

**TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND
St. Charles Parish, Louisiana**

Annual Financial Report

Year Ended June 30, 2023

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INDEPENDENT AUDITOR'S REPORT

To The District Public Defender
Twenty-Ninth Judicial District
Public Defender Fund
Luling, Louisiana

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Twenty-Ninth Judicial District Public Defender Fund as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Twenty-Ninth Judicial District Public Defender Fund's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, major fund and aggregate remaining fund information of the Twenty-Ninth Judicial District Public Defender Fund as of June 30, 2023, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Twenty-Ninth Judicial District Public Defender Fund and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Twenty-Ninth Judicial District Public Defender Fund's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Twenty-Ninth Judicial District Public Defender Fund's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Twenty-Ninth Judicial District Public Defender Fund's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we have identified during the audit.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for purpose of forming opinions on the financial statements that collectively comprise the Twenty-Ninth Judicial District Public Defender Fund's basic financial statements. The accompanying schedule of compensation, benefits, and other payments to the agency head, and the Justice System Funding Schedules for Receiving entities, as listed in the Table of Contents, are presented for purpose of additional analysis and is not a required part of the basic financial statement. Such information 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. The information has been subjected to the auditing procedures applied in the audit of 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 agency head, and Justice System Funding Schedules for Receiving Entities, 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 our report dated December 20, 2023, on our consideration of the Twenty-Ninth Judicial District Public Defender Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is solely 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 effectiveness of the Twenty-Ninth Judicial District Public Defender Fund's 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 Twenty-Ninth Judicial District Public Defender Fund's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Louisiana Legislative Auditor, we have issued a report, dated December 20, 2023, on the results of our state side agreed-upon procedures performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards*. The purpose of that report is solely to describe the scope of testing performed on those control and compliance areas identified in the Louisiana Legislative Auditor's state side agreed-upon procedures, and the results of that testing, and not to provide an opinion on control or compliance.


Harvey, Louisiana
December 20, 2023

REQUIRED SUPPLEMENTARY INFORMATION (PART I)

**TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND**

St. Charles Parish, Louisiana

Management's Discussion and Analysis

Within this section of the annual financial report of the District Public Defender Fund of the Twenty - Ninth Judicial District of St. Charles Parish, the District Public Defender Fund's management provides this narrative discussion and analysis of the financial activities of the District Public Defender Fund for the year ended June 30, 2023. The District Public Defender Fund's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

FINANCIAL HIGHLIGHTS

The District Public Defender Fund's assets exceeded its liabilities by \$554,786 (net position) for the twelve months reported.

Total net position is comprised of the following:

- Investment in capital assets of \$11,976 includes property and equipment totaling \$53,330 net of accumulated depreciation of \$41,354.
- Unrestricted net position of \$542,810 represents the portion available to maintain the District Public Defender Fund's continuing obligations to citizens and creditors.

The District Public Defender Fund's General Fund reported total ending unassigned fund balance of \$524,883 for the twelve months ended June 30, 2023. This compares to the June 30, 2022 ending unassigned fund balance of \$571,982 showing an decrease of \$47,099 during the current twelve month period.

The above financial highlights are explained in more detail in the following sections of this document.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management's Discussion and Analysis document introduces the District Public Defender Fund's basic financial statements. The basic financial statements include: (1) government - wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The District Public Defender Fund also includes in this report additional information to supplement the basic financial statements.

**TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND**

St. Charles Parish, Louisiana

Management's Discussion and Analysis - Continued

GOVERNMENT - WIDE FINANCIAL STATEMENTS

The District Public Defender Fund's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the District Public Defender Fund's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the Statement of Net Position. This is the government-wide statement of position presenting information that includes all of the District Public Defender Fund's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District Public Defender Fund as a whole is improving or deteriorating. Evaluation of the overall health of the District Public Defender Fund would extend to other nonfinancial factors in addition to the financial information provided in this report.

The second government-wide statement is the Statement of Activities, which reports how the District Public Defender Fund's net position changed during the current year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the District Public Defender Fund's distinct activities or functions on revenues provided by St. Charles Parish and the State of Louisiana.

The government-wide financial statements present governmental activities of the District Public Defender Fund that are principally supported by intergovernmental revenues. The sole purpose of these governmental activities is judicial.

The government-wide financial statements are presented on pages 12 and 13 of this report.

FUND FINANCIAL STATEMENTS

A fund is an accountability unit used to maintain control over resources that have been segregated for specific activities or objectives. The District Public Defender Fund uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the District Public Defender Fund's most significant funds rather than the District Public Defender Fund as a whole.

**TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND**

St. Charles Parish, Louisiana

Management's Discussion and Analysis - Continued

The District Public Defender Fund has only governmental funds.

Governmental funds are reported in the fund financial statements and encompass the same function reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the District Public Defender Fund's governmental funds, including object classifications. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The governmental fund financial statements are presented on pages 14-17 of this report.

NOTES TO THE BASIC FINANCIAL STATEMENTS

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the basic financial statements begin on page 16 of this report.

FINANCIAL ANALYSIS OF THE DISTRICT PUBLIC DEFENDER FUND AS A WHOLE

The District Public Defender Fund recently implemented the new financial reporting model used in this report. Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net position may be observed and used to discuss the changing financial position of the District Public Defender Fund as a whole.

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Management's Discussion and Analysis - Continued

The District Public Defender Fund's net position as of June 30, 2023, 2022 and 2021 was \$554,786, \$597,721, and \$670,474, respectively. The following table provides a summary of the District Public Defender Fund's net position:

Summary of Net Position

	June 30, 2023 Governmental Activities	June 30, 2022 Governmental Activities	June 30, 2021 Governmental Activities
Assets:			
Current assets and other assets	\$ 593,590	\$ 604,533	\$ 673,609
Capital assets, net of depreciation	<u>11,976</u>	<u>15,486</u>	<u>2,900</u>
Total assets	<u>605,566</u>	<u>620,019</u>	<u>676,509</u>
Liabilities:			
Current liabilities	33,508	9,085	6,035
Long-term liabilities	<u>17,272</u>	<u>13,213</u>	<u>-0-</u>
Total liabilities	<u>50,780</u>	<u>22,298</u>	<u>6,035</u>
Net position:			
Net investment in capital assets	11,976	15,486	2,900
Unrestricted	<u>542,810</u>	<u>582,235</u>	<u>667,574</u>
Total net position	\$ <u>554,786</u>	\$ <u>597,721</u>	\$ <u>670,474</u>

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Management's Discussion and Analysis - Continued

The following table provides a statement of the District Public Defender Fund's condensed statement of activities and changes in net position:

Condensed Statement of Activities and Changes in Net Position

	Twelve month period ended June 30, 2023 Governmental Activities	Twelve month period ended June 30, 2022 Governmental Activities	Twelve month period ended June 30, 2021 Governmental Activities
Revenues:			
Program:			
Fees and Fines	\$ 715,119	\$ 679,838	\$ 706,339
Public Defender Bonds	386,136	351,204	296,236
Other income	32,150	24,676	1,613
General:			
Interest	<u>19,423</u>	<u>1,347</u>	<u>735</u>
Total revenues	<u>1,152,828</u>	<u>1,057,065</u>	<u>1,004,923</u>
Program expenses:			
Judicial	<u>1,195,763</u>	<u>1,129,818</u>	<u>977,205</u>
Total expenses	<u>1,195,763</u>	<u>1,129,818</u>	<u>977,205</u>
Change in net position Increase (Decrease)	(42,935)	(72,753)	27,718
Beginning net position	<u>597,721</u>	<u>670,474</u>	<u>642,756</u>
Ending net position	\$ <u>554,786</u>	\$ <u>597,721</u>	\$ <u>670,474</u>

GOVERNMENTAL REVENUES

The District Public Defender Fund is reliant on fee and fine collections from St. Charles Parish and the State of Louisiana to support its operations. Unlike many other agencies, the District Public Defender Fund receives no property tax or sales tax revenue. The District Public Defender Fund's financial position has enabled it to earn \$19,423 in interest to support governmental activities.

**TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND**

St. Charles Parish, Louisiana

Management's Discussion and Analysis - Continued

FINANCIAL ANALYSIS OF THE DISTRICT PUBLIC DEFENDER FUND'S MAJOR FUNDS

Governmental Funds

As discussed, governmental funds are reported in the fund statements with a short-term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds had an ending fund balance of \$524,883, all of which is unassigned indicating availability for continuing the District Public Defender Fund's activities.

CAPITAL ASSETS

The District Public Defender Fund's investment in capital assets, net of accumulated depreciation as of June 30, 2023, was \$11,976. See Note 5 of the notes to the financial statements for additional information about changes in capital assets during the current year.

ADDITIONAL INFORMATION

During the year ended June 30, 2023, 1,796 new cases were handled by the Twenty-Ninth Judicial District Public Defender Fund. Of these, there were 673 felonies, 520 misdemeanors, 330 juvenile cases, 49 revocations and 224 other.

CONTACTING THE DISTRICT PUBLIC DEFENDER FUND'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the District Public Defender Fund's finances, comply with finance-related laws and regulations, and demonstrate the District Public Defender Fund's commitment to public accountability. If you have any questions about this report or would like to request additional information, contact Fenwick A. Swann III, The Twenty-Ninth Judicial District Public Defender at, 13309 River Road, Luling, Louisiana 70070. Phone - (985) 331-5170.

GOVERNMENT - WIDE FINANCIAL STATEMENTS

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Statement of Net Position
Year Ended June 30, 2023

	<u>Governmental Activities</u>
Assets	
Current Assets	
Cash and cash equivalents	\$ 527,239
Receivables from other governments	<u>2,330</u>
Total current assets	529,569
Non-current Assets	
Capital assets, net of depreciation of \$52,290	<u>11,976</u>
Total assets	<u>541,545</u>
Deferred outflows of resources – pension related	<u>64,021</u>
Liabilities	
Current Liabilities	
Taxes payable	3,565
Accounts payable	1,121
Net pension liability	<u>28,822</u>
Total liabilities	<u>33,508</u>
Deferred inflows of resources – pension related	<u>17,272</u>
Net Position	
Invested in capital assets	11,976
Unrestricted	<u>542,810</u>
Total net position	\$ <u>554,786</u>

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

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Statement of Activities
Year Ended June 30, 2023

Functions and Programs	<u>Program Revenues</u>				Net (Expense) Revenue and Changes in Net Position
	<u>Expenses</u>	<u>Fees and Fines</u>	<u>Public Defender Bonds</u>	<u>Operating Grants and Contributions</u>	
Governmental Activities					
Judicial	\$ <u>(1,195,763)</u>	<u>715,119</u>	<u>386,136</u>	<u>32,150</u>	\$ <u>(62,358)</u>
<u>Total governmental activities</u>	<u>(1,195,763)</u>	<u>715,119</u>	<u>386,136</u>	<u>32,150</u>	<u>(62,358)</u>

General Revenues

Interest

19,423

Total general revenues

19,423

Change in net position

(42,935)

Net position - beginning of year

597,721

Net position - end of year

\$ 554,786

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

FUND FINANCIAL STATEMENTS

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Balance Sheet
Governmental Funds
June 30, 2023

	General
	<u>Fund</u>
Assets	
Current Assets	
Cash and cash equivalents	\$ 527,239
Receivables from other governments	<u>2,330</u>
<u>Total assets</u>	\$ <u>529,569</u>
Liabilities	
Taxes payable	\$ 3,565
Accounts payable	<u>1,121</u>
<u>Total liabilities</u>	<u>4,686</u>
Fund Balances	
Unassigned, reported in general fund	<u>524,883</u>
 <u>Total liabilities and fund balances</u>	 \$ <u>529,569</u>

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

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Reconciliation of the Governmental Fund Balance Sheet
to the Government-Wide Statement of Net Position
June 30, 2023

Total fund balance of the governmental fund at June 30, 2023	\$ 524,883
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	11,976
Deferred outflows of resources used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.	64,021
Long-term assets are not realizable in the current period and therefore, are not reported in the governmental funds: Net pension asset	(28,822)
Deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in governmental funds.	<u>(17,272)</u>
Net position of governmental activities at June 30, 2023	<u>554,786</u>

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

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
Year Ended June 30, 2023

	General Fund
REVENUES	
Court fines and forfeitures	\$ 715,119
Public Defender Bonds	386,136
Grant	23,333
Other income	1,143
Interest earnings	<u>19,423</u>
TOTAL REVENUES	<u>1,145,154</u>
EXPENDITURES	
Contract attorneys	643,500
Administrative and audit fees	194,287
Juvenile/Misdemeanor attorney's compensation	158,388
Office and other expenses	174,404
Seminar/Travel expenses	4,174
Social Worker	<u>17,500</u>
TOTAL EXPENDITURES	<u>1,192,253</u>
EXCESS OF EXPENDITURES OVER REVENUE	(47,099)
FUND BALANCE AT BEGINNING OF YEAR	<u>571,982</u>
FUND BALANCE AT END OF YEAR	<u>\$ 524,883</u>

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

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balance to Government-Wide Statement of Activities
Year Ended June 30, 2023

Total Net Change in Fund Balance at June 30, 2023 per Statement of Revenues, Expenditures, and Changes in Fund Balance of the Governmental Funds	\$ (47,099)
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Amounts reported for the governmental activities in the
Government-Wide Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Government-Wide Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	(3,510)
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Other income (expense) related to implementation of pension liability	<u>7,674</u>
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<u>Total change in net position of governmental activities</u>	<u>\$ (42,935)</u>
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The accompanying notes are an integral part of these basic financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements

Introduction

The Twenty-Ninth Judicial District Public Defender Fund is established in compliance with Louisiana Revised Statutes 15:141-184 to provide and compensate counsel appointed to represent indigents in criminal cases on the district court level.

As provided by Act 21 of 1982, Louisiana Revised Statutes 13:477(29) and 13:477(40), the electors of the Twenty-Ninth Judicial District Public Defender Fund, being the parishes of St. Charles and St. John the Baptist, approved the division of the Twenty-Ninth Judicial District Public Defender Fund, effective January 21, 1985, by the establishment of the Fortieth Judicial District Public Defender Fund to be composed of St. John the Baptist Parish, with the Twenty-Ninth Judicial District Public Defender Fund to continue and be composed of St. Charles Parish.

ACT 307 of 2007 enacted the "Louisiana Public Defender Act" which established the Louisiana Public Defender Board (formally the Indigent Defender Assistance Board). The Act provided for the transfer of the powers, duties, and authority of the board, for the establishment of public defender service regions, the designations for regional directors, and the creation of the Louisiana Public Defender Fund.

1) Summary of Significant Accounting Policies

A.) Reporting Entity

For financial reporting purposes, the Twenty - Ninth Judicial District Public Defender Fund is considered its own separate financial reporting entity. All funds, activities, etc... controlled by the fund as an independently established entity are included as a part of this financial reporting body. There are no other component units. The members of the Twenty - Ninth Judicial District Public Defender Fund are solely responsible for the operations of the fund with authority and responsibility for all operations, deficits, and the receipt and disbursement of monies. Accordingly, other units of the local government such as the Parish Council are considered separate reporting entities and issue financial statements separate from those of the Twenty - Ninth Judicial District Public Defender Fund.

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements – Continued

B.) Basis of Presentation

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

The accompanying financial statements have also been prepared in conformity with the following GASB Statements:

Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows or Resources, and Net Position*. The objective of this Statement is to provide guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures.

Statement No. 65, *Items previously reported as Assets and Liabilities*. The statement clarifies the appropriate reporting of deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting.

Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. GASB Statement No. 68 established standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources and expense/expenditures. It provides methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to periods of employee services. It also provides methods to calculate participating employer's proportionate share of net pension liability, deferred inflows, deferred outflows, pension expense and amortization periods for deferred inflows and deferred outflows.

Statement No. 84, *"Fiduciary Activities"* improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. This Statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. This Statement did not affect the financial statements as of and for the year ended June 30, 2023.

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements – Continued

B.) Basis of Presentation – continued

Statement No. 87, “Leases” increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments’ leasing activities. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Earlier application is encouraged.

Statement No. 96, “Subscription-based Information Technology Arrangements” provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITA) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; (4) requires note disclosures regarding a SBITA. The requirements of this Statement did not affect the financial statements for the year ended June 30, 2023.

Deferred Outflows and Inflows of Resources

In addition to assets, the Statement of Financial Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expenses/expenditures) until then. In addition to liabilities, the Statement of Financial Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until then.

Pensions

For purposes of measuring the net pension asset or liability, deferred outflow of resources and deferred inflow of resources related to pensions, and pension expense, information about the fiduciary net position of the Parochial Employees’ Retirement System of Louisiana (the “System”) have been determined on the same basis as they are reported by the system. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements – Continued

Government-Wide Financial Statements (GWFS)

The District Public Defender Fund's basic financial statements include both government-wide (reporting the District Public Defender Fund as a whole) and fund financial statements (reporting the District Public Defender Fund's major funds). All of the District Public Defender Fund's 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 resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District Public Defender Fund's net position is reported in two parts – invested in capital assets and unrestricted net position.

The government-wide Statement of Activities reports both the gross and net cost of each of the District Public Defender Fund's 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, and 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, etc). The focus of these government-wide statements is more on the sustainability of the District Public Defender Fund as an entity and the change in the District Public Defender Fund's net position resulting from the current period's activities.

Fund Financial Statements (FFS)

The District Public Defender Fund uses funds to maintain it's financial records during the period. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The District Public Defender Fund encompasses only Governmental Funds, which are described below.

Governmental

General Fund - The General Fund of the District Public Defender Fund is used to account 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 in accordance with state and federal laws and according to the District Public Defender Fund's policy.

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements – Continued

C.) Measurement Focus/Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The Government Wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in net total position. Under the accrual basis of accounting, revenues are recognized when earned. Expenses are recognized at the time the liability is incurred.

Governmental Fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined, and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District Public Defender Fund considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred. The governmental funds use the following practices in recording revenues and expenditures:

Fund Balance

The District Public Defender Fund's basic financial statements have been prepared in conformity with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

- a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements – Continued

C.) Measurement Focus/Basis of Accounting - continued

Fund Balance – continued

- c. Committed – amounts that can be used only for specific purposes determined by a formal decision of the District Public Defender Fund, which is the highest level of decision-making authority for the District Public Defender Fund.
- d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes.
- e. Unassigned – all other spendable amounts.

The District Public Defender Fund applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used. The District Public Defender Fund does not have a formal minimum fund balance policy.

Net Position

Net position comprises the various net earnings from revenues and expenses. Net position is classified in the following components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of assets less liabilities (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.

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements – Continued

Net Position - continued

- c. Unrestricted net position – All other net position that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

Revenues

Fees are recorded in the month in which they are collected by the Sheriff of St. Charles Parish.

Federal and State grant revenue is recognized when program expenditures are incurred in accordance with program guidelines.

Interest earnings on time deposits are recorded in the year in which they are earned.

Expenditures

The District Public Defender Fund’s primary expenditures are recorded when the liabilities are incurred. Capital expenditures and purchases of various operating supplies are regarded as expenditures at the time purchased.

D.) Budgetary Information

The District Public Defender Fund directs the preparation of a proposed budget and submits it to the Louisiana Public Defender Board for approval by a specified date. Annually, the District Public Defender Fund adopts a budget for the General Fund on the modified accrual basis of accounting. Amounts are available for expenditures only to the extent included within the budget. All appropriations lapse at year-end.

E.) Cash and Cash Equivalents

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

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements – Continued

F.) Investments

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955 and the District Public Defender Fund's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are carried at cost which approximates market.

G.) Capital Assets

In the government-wide financial statements, capital assets purchased or acquired 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:

- | | |
|--------------------------|---------|
| • Furniture and fixtures | 7 years |
| • Computer equipment | 5 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.

H.) Estimates

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

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements – Continued

(2) Deposits and Concentration of Credit Risk

At June 30, 2023, the District Public Defender Fund had cash totaling \$82,542 (book balances) invested in demand deposit account at one local bank. Additionally, the District Public Defender Fund had cash totaling \$444,698 in the Louisiana Asset Management Pool (LAMP) as explained below. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount of deposit with the fiscal agent bank. 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. At June 30, 2023, the District Public Defender Fund had \$92,181 in deposits (collected bank balances). These deposits are secured from risk by federal deposit insurance and pledged securities held by the custodial bank in the name of the fiscal agent.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA – R.S. 33:2955.

GASB Statement No. 40. Deposit and Investment Risk Disclosure, requires disclosure of credit risk, custodial credit risk and concentration of credit risk rate risk, for all public entity investments.

Financial instruments that potentially subject the District Public Defender Fund to concentrations of credit risk consist principally of temporary cash investments and accounts receivable.

Custodial credit risk is the risk that, in the event of a bank failure, the District Public Defender Fund's deposits might not be recovered. The District Public Defender Fund's deposit policy for custodial credit risk conforms to state law as described in Note 1 to the financial statements.

Interest rate risk is defined as the risk that changes in interest rates will adversely affect the fair value of an investment. The District Public Defender Fund's investment policy conforms to state law, which does not include a policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements – Continued

(2) Deposits and Concentration of Credit Risk - continued

LAMP is an investment pool that, to the extent practical, invest in a manner consistent with GASB Statement No. 79. The following facts are relevant for investment pools:

- Credit risk: LAMP is rated AAAm by Standard & Poor's.
- Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.
- Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days or 762 days for U. S. Government floating/variable rate investments.

(3) Investments and Fair Value Measurement

The Organization applies GAAP for fair value measurements of financial assets that are recognized at fair value in the financial statements on a recurring basis. GAAP establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of fair market hierarchy are as follows:

- Level 1 – Valuation is based on quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 assets and liabilities generally include debt and equity securities that are traded in an active exchange market. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements – Continued

(3) Investments and Fair Value Measurement - continued

- Level 2 – Valuation is based on inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The valuation may be based on quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the asset or liability.
- Level 3 – Valuation is based on unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which determination of fair value requires significant management judgment or estimation.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

During the year ended June 30, 2023, the Organization invested \$444,698 in LAMP (Louisiana Asset Management Pool) as discussed below.

The amortized cost and fair values measured on a recurring basis of investments as of June 30, 2023 are as follows:

<u>Level 2 Cost Basis</u>	<u>Amortized Cost</u>	<u>Fair Value</u>	<u>Unrealized Gain (Loss)</u>
Louisiana Asset Management Pool	\$ 444,698	\$ 444,698	-0-

(4) Receivables From Other Governments

Accrued receivables consist of amounts owed for fees at the end of the current period, but not remitted until the subsequent period. No allowance for doubtful accounts is provided as management considers all accrued receivables to be collectible.

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements – Continued

(5) Capital Assets

Capital assets and depreciation activity for the governmental activities as of and for the twelve month period ended June 30, 2023 are as follows:

	Balance 06-30-22	Additions	Deletions	Balance 06-30-23
Furniture, Fixtures and Equipment	\$ 51,669	\$ 1,661	\$ -0-	\$ 53,330
Less: Accumulated Depreciation	<u>(36,183)</u>	<u>(5,171)</u>	<u>-0-</u>	<u>(41,354)</u>
CAPITAL ASSETS, NET	\$ <u>15,486</u>	\$ <u>(3,510)</u>	\$ <u>-0-</u>	\$ <u>11,976</u>

(6) Annual and Sick Leave

The District Public Defender Fund employs three employees, and has adopted a formal vacation and sick leave policy.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current-year expenditure in the General Fund when leave is actually taken.

(7) Pension Plan

Plan Description:

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

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

The District Public Defender Fund contributes to Plan B of the System, a cost-sharing, multiple-employer defined benefit pension plan established by Act 205 of the 1952 regular session of the Legislature of the State of Louisiana to provide retirement benefits to all employees of any parish in the State of Louisiana or any governing body or a parish which employs persons serving the parish. Act 765 of the year 1979, established by the Legislature of the State of Louisiana, revised the System to create Plan A and Plan B to replace the "regular plan" and the "supplemental plan". Plan A was designated for employers out of Social Security. Plan B was designated for those employers that remained in Social Security on the revision date. The System is governed by Louisiana Revised Statutes, Title 11, Section 1901 through 2025, specifically and other general laws of the State of Louisiana.

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements – Continued

(7) Pension Plan - continued

Eligibility Requirements:

All permanent eligible government employees who work at least 28 hours a week shall become members on the date of employment. New employees meeting the age and Social Security criteria have up to 90 days from the date of hire to elect to participate.

Retirement Benefits:

Any member of Plan B can retire providing he/she meet on of the following criteria:

For employees hired prior to January 1, 2007:

1. Age 55 with thirty (30) years of creditable service.
2. Age 60 with a minimum of ten (10) years of creditable service.
3. Age 65 with a minimum of seven (7) years of creditable service.

For employees hired after January 1, 2007:

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

Generally, the monthly amount of the retirement allowance for any member of Plan B shall consist of an amount equal to 2% of the member's final average compensation multiplied by his years of creditable service. However, under certain conditions, as outlined in the statutes, the benefits are limited to specified amounts.

Survivor Benefits:

Plan B members need ten (10) years of service credit to be eligible for survivor benefits. Upon the death of any member of Plan B with twenty (20) or more years of creditable service who is not eligible for normal retirement, the plan provides for an automatic Option 2 benefit for the surviving spouse when he/she reaches age 50 and until remarriage, if the remarriage occurs before age 55.

A surviving spouse who is not eligible for Social Security survivorship or retirement benefits, and married not less than twelve (12) months immediately preceding death of the member shall be paid an Option 2 benefit beginning at age 50.

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements – Continued

(7) Pension Plan - continued

Deferred Retirement Option Plan:

Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for the System. DROP is an option for that member who is eligible for normal retirement.

In lieu of terminating employment and accepting a service retirement, any member of Plan A or B who is eligible to retire may elect to participate in the Deferred Retirement Option Plan (DROP) in which they are enrolled for three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or roll over the fund to an Individual Retirement Account.

Interest is accrued on the DROP benefits for the period between the end of DROP participation and the member's retirement date.

For individuals who become eligible to participate in the Deferred Retirement Option Plan (DROP) on or after January 1, 2004, all amounts that remain credited to the individual's subaccount after termination in DROP will be placed in liquid asset money market investments at the discretion of the Board of Trustees. These subaccounts may be credited with interest based on money market rates of return or, at the option of the System, the funds may be credited to self-directed subaccounts. The participant in the self-directed portion of DROP must agree that the benefits payable to the participant are not the obligations of the state or the System, and that any returns and other rights of DROP are the sole liability and responsibility of the participant and the designated provider to which contributions have been made.

Disability Benefits:

For Plan B, a member shall be eligible to retire and receive a disability benefit if he/she was hired prior to January 1, 2007, and has at least five years of creditable service or if hired after January 1, 2007, has seven years of creditable, and is not eligible for normal retirement, and has been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, if not eligible for normal retirement, a member of Plan B shall be paid a disability benefit equal to the lesser of an amount equal to 2% of the member's final average compensation multiplied by his years of service, to age 60 for those members who are enrolled prior to January 1, 2007 and to age 62 for those members who are enrolled January 1, 2007 and later.

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements – Continued

(7) Pension Plan - continued

Cost of Living Increases:

The Board is authorized to provide a cost-of-living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements.

In addition, the Board may provide an additional cost-of-living increase to all retirees and beneficiaries who are over age 65 equal to 2% of the member's benefit paid on October 1, 1977, (or the member's retirement date, if later). Also, the Board may provide a cost-of-living increase up to 2.5% for retirees 62 and older. (RS 11:1937). Lastly, Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost-of-living adjustment commencing at age 55.

EMPLOYER CONTRIBUTIONS:

According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2022 the actuarially determined contribution rate was 4.93% of member's compensation for Plan B. However, the actual rate for the fiscal year ended December 31, 2022 was 7.50% for Plan B.

According to state statute, the System also receives ¼ of 1% of ad valorem taxes collected within the respective parishes, except for Orleans and East Baton Rouge parishes. The System also receives revenue sharing funds each year as appropriated by the legislature. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities.

ACTUARIAL METHODS AND ASSUMPTIONS:

The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position.

The components of the net pension liability/asset of the System's employers as of December 31, 2022, are as follows:

Total Pension Liability	\$ 501,824
Plan Fiduciary Net Position	<u>473,002</u>
Total Net Pension Liability/(Asset)	<u>\$ 28,822</u>

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements – Continued

(7) Pension Plan - continued

ACTUARIAL METHODS AND ASSUMPTIONS-continued

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2022 are as follows:

Valuation Date	December 31, 2022
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	6.40% net of investment expense, including inflation
Projected Salary Increases	4.25%
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increase not yet authorized by the Board of Trustees.
Mortality	Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplies by 130% for males and 125 for females using MP2018 scale for annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2018 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale for disabled annuitants.
Inflation Rate	2.30%

The discount rate used to measure the total pension liability was 6.40% for Plan B. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements – Continued

(7) Pension Plan - continued

ACTUARIAL METHODS AND ASSUMPTIONS-continued

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the capital asset pricing model (top-down, a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward-looking basis in equilibrium, in which best estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.10% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.70% for the year ended December 31, 2022.

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Fixed Income	33%	1.17%
Equity	51%	3.58%
Alternatives	14%	0.73%
Real Assets	2%	0.12%
Totals	100%	5.60%
Inflation		2.10%
Expected Arithmetic Nominal Return		7.70%

The mortality rate assumption used was set based upon an experience study performed on plan data for the period January 1, 2013 through December 31, 2017. The data was assigned credibility weighting and combined with a standard table to produce current levels of mortality. As a result of this study, mortality for employees was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale. In addition, mortality for annuitants and beneficiaries was set equal to Pub-2010 Public Retirement plans Mortality Table for Healthy Retirees multiplies by 130% for males and 125% for females, each with full generational projection using the MP2018 scale. For Disabled annuitants mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General disabled Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale.

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements – Continued

(7) Pension Plan - continued

SENSITIVITY TO CHANGES IN DISCOUNT RATE:

The following presents the net pension liability/asset of the participating employers as of December 31, 2022 calculated using the discount rate of 6.40%, as well as what the employers' net pension liability/asset would be if it were calculated using a discount rate that is one percentage point lower (5.40%) or one percentage point higher (7.40%) than the current rate.

	Changes in Discount Rate		
	Plan B		
	1% Decrease 5.40%	Current Discount Rate 6.40%	1% Increase 7.40%
Net Pension Liability/(Asset)	\$ 93,264	\$ 28,822	\$ (25,122)

CHANGE IN NET PENSION LIABILITY:

The changes in the net pension liability for the year ended December 31, 2022 were recognized in the current reporting period as pension expense except as follows:

Differences between Expected and Actual Experience: (Based upon prior year)

Differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. The difference between expected and actual experience resulted in a deferred inflows of resources, deferred outflows of resources, and a pension benefit for Plan B as of December 31, 2022.

	PLAN B			December 31, 2022	
	Deferred Outflows	Deferred Inflows	Pension Expense (Benefit)	Deferred Outflows	Deferred Inflows
2022	\$ -	\$ 1,089,498	\$ (272,375)	\$ -	\$ 817,123
2021	-	5,938,762	(1,979,587)	-	3,959,175
2020	990,475	-	495,237	495,238	-
2019	71,369	-	71,369	-	-
			Totals	\$ 495,238	\$ 4,776,298

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements – Continued

(7) Pension Plan - continued

CHANGE IN NET PENSION LIABILITY – continued

Differences between Projected and Actual Investment Earnings: (Based upon prior year)

Differences between projected and actual investment earnings on pension plan investments were recognized in pension expense using the straight-line amortization method over a closed five-year period. The difference between projected and actual investment earnings resulted in a net deferred inflow of resources and a pension benefit as of December 31, 2022 as follows:

PLAN B

				December 31, 2022		
	Deferred Outflows	Deferred Inflows	Pension Expense (Benefit)	Deferred Outflows	Deferred Inflows	Net Deferred Inflows
2022	\$ 82,650,543	\$ -	\$ 16,530,109	\$ 66,120,434	\$ -	\$ 66,120,434
2021	-	15,627,044	(3,906,761)	-	11,720,283	(11,720,283)
2020	-	15,097,701	(5,032,567)	-	10,065,134	(10,065,134)
2019	-	13,776,985	(6,888,493)	-	6,888,492	(6,888,492)
2018	8,097,237	-	8,097,237	-	-	-
			Totals	\$ 66,120,434	\$ 28,673,909	\$ (37,446,525)

Changes of Assumptions: (Based upon prior year)

The changes of assumptions about future economic or demographic factors were recognized in pension expense using the straight-line method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. The changes of assumptions or other inputs resulted in deferred outflows of resources and a pension expense as of December 31, 2022 as follows:

PLAN B

				December 31, 2022	
	Deferred Outflows	Deferred Inflows	Pension Expense (Benefit)	Deferred Outflows	Deferred Inflows
2021	\$ -	\$ -	\$ -	\$ -	\$ -
2021	-	-	-	-	-
2020	2,244,840	-	1,122,420	1,122,420	-
2019	-	-	-	-	-
			Totals	\$ 1,122,420	\$ -

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements – Continued

(7) Pension Plan - continued

CHANGE IN NET PENSION LIABILITY – continued

Change in Proportion: (Based upon prior year)

Changes in the employers' proportionate shares of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in employers' pension expense (benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan. The unamortized amounts arising from changes in proportion are presented in the Schedule of Pension Amounts as a deferred outflows or deferred inflows as of December 31, 2022.

CONTRIBUTIONS – PROPORTIONATE SHARE:

Differences between contributions remitted to the Fund and the employer's proportionate share are recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with a pension through the pension plan.

At June 30, 2023, the District Public Defender Fund reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Beginning balance at July 1, 2022	\$ 6,218	\$ 13,213
Reversal of prior year entry for contributions subsequent to measurement period	-0-	-0-
Change in deferred inflows from prior year	-0-	4,059
Amortization of deferred outflows	973	-0-
Contributions subsequent to the measurement date	56,830	-0-
Total	<u>\$ 64,021</u>	<u>\$ 17,272</u>
Proportionate Share of Employer Contributions	\$ 10,589	
Proportionate Share of Non-Employer Contributions	\$ 1,929	

Schedule of Remaining Amortization

<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>Total</u>
\$(3,764)	\$ 2,617	\$11,154	\$20,012	30,019

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements – Continued

(7) Pension Plan - continued

RETIREMENT SYSTEM AUDIT REPORT:

The Parochial Employees' Retirement System of Louisiana issued a stand-alone audit report on its financial statements for the year ended December 31, 2022. Access to the audit report can be found n the System's website: www.persla.org or on the Office of Louisiana Legislative Auditor's official website: www.lla.state.la.us.

ESTIMATES – PENSON PLANS:

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

(8) Leases

The District Public Defender Fund did not have any capital or operating lease commitments as of and for the year ended June 30, 2023.

(9) Litigation and Claims

The District Public Defender Fund is not involved in any litigation and is not aware of any claims outstanding that are not recorded in the financial statements.

(10) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements – Continued

(11) Governmental Fund Revenues and Expenditures

For the year ended June 30, 2023, the major sources of governmental fund revenues and expenditures were as follows:

Revenue:

State Government	
Appropriations – Special Public Defender Bonds	\$ 386,136
Local Government	
Statutory fines, forfeitures, fees, court cost, and other	738,452
Investment Earnings	19,423
Other Income	<u>1,143</u>
Total Revenues	<u>\$ 1,145,154</u>

Expenditures:

Personnel Services and Benefits	
Other	\$ 214,029
Professional Development	
Dues, licenses, and registrations	4,754
Operating Costs	
Contract services – attorney/legal	802,063
Contract services – other	36,508
Supplies	<u>134,899</u>
Total Expenditures	<u>1,192,253</u>
Excess of Expenditures over Revenue	<u>\$ (47,099)</u>

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements – Continued

(13) Subsequent Events

Management evaluates events occurring subsequent to the date of the financial statements to determine the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through the date the financial statements were available to be issued, December 20, 2023.

REQUIRED SUPPLEMENTAL INFORMATION (PART II)

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Governmental Funds
Year Ended June 30, 2023

REVENUES	Budgeted Amounts		Actual	Variance	2022 Actual
	Original	Final		Favorable (Unfavorable)	
Court costs on fines and forfeitures	\$ 826,571	\$ 752,550	\$ 715,119	\$ (37,431)	\$ 679,838
Public Defender Bonds	295,561	390,242	386,136	(4,106)	351,204
Grant	-0-	21,000	23,333	2,333	11,667
Other income	-0-	-0-	1,143	1,143	2,756
Interest earnings	1,000	18,000	19,423	1,423	1,347
TOTAL REVENUES	<u>1,123,132</u>	<u>1,181,792</u>	<u>1,145,154</u>	<u>(36,638)</u>	<u>1,046,812</u>
EXPENDITURES					
Administrative and audit fees	230,800	223,100	194,287	(28,813)	194,885
Contract attorneys	662,000	643,000	643,500	500	673,747
Investigators and expert fees	21,500	29,300	32,426	3,126	1,750
Office and other expenses	84,700	83,928	141,525	57,597	108,611
Juvenile-Attorney's compensation	113,000	157,000	158,388	1,388	146,833
Capital expenditures	2,000	3,700	1,661	(2,039)	16,578
Capital cases and conflict representation	5,000	5,000	2,966	(2,034)	-0-
Social worker	-0-	17,500	17,500	-0-	-0-
TOTAL EXPENDITURES	<u>1,119,000</u>	<u>1,162,528</u>	<u>1,192,253</u>	<u>29,725</u>	<u>1,142,404</u>
EXCESS OF EXPENDITURES OVER REVENUE	4,132	19,264	(47,099)	(66,363)	(95,592)
FUND BALANCE AT BEGINNING OF YEAR	<u>571,982</u>	<u>571,982</u>	<u>571,982</u>	<u>-0-</u>	<u>667,574</u>
FUND BALANCE AT END OF YEAR	\$ <u>576,114</u>	\$ <u>591,246</u>	\$ <u>524,883</u>	\$ <u>(66,363)</u>	\$ <u>571,982</u>

OTHER SUPPLEMENTAL INFORMATION

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

Schedule of the Employer's Proportionate Share
Of the Net Pension Liability
For the Year Ended June 30, 2023

Parochial Employees' Retirement system of Louisiana (Plan B)

Date	Total Pension Liability	Plan Fiduciary Net Position	Employer's Net Position Liability (Asset)	Plan Fiduciary Net Position As a % of Total Pension Liability	Covered Employee Payroll	Employer's Net Position Liability As a % of Covered Employee Payroll
2023	\$ 501,824	\$ 473,022	\$ 28,802	94.3%	\$ 141,000	20.43%
2022	\$ 121,457	\$ 138,705	\$ (17,248)	114.2%	\$ 141,000	(12.23%)

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

The amounts presented have a measurement date of the previous fiscal year end.

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Schedule of the Employer's Pension Contributions
For the Year Ended June 30, 2023

Parochial Employees' Retirement System of Louisiana (Plan B)

Date	Actuarially Determined Contribution	Contributions In Relation to The Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions As a Percentage Of Covered Payroll
2023	\$ 21,150	\$ 21,150	\$ -	\$ 141,000	15.00%
2022	\$ 7,400	\$ 7,400	\$ -	\$ 141,000	5.25%

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

The amounts presented have a measurement date of the previous fiscal year end.

TWENTY-NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Schedule of compensation, benefits, and other payments to
Agency Head or Chief Executive Officer

Year Ended June 30, 2023

Agency Head Name: Fenwick A. Swann, III

Purpose	Amount
Salary	\$ 95,000
Benefits – insurance	8,032
Benefits – retirement	7,125
Benefits – other	-0-
Car Allowance/fuel	-0-
Vehicle provided by government	-0-
Cell phone	960
Dues	511
Per diem	-0-
Reimbursements	-0-
Travel/conferences	1,706
Registration fees	-0-
Continuing professional education fees	-0-
Housing	-0-
Unvouchered expenses	-0-
Meals	-0-
Total	\$ <u>113,334</u>

TWENTY-NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Justice System Funding Schedule - Receiving Entity
For The Year Ended June 30, 2023

Cash Basis Presentation	First Six Month Period Ended 12/31/2022	Second Six Month Period Ended 06/30/2023
Receipts From:		
Bond Fees -		
St. Charles Parish Sheriff	<u>338,234</u>	<u>376,885</u>
Total Receipts	<u>\$ 338,234</u>	<u>\$ 376,885</u>

COMPLIANCE AND INTERNAL CONTROL

UZEE, BUTLER, ARCENEUX & BOWES

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**SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS**

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

To The District Public Defender
Twenty-Ninth Judicial District
Public Defender Fund
Hahnville, Louisiana

We have audited 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, the financial statements of the governmental activities and the major fund of the Twenty-Ninth Judicial District Public Defender Fund which comprise the statement of net position as of June 30, 2023, and the related statement of activities for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 20, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Twenty-Ninth Judicial District Public Defender Fund's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Twenty-Ninth Judicial District Public Defender Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Twenty-Ninth Judicial District Public Defender Fund'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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements that is more than inconsequential 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 over financial reporting 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. We did identify a deficiency in internal control that we consider to be a material weakness. This deficiency is described in the accompanying schedule of current and prior year audit findings and corrective action plan. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Twenty-Ninth Judicial District Public Defender Fund'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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Response to Findings

The Twenty-Ninth Judicial District Public Defender Fund's response to the findings identified in our audit is described in the accompanying schedule of current and prior year audit findings and corrective action plan. The Twenty-Ninth Judicial District Public Defender Fund'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.

This report is intended solely for the information and use of management, the Louisiana Legislative Auditor, and federal awarding agencies and pass-through entities, 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.



Harvey Louisiana
December 20, 2023

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

SCHEDULE OF FINDINGS

YEAR ENDED JUNE 30, 2023

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unmodified opinion on the basic financial statements of the Twenty-Ninth Judicial District Public Defender Fund.
2. A material weakness relating to the audit of the financial statements is reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards. The material weakness results from a lack of adequate segregation of duties within the Accounting Department of the Twenty-Ninth Judicial District Public Defender Fund. No corrective action is planned regarding this material weakness, as the cost-benefit and limited number of personnel in the Accounting Department do not allow for adequate segregation of duties.
3. No instances of noncompliance material to the financial statements of the Twenty-Ninth Judicial District Public Defender Fund are disclosed in Part B of this schedule.

B. FINDING – FINANCIAL STATEMENTS AUDIT

NONE

TWENTY-NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Schedule of Current and Prior Year Audit Findings
and Corrective Action Plan

Year Ended June 30, 2023

<u>Ref No.</u>	<u>Fiscal Year Findings Initially Occurred</u>	<u>Description of Findings</u>	<u>Corrective Action Taken</u>	<u>Corrective Action Planned</u>	<u>Name of Contact Person</u>	<u>Anticipated Completion Date</u>
CURRENT PERIOD (6/30/23)						
<u>Internal Control:</u>						
23-01	Unknown	The District Public Defender Fund does not have adequate segregation of duties within the Accounting Department	N/A	None. Because of the cost - benefit and limited number of personnel in the Accounting Department, it is not possible to achieve adequate segregation of duties.	Fenwick A. Swann, III, Chief	N/A
PRIOR PERIOD (6/30/22)						
<u>Internal Control:</u>						
22-01	Unknown	The District Public Defender Fund does not have adequate segregation of duties within the Accounting Department	N/A	None. Same as above	Fenwick A. Swann, III, Chief	N/A

**ST. CHARLES PARISH PUBLIC DEFENDER OFFICE
29TH JUDICIAL DISTRICT**

Independent Accountant's Report
on Applying Agreed-Upon Procedures

Fiscal Year Ended June 30, 2023

UZEE, BUTLER, ARCENEUX & BOWES

**CERTIFIED PUBLIC ACCOUNTANTS
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**Independent Accountant's Report
On Applying Agreed-Upon Procedures**

To: Fenwick A. Swann, III Public Defender of St. Charles Parish Public Defender Office, 29th Judicial District, and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the St. Charles Parish Public Defender Office, 29th Judicial District and the Louisiana Legislative Auditor on the control and compliance areas identified in the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures for the fiscal period July 1, 2022 through June 30, 2023. The St. Charles Parish Public Defender Office, 29th Judicial District's management is responsible for those control and compliance areas identified in the Statewide Agreed-Upon Procedures.

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:

1) *Written Policies and Procedures*

- A. 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):
 - i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - ii. ***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.
 - iii. ***Disbursements***, including processing, reviewing, and approving.

- iv. **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).
- v. **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- vii. **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).
- viii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- ix. **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) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- xii. **Prevention of Sexual Harassment**, including R.S. 42:342.344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Findings: We obtained St. Charles Parish Public Defender Office, 29th Judicial District written policies and procedures manual. The policies and procedures manual addresses each of the following categories and subcategories as listed above, except for debt service (which is not applicable).

- *Budgeting.*
- *Purchasing.*
- *Disbursements.*
- *Receipts/Collections.*
- *Payroll/Personnel.*
- *Contracting.*
- *Credit Cards, Debit Cards, Fuel Cards, and P-Cards.*
- *Travel and Expense Reimbursement.*
- *Ethics*
- *Debt Service (not applicable).*
- *Information Technology Disaster Recovery/Business Continuity*
- *Prevention of Sexual Harassment*

The St. Charles Parish Public Defender Office, 29th Judicial District has implemented all of the items listed under the policies and procedures manual.

2) Board or Finance Committee

- A. 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:
- i. 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.
 - ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum on proprietary funds, and semi-annual, at a minimum on all special revenue funds. Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal year.
 - iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned 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 unassigned fund balance in the general fund.
 - iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding (s), according to management's corrective action plan at each meeting until findings are considered fully resolved.

Findings: Not applicable to the District Public Defender Fund, as a board and minutes do not exist.

3) Bank Reconciliations

- A. Obtain a listing of entity 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 each selected account, and observe that:
- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
 - ii. 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
 - iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Findings: We obtained a listing of the District Public Defender Funds bank accounts from the client's trial balance. Management stated that this listing is complete in their management representation letter dated December 20, 2023.

We obtained from the listing, the bank accounts and bank reconciliations for each month in the fiscal period for all of the entity's bank accounts.

All bank reconciliations were prepared within two months of the related statement closing date.

All bank reconciliations were signed by the preparer, and showed evidence that a member of management had reviewed each bank reconciliation.

All outstanding checks for each month cleared in a subsequent period. There are no checks outstanding for more than twelve months.

4) Collections

- A. 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).

- B. 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 that:
- i. Employees responsible for cash collections do not share cash drawers/registers.
 - ii. 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.
 - iii. 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.
 - iv. 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/official verifies the reconciliation.
- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.
- D. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3A 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:
- i. Observe that receipts are sequentially pre-numbered.
 - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - iii. Trace the deposit slip total to the actual deposit per the bank statement.
 - iv. 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 and the cash is stored securely in a locked safe or drawer).
 - v. Trace the actual deposit per the bank statement to the general ledger.

Findings: Not applicable to the District Public Defender Fund, as there are no cash/check/money order collection locations.

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

- A. 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).
- B. For each location selected under #5A 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:
 - i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - ii. At least two employees are involved in processing and approving payments to vendors.
 - iii. 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.
 - iv. 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.
 - v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.
- C. For each location selected under #5A 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:
 - i. Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
 - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #5B, as applicable.

- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

Findings: We obtained a listing of locations that process payments for the fiscal period. Management stated that this listing is complete in their management representation letter dated December 20, 2023.

The only location that processes payments for the District Public Defender Fund is their main office.

We obtained a listing of those employees involved in non-payroll purchasing and payments functions. We obtained the policies and procedures relating to these employees' job duties and observed that the job duties are not properly segregated because of the limited number of employees.

The office manager is involved in initiating a purchase request and placing an order/making the purchase, but all purchases must be approved by the District Public Defender.

Because of the limited number of employees, the office manager processing the payments is one of the three people who has signatory authority.

Because of the limited number of employees, the office manager is responsible for adding/modifying vendor files and processing payments.

The employees/officials authorized to sign checks approve the electronic disbursement (release) of funds.

We obtained a listing of the entity's non-payroll disbursement transaction population from their check registers. Management stated that this listing is complete in their management representation letter dated December 20, 2023.

We selected five disbursements from the disbursement population and obtaining supporting documents for each transaction.

The 5 non-payroll-related electronic disbursements selected for the month ended March 31, 2023, was approved by only those persons authorized to disburse funds and had the required number of authorized signatures.

Our examination showed that the disbursements observed matched the original invoice/billing statements.

The disbursements documentation observed include evidence of segregation of duties (such as approval by the District Public Defender).

6) Credit Cards/Debit Cards/Fuel Cards/P-Cards

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-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.
- B. 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:
 - i. Observe whether 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.
 - ii. Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under #7B 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). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Findings: We obtained the one credit card that was used during the fiscal period, including the card number and the names of the persons who maintained possession of the card. Management stated that this listing is complete in their management representation letter dated December 20, 2023.

There were no changes to the credit cards maintained by the entity. There were also no changes to the persons who maintained possession of the credit cards.

We selected the one credit card that was used during the fiscal period. We selected one monthly statement and obtained supporting documentation.

Our inspection showed that the credit card statement was approved by the District Public Defender.

None of the credit card statements showed assessment of minimal finance charges or late fees.

We selected all of the transactions from the statement selected above and obtained supporting documentation for the transactions. All of the transactions had original itemized receipts.

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

- A. 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:
- i. 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).
 - ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - iii. 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 #1A(vii)).
 - iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Findings: We obtained a listing of all travel and travel-related expense reimbursements during the fiscal period. Management stated that this listing is complete in their management representation letter dated December 20, 2023.

We selected five reimbursements, obtained the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation.

All reimbursements were paid in accordance with the entity's policies and procedures manual, and stated the business/public purpose. The entity's policies do not exceed GSA rates.

All reimbursements were reviewed and approved in writing by the District Public Defender or someone other than the person receiving reimbursement.

8) Contracts

- A. 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:
- i. 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.
 - ii. Observe that the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
 - iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment, and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).
 - iv. 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.

Findings: We obtained 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. Management stated that this listing is complete in their management representation letter dated December 20, 2023.

We selected five contracts from the listing obtained above, and all contracts for services.

The majority of contracts entered into by the District Public Defender's Fund are for legal services performed by the various Assistant Public Defenders. The Louisiana Bid Law does not require bids for services to perform legal work. All other contracts reviewed were not subject to the Louisiana Public Bid Law.

The District Public Defender does not have a governing board regarding contract approval.

No contracts were amended during the fiscal year.

We selected one payment from each of the five contracts selected above for the fiscal period, obtained the supporting invoice, agreed the invoice to the contract terms, and observed that the invoice and related payment agreed to the terms and conditions of the contract.

9) ***Payroll and Personnel***

- A. Obtain a listing of employees and officials who were employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- B. Randomly select one pay period during the fiscal period. For the 5 employees selected under #9A above, obtain attendance records and leave documentation for the pay period, and:
 - i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).
 - ii. Observe that supervisors approved the attendance and leave of the selected employees.
 - iii. Observe that any leave accrued or taken during the pay period is reflected in the Organization's cumulative leave records.
 - iv. Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.
- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations. Agree the hours to the employee or officials cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employees' personnel files, and agree the termination payment to entity policy.
- D. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and worker's compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Findings: We obtained a listing of all employees who were employed during the fiscal period. Management stated that this listing is complete in their management representation letter dated December 20, 2023.

We selected three employees, obtained related paid salaries and personnel files, and agreed paid salaries to authorized salaries/pay rates in the personnel files.

We selected one pay period during the period and found that proper written daily maintained leave and attendance documentation does not exist. The supervisor approved all pay of the selected employees, however without having such record as described above. Because such records are not maintained, leave time accrued or taken during the pay period is not reflected within the organization records.

No employees were terminated during the fiscal year ended June 30, 2023.

We obtained, in their management representation letter dated December 20, 2023, management's representation that all 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 the required deadlines.

10) Ethics

- A. Using the 3 randomly selected employees from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:
 - i. Observe that the documentation demonstrates that each employee/official completed one hour of ethics training during the fiscal period.
 - ii. Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity ethics policy during the fiscal period as applicable.
- B. Inquire and /or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

Findings: We determined that the three employees selected in procedure #9A under "Payroll and Personnel" complete the required ethics training. Also, the three employees were notified of any changes to the entity's ethics policy.

An ethics designee has been appointed by the management as required by R.S. 42:1170.

11) Debt Service

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued.
- B. 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 (including contingency funds, short lived asset funds, or other funds required by the debt covenants).

During the year, no debt was issued for use by the District Public Defender Fund and is therefore not applicable.

12) Fraud Notice

- A. 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.
- B. 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.

Findings: We inquired regarding a listing of misappropriations of public funds and assets during the fiscal period. Management stated that if applicable, such a listing would be provided in their management representation letter dated December 20, 2023.

No such listing, and no misappropriations of public funds or assets were reported to us during the fiscal period.

The entity has posted on its premises the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds. The entity's website does provide a link which takes the user to the Louisiana Legislative Auditor's notice required by R.S. 24:523.1.

13) Information Technology Disaster Recovery/Business Continuity

- A. Perform the following procedures, verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."
 - i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe that such backup occurred (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
 - ii. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
 - iii. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

Findings: We performed the above procedures and discussed the results with management. Management has included in their policies and procedures manual the procedures necessary for restoring the office's information and technology and to achieve business continuity after a disaster.

14) Prevention of Sexual Harassment

- A. Using the 3 randomly selected employees/officials from procedure #9A under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.
- B. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have website).
- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344.
 - i. Number and percentage of public servants in the agency who have completed the training requirements;
 - ii. Number of sexual harassment complaints received by the agency;
 - iii. Number of complaints which resulted in a finding that sexual harassment occurred;
 - iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - v. Amount of time it took to resolve each complaint.

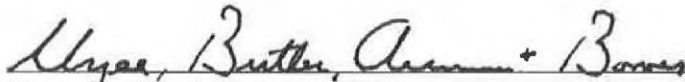
Findings: We determined that the employees selected in procedure #9A under "Payroll and Personnel" did complete the required sexual harassment training.

The entity has posted its sexual harassment policy and complaint procedure on its website and has posted on premises a notice concerning the reporting of sexual harassment.

The entity's sexual harassment report for the current fiscal period was dated before February 1. The entity reported there was no sexual harassment complaints during the fiscal year.

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 control and compliance areas identified in the Statewide Agreed-Upon Procedures. 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 control and compliance areas identified in the Statewide Agreed-Upon Procedures, 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 Louisiana Legislative Auditor as a public document.

A handwritten signature in cursive script that reads "Uzee, Butler, Arceneux & Bowes".

Uzee, Butler, Arceneux & Bowes
Certified Public Accountants
Harvey, Louisiana

December 20, 2023

ST. CHARLES PUBLIC DEFENDERS OFFICE
29TH JUDICIAL DISTRICT

FENWICK A. SWANN, III
CHIEF DISTRICT PUBLIC DEFENDER

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December 20, 2023

Independent Accountant's Report on Applying Agreed-Upon Procedures
MANAGEMENT RESPONSE

Year Ended June 30, 2023

I) NON PAYROLL DISBURSEMENTS
Procedure B

B. 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:

- i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
- ii. At least two employees are involved in processing and approving payments to vendors.
- iii. 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.
- iv. Either the employee responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

FINDING

Because of the limited number of employees, all of the items reviewed above are not properly segregated, with overlapping of duties occurring for non payroll disbursements.

MANAGEMENT'S RESPONSE

We plan in the future to address these issues and take steps to prevent overlapping of duties regarding non payroll disbursements.

II) PAYROLL AND PERSONNEL
Procedure B

- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and
- i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
 - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
 - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
 - iv. Observe that the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.

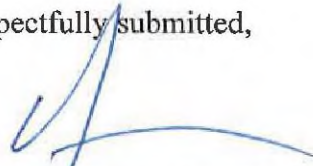
FINDING

We selected one pay period during the fiscal period and found that proper leave and attendance documentation does not exist. The supervisor approved all pay of the selected employees, however, the organization is lacking such records as described above. Because such records are not maintained, leave time accrued or taken during the pay period is not properly reflected within the organization records. All employees rate of pay selected agreed to the authorized pay rate found within the personnel file.

MANAGEMENT'S RESPONSE

We plan in the future to address these issues and take steps to maintain accurate daily leave and attendance documentation.

Respectfully submitted,



Fenwick A. Swann, III, Interim Public Defender