from the bank, all of which have to be made out to the CPDAO or the Cameron Parish Sheriff's Office.

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

The CPDAO does not collect actual cash or checks, making this procedure not applicable. They only accept payments in the form of money orders, money grams, or certified checks from the bank, all of which have to be made out to the CPDAO or the Cameron Parish Sheriff's Office.

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

The CPDAO does not collect actual cash or checks, making this procedure not applicable. They only accept payments in the form of money orders, money grams, or certified checks from the bank, all of which have to be made out to the CPDAO or the Cameron Parish Sheriff's Office.

Collections - Continued

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

The CPDAO does not collect actual cash or checks, making this procedure not applicable. They only accept payments in the form of money orders, money grams, or certified checks from the bank, all of which have to be made out to the CPDAO or the Cameron Parish Sheriff's Office.

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

- a) Observe that receipts are sequentially pre-numbered.

There were no exceptions noted as a result of applying this procedure.

- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

There were no exceptions noted as a result of applying this procedure.

- c) Trace the deposit slip total to the actual deposit per the bank statement.

There were no exceptions noted as a result of applying this procedure.

- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).

Exceptions: In reviewing the supporting documentation, we found that there was one of the deposits selected that did not have record of the date the funds were received; therefore, we could not properly observe that the deposit was made within one business day of receipt. Also, we noted that there were four of the deposits selected that were not deposited within one business day of receipt at the collection location.

Management's response: Management will implement a process that ensures that deposits are made within one business day of receipt.

- e) Trace the actual deposit per the bank statement to the general ledger.

There were no exceptions noted as a result of applying this procedure.

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

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Per discussion with management, all payments are processed in the accounting office of the CPDAO.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

There were no exceptions noted as a result of applying this procedure.

- b) At least two employees are involved in processing and approving payments to vendors.

There were no exceptions noted as a result of applying this procedure.

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

There were no exceptions noted as a result of applying this procedure.

- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

There were no exceptions noted as a result of applying this procedure.

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

- a) Observe that the disbursement matched the related original invoice/billing statement.

There were no exceptions noted as a result of applying this procedure.

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

There were no exceptions noted as a result of applying this procedure.

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

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

Obtained a listing of all active credit cards and management's representation that the listing is complete.

12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

Exception: For the month selected for testing, there is no proof of written approval of someone other than the authorized card holder.

Management's response: The District Attorney has control activities over the approval of payment for purchases. These controls include the review of check payments by the District Attorney.

- b) Observe that finance charges and late fees were not assessed on the selected statements.

Exception: There were finance charges assessed on the selected statement.

Management's response: The reason for the finance charge was to validate all charges before payment. This resulted in the carryforward of one charge from the prior month, which was the charge that had interest applied to it. Management was able to validate the charge and paid the balance in full in the subsequent month.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

There were no exceptions noted as a result of applying this procedure.

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

Travel and travel-related expenses are not reimbursed by the CPDAO. Therefore, this procedure is not applicable.

- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

This procedure is not applicable.

- b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

This procedure is not applicable.

- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

This procedure is not applicable.

- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

This procedure is not applicable.

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

Per discussion with management, there are no contracts held by the CPDAO. All contracts are held by the Cameron Parish Police Jury, making this procedure not applicable.

- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

This procedure is not applicable.

Contracts

- b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).

This procedure is not applicable.

- c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.

This procedure is not applicable.

- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

This procedure is not applicable.

Payroll and Personnel

- 16. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Employees of CPDAO are paid by the Cameron Parish Police Jury, therefore; this procedure is not applicable.

- 17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

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

This procedure is not applicable.

- b) Observe that supervisors approved the attendance and leave of the selected employees/officials.

This procedure is not applicable.

- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

This procedure is not applicable.

Payroll and Personnel

18. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulative leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.

This procedure is not applicable.

19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

This procedure is not applicable.

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:

- a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

See note above in procedure #16 under "Payroll and Personnel," this procedure is not applicable.

- b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

This procedure is not applicable.

Debt Service

21. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.

In reviewing the CPDAO trial balances, there are no debt services, therefore making this procedure not applicable.

22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants.

This procedure is not applicable.

Other

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Management has asserted that CPDAO did not have any misappropriations of public funds or assets.

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

The required notices were posted on the CPDAO premises. CPDAO does not have a website.

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.

Langley, Williams & Co., LLC

Langley, Williams & Co. LLC
Lake Charles, Louisiana
June 18, 2019