
DISTRICT ATTORNEY OF THE TWENTY-THIRD
JUDICIAL DISTRICT

PARISHES OF ASCENSION, ASSUMPTION, AND
ST. JAMES, LOUISIANA

FINANCIAL REPORT

DECEMBER 31, 2021

DISTRICT ATTORNEY OF THE TWENTY-THIRD
JUDICIAL DISTRICT

PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES, LOUISIANA

FINANCIAL REPORT

DECEMBER 31, 2021

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INDEPENDENT AUDITORS' REPORT

The Honorable Ricky L. Babin
District Attorney of the Twenty-Third Judicial District
Parishes of Ascension, Assumption, and St. James, Louisiana

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District Attorney of the Twenty-Third Judicial District (the "District Attorney"), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the District Attorney'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, each major fund, and the aggregate remaining fund information of the District Attorney, as of December 31, 2021, 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 Opinions

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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District Attorney 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 opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 District Attorney'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.

Auditors' Responsibilities 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 District Attorney'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 District Attorney'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 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 and budgetary comparison schedules on pages 4-9 and 38-41 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide 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 the purpose of forming opinions on the financial statements that collectively comprise the District Attorney's basic financial statements. The schedule of compensation, benefits and other payments to agency head, justice system funding schedule – collecting/disbursing entity, and justice system funding schedule – receiving entity is presented for the purposes of additional analysis and is not a required part of the basic financial statements. The schedules of compensation, benefits and other payments to agency head, justice system funding schedule – collecting/disbursing entity, and justice system funding schedule – receiving entity are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such

information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information 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 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2022, on our consideration of the District Attorney's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 District Attorney'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 District Attorney's internal control over financial reporting and compliance.



Gonzales, Louisiana
June 23, 2022

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2021

This section of District Attorney's annual financial report presents a discussion and analysis of the District Attorney's financial performance during the year that ended on December 31, 2021. Please read it in conjunction with the District Attorney's financial statements and the accompanying notes to the financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

Our financial statements provide these insights into the results of this year's operations:

- As a result of this year's operations, total net position was \$1,169,297. Net position increased by \$275,402 from the previous year of \$893,895.
- Total net position is comprised of the following:
 - 1) Net investment in capital assets of \$98,383 represents the net book value of property and equipment.
 - 2) Restricted net position of \$117,912 represents the portion restricted for grant programs recorded in a special revenue fund.
 - 3) Unrestricted net position of \$953,002 represents the portion available to maintain continuing obligations to citizens and creditors.
- Total spending for all judicial activities was \$5,167,651 which was \$275,402 less than the charges for services, operating grants and contributions, and general revenues received for these activities of \$5,443,053.
- The governmental funds reported total ending fund balance \$1,382,327. Fund balance for governmental funds increased by \$260,503 from the previous year \$1,121,824.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The Government-Wide Financial Statements (GWFS) – The Statement of Net Position and the Statement of Activities provide information about the financial activities as a whole and present a long-term view of the finances. Fund Financial Statements (FFS) – The Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances tell how these services were financed in the short term as well as what remains for future spending. Fund Financial Statements also report the operations in more detail than the Government-Wide Statements by providing information about the most significant funds.

Our auditor has provided assurance in their independent auditors' report, located before this MD&A that the Basic Financial Statements are fairly stated. A user of this report should read the independent auditors' report carefully to ascertain the level of assurance being provided for each of the other parts of the Financial Section.

Government-wide Statements

The government-wide statements report information about the District Attorney as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position and the Statement of Activities report information about the entity as a whole and about its activities. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2021

These two statements report the District Attorney's net position and how they have changed. Net position – the difference between the District Attorney's assets and liabilities – is one way to measure the District Attorney's financial health, or financial position.

- Over time, increases or decreases in the District Attorney's net position are an indicator of whether its financial health is improving or deteriorating, respectively.

The government-wide financial statements of the District Attorney are divided into two categories:

- Governmental activities – most of the District Attorney's basic services are included here. Fines and state and federal grants, and intergovernmental finance most of these activities.
- Fiduciary activities – Custodial Funds are used to account for assets held by the Office of the District Attorney as an agent for the other governments and/or other funds. The Custodial Funds are custodial in nature (assets equal liabilities) and do not involve measurements of results of operations.

Fund Financial Statements

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

- Some funds are required by State law

The District Attorney has two kinds of funds:

- Governmental funds – Most of the District Attorney's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which means measures cash and all other financial assets that can readily be converted to cash. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District Attorney's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information on the subsequent page that explains the relationship (or differences) between them.
- Fiduciary funds – We exclude these activities from the District Attorney's government-wide financial statements because the District Attorney cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE DISTRICT ATTORNEY AS A WHOLE (GWFS)

The Statement of Net Position and the Statement of Activities reports have only one type of activity – governmental activities. Fines, fees, grants, and intergovernmental charged to the public finance most of these activities.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2021

Our analysis below focuses on the net position of the governmental-type activities:

STATEMENTS OF NET POSITION

	<u>2021</u>	<u>2020</u>
Current and other assets	\$ 1,583,503	\$ 1,347,627
Capital assets, net	98,383	127,954
Total assets	1,681,886	1,475,581
Deferred outflows of resources	655,644	755,128
Total assets and deferred outflows of resources	2,337,530	2,230,709
Current liabilities	130,543	162,336
Long term liabilities	274,867	1,073,542
Total liability	405,410	1,235,878
Deferred inflows of resources	762,823	100,936
Total liabilities and deferred inflows of resources	1,168,233	1,336,814
Net investment in capital assets	98,383	127,954
Restricted	117,912	113,378
Unrestricted	953,002	652,563
Total net position	\$ 1,169,297	\$ 893,895

As a result of this year's operations, net position increased by \$275,402. Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – increased from the surplus this year. The balance in net position of \$1,169,297 represents the accumulated results of all past years' operations.

Our analysis below focuses on the change in net position of the governmental-type activities:

STATEMENTS OF ACTIVITIES

	<u>2021</u>	<u>2020</u>
Total program revenues	\$ 5,285,599	\$ 4,716,945
Total expenses	5,167,651	5,033,867
Net program income (loss)	117,948	(316,922)
Total general revenues	157,454	151,950
Change in Net Position	\$ 275,402	\$ (164,972)

The total revenues for the year in governmental activities were \$5,443,053 (\$1,709,029 in charges for services, \$3,576,570 in operating and grant contributions, \$540 in interest earnings, \$10,860 in other revenues, and \$146,054 in contributions from non-employer contributing entities-pension benefit). The total cost of all judicial programs and services was \$5,167,651. Increases in program revenues are attributed to increases in fines, forfeitures, and fee income due to courts reopening and operating without COVID-19 restrictions.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2021

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS (FFS)

The District Attorney utilizes funds to control and manage money for particular purposes. Reviewing individual funds provides the information to determine if an entity is being accountable for the resources provided and may also give you more insight into overall financial health.

The government funds reported a combined fund balance of \$1,382,327. This reflects an increase of \$260,503 from last year.

BALANCE SHEETS

	<u>2021</u>	<u>2020</u>
Total Assets	<u>\$ 1,494,537</u>	<u>\$1,314,194</u>
Total Liabilities	\$ 112,210	\$ 192,370
Total Fund Balances	<u>1,382,327</u>	<u>1,121,824</u>
Total Liabilities & Fund Balances	<u>\$1,494,537</u>	<u>\$1,314,194</u>

**STATEMENTS OF REVENUE, EXPENDITURES, AND CHANGES IN FUND
BALANCES**

	<u>2021</u>	<u>2020</u>
Total revenues	<u>\$ 5,296,999</u>	<u>\$ 4,736,829</u>
Expenditures:		
Current	5,029,000	4,704,216
Capital Outlay	7,496	43,933
Total Expenditures	<u>5,036,496</u>	<u>4,748,149</u>
 Net change in fund balances	260,503	(11,320)
 Fund Balances:		
Beginning of the year	1,121,824	1,133,144
End of the year	<u>\$ 1,382,327</u>	<u>\$ 1,121,824</u>

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2021

General Fund Budgetary Highlights

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

Original Budgeted Revenue	\$4,573,115	Original Budgeted Expenditures	\$4,564,205
Increase (Decrease) due to:		Increase (Decrease) due to:	
Fines & Forfeitures	35,968	Personnel Service	129,940
DAPP Fees	60,553	Auto Repair & Maintenance	4,601
Intergovernmental Revenue	283,132	Office Operations	34,551
Other	(5,779)	Travel & Conventions	19,099
Interest	<u>(4,497)</u>	Professional Services	11,462
		Other	1,401
Final Budgeted Revenues	<u>\$4,942,492</u>	Capital Outlay	<u>(27,182)</u>
		Final Budgeted Expenditures	<u>\$4,738,077</u>

CAPITAL ASSETS

Capital Assets: The investment in capital assets, net of accumulated depreciation for the governmental activity as of December 31, 2021 and 2020 was \$98,383 and \$127,954, respectively.

	<u>2021</u>	<u>2020</u>
Equipment & Furniture	\$ 260,003	\$ 259,937
Auto equipment	183,040	183,040
Other Equipment	<u>22,334</u>	<u>22,334</u>
Total Cost	465,377	465,311
Accumulated Depreciation	<u>(366,994)</u>	<u>(337,357)</u>
Net Capital Assets	<u>\$ 98,383</u>	<u>\$ 127,954</u>
Depreciation Expense	<u>\$ 37,067</u>	<u>\$ 37,091</u>

This year there was \$7,496 of additions in capital assets. More detailed information about the capital assets is presented in Note 3 to the financial statements. The District Attorney also disposed of \$7,430 of obsolete assets. These assets were moved out as inactive. There was no basis remaining with the disposed assets.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2021

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Among the factors considered in compiling the 2022 budget were:

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

The District Attorney is dependent on the State of Louisiana and the Parish of Ascension for approximately 64% percent of its revenues. A substantial part of these revenues is from fines and forfeitures. The economy is not expected to generate any significant growth. Therefore, the District Attorney's future revenues are expected to be consistent with the current years.

CONTACTING THE DISTRICT ATTORNEY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District Attorney's finances and to demonstrate the District Attorney's accountability for the money it receives. If you have questions about this report or need additional financial information, contact:

Sandy Sanchez, Accountant
District Attorney of the Twenty-Third Judicial District,
P.O. Box 750
Donaldsonville, LA 70346
Phone (225) 473-6777

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

STATEMENT OF NET POSITION
DECEMBER 31, 2021

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

ASSETS

Cash and cash equivalents	1,336,967
Receivables	35,568
Prepaid Insurance	47,787
Due from other governments	163,181
Capital assets, net of accumulated depreciation	98,383
TOTAL ASSETS	<u>1,681,886</u>

DEFERRED OUTFLOWS OF RESOURCES

Pension related	<u>655,644</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>655,644</u>

TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 2,337,530</u>
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LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

LIABILITIES

Accounts Payable	\$ 80,717
Accrued payroll and benefits	49,826
Long term liabilities:	
Compensated absences	22,846
Net pension liability	252,021
TOTAL LIABILITY	<u>405,410</u>

DEFERRED INFLOWS OF RESOURCES

Pension related	<u>762,823</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>762,823</u>

NET POSITION

Investment in capital assets	98,383
Restricted for grant program	117,912
Unrestricted	953,002
TOTAL NET POSITION	<u>1,169,297</u>

TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$ 2,337,530</u>
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The accompanying notes are an integral part of this financial statement.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Program Revenues</u>		Net (Expense)	
		<u>Operating</u>	Revenue and	
	<u>Charges for</u>	<u>Grants and</u>	Changes in	
	<u>Service</u>	<u>Contributions</u>	<u>Net Position</u>	
<u>Expenses</u>			<u>Governmental</u>	
			<u>Unit</u>	
 <u>FUNCTIONS/PROGRAMS</u>				
Governmental activities:				
General Government - Judicial	\$ 5,167,651	\$ 1,709,029	\$ 3,576,570	\$ 117,948
Total governmental activities	<u>\$ 5,167,651</u>	<u>\$ 1,709,029</u>	<u>\$ 3,576,570</u>	<u>117,948</u>
 General Revenues:				
Interest				540
Other				10,860
Contributions from non-employer contributing entities - pension benefit				<u>146,054</u>
Total general revenues				<u>157,454</u>
Change in net position				275,402
Net position - December 31, 2020				<u>893,895</u>
Net position - December 31, 2021				<u>\$ 1,169,297</u>

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

GOVERNMENTAL FUNDS
BALANCE SHEET
DECEMBER 31, 2021

	<u>General</u> <u>Fund</u>	<u>Title IV-D</u> <u>Fund</u>	<u>Total</u>
<u>ASSETS</u>			
Cash and cash equivalents	1,154,376	\$ 120,093	\$ 1,274,469
Receivable	14,249	21,319	35,568
Due from other funds	21,319	-	21,319
Due from other governments	163,181	-	163,181
	<u>1,353,125</u>	<u>141,412</u>	<u>1,494,537</u>
TOTAL ASSETS	<u>\$ 1,353,125</u>	<u>\$ 141,412</u>	<u>\$ 1,494,537</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts Payable	\$ 18,189	\$ 30	\$ 18,219
Accrued payroll and benefits	47,675	2,151	49,826
Due to other funds	-	21,319	21,319
Compensated absences	22,846	-	22,846
	<u>88,710</u>	<u>23,500</u>	<u>112,210</u>
TOTAL LIABILITIES	<u>88,710</u>	<u>23,500</u>	<u>112,210</u>
Fund balances:			
Restricted for grant program	-	117,912	117,912
Unassigned	1,264,415	-	1,264,415
	<u>1,264,415</u>	<u>117,912</u>	<u>1,382,327</u>
TOTAL FUND BALANCES	<u>1,264,415</u>	<u>117,912</u>	<u>1,382,327</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,353,125</u>	<u>\$ 141,412</u>	<u>\$ 1,494,537</u>

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2021

Total fund balances - Governmental Funds \$ 1,382,327

Amounts reported for governmental activities in the statement of net position are different due to:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds:

Cost of capital assets at December 31, 2021	465,377	
Less: accumulated depreciation as of December 31, 2021	<u>(366,994)</u>	98,383

Prepaid insurance 47,787

Long-term liabilities are not due and payable in the current period and therefore are not reported in the fund liabilities. These liabilities consist of the following:

Net pension liability		(252,021)
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A cost-sharing employer is required to recognize pension expense and report deferred outflows of resources and deferred inflows of resources related to pensions for its proportionate share of collective pension expense and collective deferred outflows of resources and deferred inflows of resources related to pensions. These deferrals reported on the Statement of Net Position consists of:

Deferred outflows-pension related	655,644	
Deferred inflows-pension related	<u>(762,823)</u>	<u>(107,179)</u>

Total net position at December 31, 2021 - Governmental Activities \$ 1,169,297

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2021

	General Fund	Title IV-D Fund	Total Governmental Funds
<u>REVENUES</u>			
Fines and forfeitures	\$ 939,603	\$ -	\$ 939,603
DAPP fees	769,426	-	769,426
Intergovernmental revenue:			
Police jury and parish councils	1,804,474	-	1,804,474
School boards	66,250	-	66,250
Other government agencies	12,305	-	12,305
Grants	172,781	-	172,781
State Salary Supplement	1,054,532	-	1,054,532
Parish Salary Supplement	243,614	-	243,614
LA Dept. of Social Services	-	222,614	222,614
Other	10,860	-	10,860
Interest	506	34	540
TOTAL REVENUES	<u>5,074,351</u>	<u>222,648</u>	<u>5,296,999</u>
<u>EXPENDITURES</u>			
General Government:			
Current operating:			
Personnel service	4,335,363	188,274	4,523,637
Auto repair & maintenance	20,450	-	20,450
Office operations	385,977	12,347	398,324
Travel and conventions	17,302	465	17,767
Professional services	51,794	16,600	68,394
Other	-	428	428
Capital outlay	7,496	-	7,496
TOTAL EXPENDITURES	<u>4,818,382</u>	<u>218,114</u>	<u>5,036,496</u>
Net change in fund balances	255,969	4,534	260,503
Fund balances - beginning of year	<u>1,008,446</u>	<u>113,378</u>	<u>1,121,824</u>
Fund balances - end of year	<u>\$ 1,264,415</u>	<u>\$ 117,912</u>	<u>\$ 1,382,327</u>

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

Total change in net fund balances-Governmental funds \$ 260,503

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

Governmental funds report capital outlays as expenditures in the individual fund.

Governmental activities report depreciation expense to allocate the
estimated useful lives of the asset over costs of those capital assets.

Capital asset purchases capitalized	7,496	
Depreciation expense	<u>(37,067)</u>	(29,571)

Change in prepaid insurance		585
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Some expenses reported in the statement of activities do not require the
use of current financial resources and therefore are not reported as
expenditures in governmental funds. These expenditures consist of:

Net effects of change in net pension liability, deferred outflows and deferred inflows		<u>43,885</u>
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Change in Net Position - Governmental Activities		<u><u>\$ 275,402</u></u>
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The accompanying notes are an integral part of this financial statement.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

STATEMENT OF FIDUCIARY NET POSITION

DECEMBER 31, 2021

	<u>Drug Forfeiture</u>	<u>Bond Forfeiture</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 60,670	\$ 1,828	\$ 62,498
TOTAL ASSETS	<u>\$ 60,670</u>	<u>\$ 1,828</u>	<u>\$ 62,498</u>
NET POSITION			
Restricted for:			
Individuals, organizations, and other governments	\$ 60,670	\$ 1,828	\$ 62,498
TOTAL NET POSITION	<u>\$ 60,670</u>	<u>\$ 1,828</u>	<u>\$ 62,498</u>

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
DECEMBER 31, 2021

	<u>Drug Forfeiture</u>	<u>Bond Forfeiture</u>	<u>Total</u>
Additions:			
Forfeitures	\$ 77,442	\$ 1,828	\$ 79,270
Total additions			
Deductions:			
Disbursements to other governments	20,358	-	20,358
Total deductions	20,358	-	20,358
Change in fiduciary net position	57,084	1,828	58,912
Net Position - December 31, 2020	3,586	-	3,586
Net Position - December 31, 2021	<u>\$ 60,670</u>	<u>\$ 1,828</u>	<u>\$ 62,498</u>

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO FINANCIAL STATEMENTS

INTRODUCTION

As provided by Article V, Section 26 of the Louisiana Constitution of 1974, the District Attorney has charge of every criminal prosecution by the State which in his district, is the representative of the State before the grand jury in his district, is legal advisor to the grand jury, and performs other duties as provided by law. The District Attorney is elected by the qualified electors of the judicial district for a term of six years. The Twenty-Third Judicial District encompasses the parishes of Ascension, Assumption, and St. James, Louisiana.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying basic financial statements of the 23rd Judicial District Attorney (District Attorney) have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is 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 No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*.

B. Reporting Entity

For financial reporting purposes, the District Attorney includes all funds and activities that are controlled by the District Attorney as an independent elected parish official. There are no component units included or required to be included as part the financial reporting entity. The District Attorney is solely responsible for the operations of his office, which includes the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. Other than certain operating expenditures of the District Attorney's office that are paid or provided by the Parish Councils as required by Louisiana Law, the District Attorney is financially independent. Accordingly, the District Attorney is a separate governmental reporting entity. Certain units of the local government, over which the District Attorney exercises no oversight responsibility, such as Parish Councils, Parish School Board, other independent elected parish officials, and municipalities with the Parishes, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the District Attorney.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO FINANCIAL STATEMENTS

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

C. **Fund Accounting**

Government-Wide Financial Statements

The basic financial statements include both government-wide (reporting as a whole) and fund financial statements (reporting the major funds). The District Attorney uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain district attorney functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. All of the judicial and administrative services are classified as governmental activities.

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

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

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

Fund Financial Statements

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Governmental Funds

Governmental funds account for all of the District Attorney's general activities. The focus of the governmental funds measurement (in all fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the District Attorney. The following are the District Attorney's governmental funds:

General Fund

The General Fund was established in compliance with Louisiana Revised Statute (R.S.) 15:571.11, which provides that 17% of the fines collected and bonds forfeited be transmitted to the District Attorney to defray the necessary expenditures of his office. The General Fund accounts for the operations of the District Attorney's office.

Special Revenue Funds

Special Revenue Funds are used to account for fees, fines, and costs collected for a specified purpose or grants to be used specific purposed that deal with judicial prosecution.

Fiduciary Funds

Custodial Funds

Custodial Funds are used to account for assets held for other funds and/or other governments. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Custodial funds of the District Attorney include the:

- Drug Forfeiture Fund – The Drug Forfeiture fund accounts for monies and proceeds from the sale of property seized or obtained by judgement or settlement as a result of drug-related activities.
- Bond Forfeiture Fund – The Bond Forfeiture Fund is used to account for the collection and disbursement of proceeds from the forfeiture of District, Parish, and City Court bail and surety bonds for failure by a defendant to appear in court. The distribution of the proceeds of the bond forfeitures is in accordance with Louisiana Revised Statue 15:571:11 (L) and (M).

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO FINANCIAL STATEMENTS

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

Major Funds

The funds are further classified as major based on the total amount of revenue or assets per fund as follows:

General Fund

Title IV-D Fund

D. **Basis of Accounting / Measurement Focus**

Government Wide Financial Statements (GWFS)

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

The GWFS were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange takes place (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Codification Section 2300.

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

Fund Financial Statements (FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All Governmental Funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financial sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

Governmental and Custodial Funds are accounted for on the modified accrual basis of accounting. Under this basis of accounting revenues are recognized in the accounting period in which they become susceptible to accrual – that is, when they become measurable and available to pay current period liabilities. 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 or within 60 days after year end. Commissions on fines and bond forfeitures are reported in the year they are collected by the tax collector. Grants and state appropriations are recorded when earned. Substantially all other revenues are recorded when received.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (continued)

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Costs of accumulated unpaid vacation, sick leave and other employee benefit amounts are reported in the period due and payable rather than the period earned by the employee.

Transfers between funds that are not expected to be repaid are accounted for as other financing sources. Fines, fees, and other revenues are recorded when collected and are considered susceptible to accrual.

E. Budgets and Budgetary Accounting

The District Attorney follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The District Attorney prepares an annual budget for the General Fund and the Special Revenue Funds on a modified accrual basis of accounting at least fifteen days prior to the commencement of the budgetary fiscal year. The operating budgets include proposed expenditures and the means of financing them for the upcoming year.
2. The budgets are available for public inspection for a fifteen-day period prior to a public hearing held to obtain taxpayer comment.
3. The budgets are adopted at the public hearing in December of the previous year and are authorized for implementation on the first day of the fiscal year.
4. The budgets are prepared on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).
5. The budgets may be revised during the year as estimates regarding revenues and expenditures change.
6. Appropriations lapse at the end of each fiscal year.

F. Compensated Absences

The District Attorney's policy allows employees to earn leave benefits of up to 10 days of vacation leave and up to 10 days of sick leave per calendar year. After five years of employment, an employee is entitled to have three weeks of vacation leave. Two personal days are granted to employees yearly, which cannot be accrued. Employees are allowed to accrue compensatory time when working overtime.

Employees, who resign or retire, are entitled to receive pay for all unused vacation leave and compensatory time that has been accumulated. Employees are not paid for sick leave upon leaving, and sick leave is limited to twenty-five days.

At the end of the current year, employees have accumulated \$22,846 of vacation leave and compensatory time. This amount is recorded as a payable of the General Fund. The accrual of unused sick leave is not required since the amount accumulated lapses upon termination.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO FINANCIAL STATEMENTS

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

G. **Cash and Cash Equivalents**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in those investments with original maturities of 90 days or less. Under state law, the District Attorney may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

H. **Capital Assets**

All capital assets with an original cost of \$500 or more are capitalized at historical cost or estimated historical costs for assets where actual cost is not available and depreciated over their useful lives (excluding salvage value). Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance is expensed as incurred. Straight-line depreciation is used based on the following estimated useful lives:

- Furniture and equipment 5-7 years
- Auto equipment 5 years
- Other equipment 10 years

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

I. **Operating Transfers In and Out**

Advances between fund as which are not expected to be repaid are accounted for as transfers. In those cases where repayment is expected, the transfers are accounted for through the various due from and due to accounts.

J. **Due from Other Governments**

The receivable amounts are made up of fines and fees collected by other governments to be remitted, amounts due on reimbursement grants, and reimbursements for expenditures from other agencies. No reserve for uncollectible is considered necessary for these receivables.

K. **Interfund Receivables and Payables**

During the course of operations transactions occur between individual funds. These receivables and payables are classified as "due to or due from other funds" on the fund financial statement balance sheet.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

In the process of aggregating data for the government-wide financial Statement of Net Position and the Statement of Activities some amounts reported as due to/from balances were eliminated. Interfund receivables and payables were eliminated to minimize the “grossing up” effect on the assets and liabilities within the governmental activities column.

L. Equity Classifications

Government-wide Statements

Equity is classified as net position and displayed in three components:

- Net investment in capital assets, (net)-consists of capital assets net of accumulated depreciation.
- Restricted net position-consists of assets that are restricted by the DA’s grantors (both federal and State)
- Unrestricted net position-consists of all other net assets that do not meet the definition of “restricted” or “invested in capital assets”.

Fund Financial Statements

Accounting standards require governmental fund balances to be reported in as many as five classifications as listed below:

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

Restricted – represents balance where contracts have been established by parties outside the District Attorney or imposed by law through constitutional provisions or enabling legislation.

Committed – represents balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the District Attorney’s highest level of decision-making authority.

Assigned – represents balances that are constrained by the District Attorney’s intent to be used for specific purposes but are not restricted nor committed.

Unassigned – represents balances that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund.

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO FINANCIAL STATEMENTS

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

M. **Use of Estimates**

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

N. **Pension Plans**

The District Attorney is a participating employer in a defined benefit pension plan as described in Note 8. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plan, and additions to/deductions from the plans' fiduciary net position has been determined on the same basis as they reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

O. **Deferred Inflows and Outflows of Resources**

In addition to assets, the Statement of Net Position or Balance Sheet will sometimes report a separate section for deferred outflows of resources. This separate financial element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditure) until then. The District Attorney has one item that qualifies for this category; pension related deferrals, which are reported in the government-wide statement.

In addition to liabilities, the Statement of Net Position or Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) at that time. The District Attorney has only one item that qualifies for this category; pension related deferrals. The amounts deferred are recognized as an inflow of resources in the period that the amounts become available.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO FINANCIAL STATEMENTS

2. CASH AND CASH EQUIVALENTS

A summary of deposits followed:

Cash:

Under state law, the District Attorney may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state or the laws of the United States. The District Attorney may invest in certificates of deposit of any bank domiciled or having a branch office in the state of Louisiana.

Custodial credit risk is the risk that in an event of bank failure, the district's deposits may not be returned to it. The government does not have deposit policy for custodial risk. As of December 31, 2021, these deposits were completely collateralized and/or insured.

Investments:

The District Attorney has \$621,648 investment in the Louisiana Asset Management Pool (LAMP), a local government investment pool. LAMP is administered by LAMP, Inc., a nonprofit corporation organized under the laws of the State of Louisiana. Only local governments 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, concentration of credit risk interest rate risk, and foreign currency risk for all public entity investments.

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.
- Foreign currency risk: Not applicable

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO FINANCIAL STATEMENTS

2. **CASH AND CASH EQUIVALENTS** (continued)

The investments in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

3. **CAPITAL ASSETS**

Capital assets and depreciation activity as of and for the year ended December 31, 2021 are as follows:

	<u>Furniture & Equipment</u>	<u>Auto Equipment</u>	<u>Other Equipment</u>	<u>Total</u>
Cost of capital assets, 12/31/20	\$ 259,937	\$ 183,040	\$ 22,334	\$ 465,311
Additions	7,496	-	-	7,496
Deletions	(7,430)	-	-	(7,430)
Cost of capital assets, 12/31/21	<u>260,003</u>	<u>183,040</u>	<u>22,334</u>	<u>465,377</u>
Accumulated depreciation, 12/31/20	182,419	132,604	22,334	337,357
Additions	23,617	13,450	-	37,067
Deletions	(7,430)	-	-	(7,430)
Accumulated depreciation, 12/31/21	<u>198,606</u>	<u>146,054</u>	<u>22,334</u>	<u>366,994</u>
Capital assets, net of accumulated depreciation, at 12/31/21	<u>\$ 61,397</u>	<u>\$ 36,986</u>	<u>\$ -</u>	<u>\$ 98,383</u>

Depreciation expense for the year ended December 31, 2021 was \$37,067.

4. **ON-BEHALF PAYMENTS FOR SALARIES AND FRINGE BENEFITS**

A portion of the salaries and benefits of the District Attorney and the Assistant District Attorneys are paid by the State of Louisiana and the Parishes of Ascension, Assumption, and St. James.

In accordance with GASB Codification Section N50.129, the amount of these salaries and benefits paid on-behalf directly to the District Attorney and the Assistant District Attorneys has been recognized by the District Attorney's Office as revenues and expenditures. The amount recognized in the current year from the State and the Parishes was \$1,054,532 and \$243,614, respectively.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO FINANCIAL STATEMENTS

5. **CONTINGENCIES**

Claims and Litigation – Various lawsuits are pending against the District Attorney. In the opinion of the District Attorney, the potential loss on lawsuits will not be material to the District Attorney’s basic financial statements.

6. **INTERFUND RECEIVABLES/PAYABLES**

Interfund receivables and payables for the individual funds were:

Individual Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 21,319	\$ -
IV-D Fund	-	21,319
Total	<u>\$ 21,319</u>	<u>\$ 21,319</u>

7. **RISK MANAGEMENT**

The District Attorney is exposed to various risks of loss related to theft of, damage to, and destruction of assets; errors and omission; injuring to employees; auto liability; and natural disasters. The District Attorney has purchased commercial insurance for each type of risk to which it is exposed.

8. **DEFINED BENEFIT PENSION PLANS**

The District Attorney is a participating employer in a cost-sharing defined benefit pension plan. This plan is administered by a public employee retirement system, the District Attorneys’ Retirement System (DARS). Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of DARS to the State Legislature. The system is administered by a separate board of trustees and is a component unit of the State of Louisiana.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the system. The report may be obtained by writing, calling or downloading the report as follows: DARS, 1645 Nicholson Drive, Baton Rouge, LA 70802-8143, (225) 267-4824, www.ladars.org

The District Attorney implemented Government Accounting Standards Board (GASB) Statement 68 on Accounting and Financial Reporting for Pensions and Statement 71 on Pension Transition for Contribution Made Subsequent to the Measurement Date – an Amendment of GASB 68. These standards require the District Attorney to record its proportional share of the pension plan’ Net Pension Liability and report the following disclosures:

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO FINANCIAL STATEMENTS

8. **DEFINED BENEFIT PENSION PLANS** (continued)

Plan Description:

District Attorneys' Retirement System (DARS)

The District Attorneys' Retirement System, State of Louisiana is the administrator of a cost sharing multiple employer defined benefit pension plan. The System was established on the first day of August, nineteen hundred and fifty-six and was placed under the management of the board of trustees for the purpose of providing retirement allowances and other benefits as stated under the provisions of R.S. 11, Chapter 3 for district attorneys and their assistant in each parish.

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

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

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

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO FINANCIAL STATEMENTS

8. **DEFINED BENEFIT PENSION PLANS** (continued)

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

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

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

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

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

The Back-DROP benefit is based upon the Back-DROP period selected and the final average compensation prior to the period selected. The Back-DROP period is the lesser of three years or the service accrued between the time a member first becomes eligible for retirement and his actual date of retirement. At retirement, the member's maximum monthly retirement benefit is based upon his/her service, final average compensation, and plan provisions in effect on the last day of credible service immediately prior to the commencement of Back-DROP period. In addition to the money benefit at retirement, the member receives a lump-sum payment equal to the maximum monthly benefit as

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO FINANCIAL STATEMENTS

8. **DEFINED BENEFIT PENSION PLANS** (continued)

calculated above multiplied by the number of months in the Back-DROP period. In lieu of receiving die lump-sum payment, the member may leave the funds on deposit with the system in an interest-bearing account.

Prior to January 1, 2009, eligible members could elect to participate in the deferred Retirement Option Program (DROP) for up to three years in lieu of terminating employment and accepting a service benefit. During participation in the DROP, employer contributions were payable and employee contributions were reduced to 1/2 of one percent. The monthly retirement benefits that would have been payable to the member were paid into a DROP account, which did not earn interest while the member was participating in the DROP. Upon termination of participation, the participant in the plan received, at his option, a lump sum from the account equal to die payments into the account or systematic disbursements from his account in any manner approved by board of trustees.

The monthly benefits that were being paid into the DROP would then be paid to the retiree. All amounts which remain credited to the individual's sub-account after termination of participation in the plan were invested in liquid money market funds. Interest was credited thereon as actually earned.

Funding Policy

Article X, Section 29(E) (2) (a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions to DARS. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer's portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems' Actuarial Committee (PRSAC).

Contributions to the plan is required and determined by State statute (which may be amended) are expressed as a percentage of covered payroll. The contribution rates in effect for the year ended December 31, 2021, for the District Attorney and covered employees were as follows:

	<u>District Attorney</u>	<u>Employees</u>
DARS (January-June 2021)	4.00%	8.00%
DARS (July-December 2021)	9.50%	8.00%

The contributions made to the System for the past three fiscal years, which equaled the required contributions for each of these years, were as follows:

	<u>December 31,</u>		
	<u>2021</u>	<u>2020</u>	<u>2019</u>
DARS	\$ 66,696	\$ 34,564	\$ 21,276

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO FINANCIAL STATEMENTS

8. **DEFINED BENEFIT PENSION PLANS** (continued)

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

The following schedule lists the District Attorney's proportionate share of the Net Pension Liability allocated to the pension plan as of the measurement date for the plan. The District Attorney uses this measurement to record its Net Pension Liability and associated amounts as of December 31, 2021 in accordance with GASB Statement 68. The schedule also includes the proportionate share allocation rate used as of the respective measurement date. The District Attorney's proportion of the Net Pension Liability was based on the District Attorney's long-term share of contributions to the pension plan relative to the actual contributions of all participating employers.

	Measurement Date	Net Pension Liability	Rate at Measurement Date	Increase (Decrease) To Prior Year Rate
DARS	June 30, 2021	\$ 252,021	1.415593%	0.0811%

The pension plan's recognized pension expense of the District Attorney for the year ended December 31, 2021 was \$102,169.

At December 31, 2021, the District Attorney reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 80,853	\$ 77,386
Changes of assumptions	475,591	-
Net difference between projected and actual earnings on pension plan investments	-	685,437
Changes in proportion and differences between Employer contributions and proportionate share of contributions	50,201	-
Differences between allocated and actual contributions	-	-
Employer contributions subsequent to the measurement date	48,999	-
	<u>\$ 655,644</u>	<u>\$ 762,823</u>

The District Attorney reported \$48,999 as deferred outflow of resources related to pension contributions made subsequent to the measurement date.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO FINANCIAL STATEMENTS

8. **DEFINED BENEFIT PENSION PLANS** (continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year</u>	<u>DARS</u>
2022	\$ (12,632)
2023	12,381
2024	(66,785)
2025	(89,142)
2026	-
	<u>\$ (156,178)</u>

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability for the pension plan as of the measurement period for the plan are as follows:

	<u>DARS</u>
Valuation Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
	5 years June 30, 2021
	6 years June 30, 2020
Expected Remaining Service Lives	6 years June 30, 2019
	6 years June 30, 2018
	7 years June 30, 2017
	7 years June 30, 2016
Investment Rate of Return	6.10% net of investment expense
Mortality	<p>Pub-2010 Public Retirement Plans Mortality Table for General Above-Median Employees multiplied by 115% for males and females for current employees, each with full generational projection using the MP2019 scale.</p> <p>Pub-2010 Public Retirement Plans Mortality Table for General Above-Median Healthy Retirees multiplied by 115% for males and females for annuitants and beneficiaries, each with full generational projection using the MP2019 scale.</p> <p>Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 115% for males and females for annuitants and beneficiaries, each with full generational projection using the MP2019 scale.</p>
Salary Increases	5.00% (2.20% Inflation, 2.80% Merit)
Cost of Living Adjustments	Only those previously granted

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO FINANCIAL STATEMENTS

8. **DEFINED BENEFIT PENSION PLANS** (continued)

The mortality rate assumption used was set based upon an experience study performed on plan data for the period July 1, 2014, through June 30, 2019. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the System's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that the tables used would produce liability values approximating the appropriate generational mortality tables.

The long term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges 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. The resulting long-term rate of return is 8.25% for the year ended June 30, 2021.

The following table provided a summary of the best estimates of arithmetic/geometric real rates of return for each major asset class included in the Retirement System target asset allocations as of the measurement period date for the plan:

Asset Class	Long-Term Target Asset Allocation	Expected Portfolio Real Rate of Return
Equities	57.11%	6.43%
Fixed Income	30.19%	0.94%
Alternatives	12.67%	0.89%
Cash	0.03%	0.00%
Total	100.0%	5.80%
Inflation		2.45%
Expected Arithmetic Nominal Return		8.25%

Discount Rate

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan'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. The discount rate used to measure the total pension liability for DARS was 6.10%, for the measurement period years ended June 30, 2021.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO FINANCIAL STATEMENTS

8. **DEFINED BENEFIT PENSION PLANS** (continued)

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

The following table presents the District Attorney's proportionate shares of the Net Pension Liability (NPL) using the discount rate of the Retirement System as well as what the District Attorney's proportionate share of the NPL would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate used by the Retirement System:

	<u>1.0% Decrease</u>	<u>Current Discount Rate</u>	<u>1.0% Increase</u>
DARS Rates	5.10%	6.10%	7.10%
District Attorney's Share of NPL	\$ 1,235,711	\$ 252,021	\$ (572,101)

Non-employer contribution – In accordance with state statute, DARS received ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities. Non-employer contributions were recognized as revenue during the year December 31, 2021, and excluded from pension expense.

9. **DEFERRED COMPENSATION PLAN**

All current employees are eligible to participate in the State of Louisiana Public Employees Deferred Compensation Plan. Through payroll deductions, employees can make pre-tax contributions to this 457 plan from eligible pay. The amount allowed to contribute to the plan is based on taxable compensation as defined by the Internal Revenue Code (IRC). Existing deferred compensation plans with a prior employer may be transferred at any time. In 2020 and 2019, the District Attorney's office matched employee's contributions up to 7.5%, dollar for dollar. The total employer contributions made for December 31, 2021, 2020, and 2019 were \$87,784, \$89,141, and \$90,395, respectively.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO FINANCIAL STATEMENTS

10. OPERATING LEASES

The District Attorney maintains operating leases for seven copiers. The lease term for each of these leases varies from 48-60 months beginning on the date the lease is signed. As of December 31, 2021, the total lease payments were \$21,764. The following schedule by years for future minimal lease payments.

<u>December 31,</u>	<u>Future minimum lease payments</u>
2022	\$ 21,290
2023	14,170
2024	2,700
2025	1,350
Total	<u>\$ 39,510</u>

11. SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 23, 2022, and determined no events occurred that require disclosure.

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

DESCRIPTION OF MAJOR FUNDS

General Fund – The General Fund accounts for the operations of the District Attorney’s office.

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<u>REVENUES</u>				
Fines and forfeitures	\$ 799,600	\$ 835,568	\$ 939,603	\$ 104,035
DAPP fees	743,800	804,353	769,426	(34,927)
Intergovernmental revenue:				
Police jury and parish councils	1,583,000	1,755,292	1,804,474	49,182
School boards	66,250	66,250	66,250	-
Other governmental agencies	63,800	65,800	12,305	(53,495)
Grants	60,000	172,781	172,781	-
State Salary Supplement	1,005,000	1,066,157	1,054,532	(11,625)
Parish Salary Supplement	228,765	163,667	243,614	79,947
Other	17,900	12,121	10,860	(1,261)
Interest	5,000	503	506	3
Total Revenues	4,573,115	4,942,492	5,074,351	131,859
<u>EXPENDITURES</u>				
General Government:				
Current operating:				
Personnel service	4,095,865	4,225,805	4,335,363	(109,558)
Auto repair & maintenance	12,400	17,001	20,450	(3,449)
Office operations	369,240	403,791	385,977	17,814
Travel and conventions	3,100	22,199	17,302	4,897
Professional services	46,200	57,662	51,794	5,868
Other	500	1,901	-	1,901
Capital outlay	36,900	9,718	7,496	2,222
Total Expenditures	4,564,205	4,738,077	4,818,382	(80,305)
Net change in fund balances	8,910	204,415	255,969	212,164
Fund Balance, Beginning of year	1,081,600	1,081,600	1,008,446	73,154
Fund Balance, End of year	<u>\$ 1,090,510</u>	<u>\$ 1,286,015</u>	<u>\$ 1,264,415</u>	<u>\$ 285,318</u>

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

TITLE IV-D FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<u>REVENUES</u>				
Intergovernmental revenue:				
Louisiana Department of Social Services	\$ 221,700	\$ 199,354	\$ 222,614	\$ 23,260
Interest	100	34	34	-
Total Revenues	<u>221,800</u>	<u>199,388</u>	<u>222,648</u>	<u>23,260</u>
<u>EXPENDITURES</u>				
General Government				
Current operating:				
Personnel service	187,000	189,951	188,274	1,677
Auto repair & maintenance	-	-	-	-
Office operations	12,810	13,936	12,347	1,589
Travel and conventions	500	448	465	(17)
Professional services	18,600	17,986	16,600	1,386
Capital outlay	500	-	-	-
Other	-	-	428	(428)
Total Expenditures	<u>219,410</u>	<u>222,321</u>	<u>218,114</u>	<u>4,207</u>
Net change in fund balances	<u>2,390</u>	<u>(22,933)</u>	<u>4,534</u>	<u>19,053</u>
<u>FUND BALANCES</u>				
Beginning of year	<u>76,239</u>	<u>76,239</u>	<u>113,378</u>	<u>(37,139)</u>
End of year	<u>\$ 78,629</u>	<u>\$ 53,306</u>	<u>\$ 117,912</u>	<u>\$ (18,086)</u>

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED DECEMBER 31, 2021

As of the fiscal year ended (*):

	2021	2020	2019	2018	2017	2016	2015	2014
	DARS	DARS	DARS	DARS	DARS	DARS	DARS	DARS
Employer's Proportion of the Net Pension Liability	1.4156%	1.3345%	1.3202%	1.2027%	1.1605%	0.8676%	0.7384%	0.5676%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 252,021	\$ 1,057,277	\$ 424,711	\$ 387,028	\$ 313,016	\$ 166,058	\$ 39,773	\$ 11,199
Employer's Covered-Employee Payroll	\$ 887,320	\$ 827,868	\$ 776,302	\$ 379,483	\$ -	\$ 524,389	\$ 426,486	\$ 319,071
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	28.4025%	127.7108%	54.7095%	101.9882%	0.0000%	31.6669%	9.3257%	3.5099%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	96.79%	84.86%	93.13%	92.92%	93.57%	95.09%	98.56%	99.45%

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 June 30th fiscal year end of the respective retirement system.

The Retirement System reported in this schedule is as follows:

DARS = District Attorneys' Retirement System

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

**SCHEDULE OF THE EMPLOYER'S CONTRIBUTIONS TO
RETIREMENT SYSTEM
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
	<u>DARS</u>	<u>DARS</u>	<u>DARS</u>	<u>DARS</u>	<u>DARS</u>	<u>DARS</u>	<u>DARS</u>	<u>DARS</u>
Contractually Required Contribution ¹	\$ 66,787	\$ 34,565	\$ 21,082	\$ 4,796	\$ -	\$ 10,221	\$ 26,695	\$ 28,589
Contributions in Relation to Contractually Required Contribution ²	66,696	34,564	21,276	4,772	-	9,372	26,611	28,320
Contribution Deficiency (Excess)	\$ 91	\$ 1	\$ (194)	\$ 24	\$ -	\$ 849	\$ 84	\$ 269
Employer's Covered Employee Payroll ³	\$ 958,205	\$ 864,113	\$ 803,125	\$ 761,302	\$ -	\$ 584,074	\$ 508,470	\$ 341,560
Contributions as a % of Covered Employee Payroll	6.970%	4.000%	2.625%	0.630%	0.000%	1.750%	5.250%	8.370%

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

For reference only:

¹ Employer contribution rate multiplied by employer's covered employee payroll

² Actual employer contributions remitted to Retirement System

³ Employer's covered employee payroll amount for the fiscal year ended December 31, 2021

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER
PAYMENTS TO AGENCY HEAD
FOR THE YEAR ENDED DECEMBER 31, 2021**

Agency Head Name/Title: Ricky Babin, District Attorney

<u>PURPOSE</u>	<u>AMOUNT</u>
Salary - State	\$ 53,750
Salary - Parish Supplement	9,000
Salary - Office	122,000
Benefits - retirement	11,773
Conference travel	4,666
Continuing professional education fees	480
	<u>\$ 201,669</u>

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT
Justice System Funding Schedule - Collecting/Disbursing Entity
As Required by Act 87 of the 2020 Regular Legislative Session
For the year ended December 31, 2021

	<u>First Six Month Period Ended 06/30/21</u>	<u>Second Six Month Period Ended 12/31/21</u>
Beginning Balance of Amounts Collected (i.e. cash on hand)	\$ 3,649	\$ 24,661
Add: Collections		
Civil Fees <i>(including refundable amounts such as garnishments or advance deposits)</i>	1,799	1,434
Bond Fees	1,828	-
Asset Forfeiture/Sale	18,364	59,070
Pre-Trial Diversion Program Fees	595,348	391,954
Criminal Court Costs/Fees	23,909	14,295
Criminal Court Costs/Fees	-	-
Criminal Fines - Contempt	-	-
Criminal Fines - Other	-	-
Restitution	-	-
Probation/Parole/Supervision Fees	-	-
Service/Collection Fees (e.g. credit card fees, report fees, 3rd party service fees)	-	-
Interest Earnings on Collected Balances	249	204
Other <i>(do not include collections that fit into more specific categories above)</i>	-	-
Subtotal Collections	<u>641,497</u>	<u>466,957</u>
Less: Disbursements To Governments & Nonprofits:		
Louisiana State Police, Asset Forfeiture/Sale	-	10,573
Ascension Parish Clerk of Court, Asset Forfeiture/Sale	-	565
Ascension Parish Criminal Court Fund, Asset Forfeiture/Sale	-	3,524
Louisiana District Attorney's Association, Asset Forfeiture/Sale	-	178
Louisiana State Police, Pre-Trial Diversion Program Fees	9,425	9,450
Ascension Parish Sheriff's Office, Pre-Trial Diversion Program Fees	950	600
Gonzales Police Department, Pre-Trial Diversion Program Fees	-	50
Assumption Parish Sheriff's Office, Pre-Trial Diversion Program Fees	3,700	2,050
St. James Parish Sheriff's Office, Pre-Trial Diversion Program Fees	200	100
Less: Amounts Retained by Collecting Agency		
Collection Fee for Collecting/Disbursing to Others Based on Percentage of Collection	-	-
Collection Fee for Collecting/Disbursing to Others Based on Fixed Amount	-	-
Self-Disbursed, Interest Earnings on Collected Balances	249	204
Self-Disbursed, Criminal Court Costs/Fees	23,909	14,275
Self-Disbursed, Civil Fees	1,683	1,434
Self-Disbursed, Asset Forfeiture/Sale	-	3,524
Self-Disbursed, Pre-Trial Diversion Program Fees	579,595	379,707
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Civil Fee Refunds	116	-
Bond Fee Refunds	-	-
Asset Forfeiture/Sale Refunds	-	1,994
Pre-Trial Diversion Program Fees Refunds	658	598
Criminal Court Costs/Fees Refunds	-	20
Restitution Payments to Individuals (additional detail is not required)	-	-
Other Disbursements to Individuals (additional detail is not required)	-	-
Payments to 3rd Party Collection/Processing Agencies	-	-
Subtotal Disbursements/Retainage	<u>620,485</u>	<u>428,845</u>
Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)	<u>\$ 24,661</u>	<u>\$ 62,773</u>

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT
Justice System Funding Schedule - Receiving Entity
As Required by Act 87 of the 2020 Regular Legislative Session
For the year ended December 31, 2021

	<u>First Six Month Period Ended 06/30/21</u>	<u>Second Six Month Period Ended 12/31/21</u>
Receipts From:		
Ascension Parish Sheriff's Office, Criminal Court Costs/Fees	\$ 53,921	\$ 47,213
Ascension Parish Sheriff's Office, Criminal Fines - Other	27,254	28,896
Ascension Parish Sheriff's Office, Criminal Court Costs/Fees	7,361	8,449
Ascension Parish Sheriff's Office, Asset Forfeiture/Sale	4,577	11,903
Ascension Parish Sheriff's Office, Bond Fees	76,954	92,178
Ascension Parish Sheriff's Office, Interest Earnings on Collected Balances	-	83
Assumption Parish Sheriff's Office, Criminal Court Costs/Fees	24,710	24,180
Assumption Parish Sheriff's Office, Criminal Fines - Other	11,619	12,472
Assumption Parish Sheriff's Office, Asset Forfeiture/Sale	3,091	7,077
Assumption Parish Sheriff's Office, Bond Fees	39,047	32,749
St. James Parish Sheriff's Office, Criminal Court Costs/Fees	10,920	27,980
St. James Parish Sheriff's Office, Criminal Fines - Other	4,304	8,931
St. James Parish Sheriff's Office, Criminal Court Costs/Fees	2,400	1,280
St. James Parish Sheriff's Office, Asset Forfeiture/Sale	-	3,888
St. James Parish Sheriff's Office, Bond Fees	13,680	19,494
City of Donaldsonville, Criminal Court Costs/Fees	9,160	6,600
City of Donaldsonville, Criminal Fines - Other	3,505	3,035
City of Donaldsonville, Bond Fees	323	376
City of Donaldsonville, Interest Earnings on Collected Balances	-	4
City of Gonzales, Criminal Court Costs/Fees	9,320	6,440
City of Gonzales, Asset Forfeiture/Sale	1,655	3,656
Town of Sorrento, Criminal Court Costs/Fees	326	240
Town of Sorrento, Criminal Fines - Other	90	119
Town of Sorrento, Interest Earnings on Collected Balances	-	0
Louisiana Department of Public Safety, Reinstatement Fees	1,825	2,375
Subtotal Receipts	<u>\$ 306,041</u>	<u>\$ 349,618</u>



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

The Honorable Ricky L. Babin
District Attorney of the Twenty-Third Judicial District
Parishes of Ascension, Assumption, and St. James, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of American 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, each major fund, and the aggregate remaining fund information of the District Attorney of the Twenty-Third Judicial District (the "District Attorney"), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the District Attorney's basic financial statements, and have issued our report thereon dated June 23, 2022.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District Attorney's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have 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 *Governmental Auditing Standards*.

Purpose of this Report

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



Gonzales, Louisiana
June 23, 2022

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2021

A. SUMMARY OF AUDIT RESULTS

1. The independent auditors' report expresses an unmodified opinion on whether the financial statements of the District Attorney of the Twenty-Third Judicial District was prepared in accordance with GAAP.
2. No significant deficiencies related to the audit of the financial statements are reported in the Independent Auditors' Report on Internal Control over Financial Reporting on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*. No material weaknesses are reported.
3. No instances of noncompliance material to the financial statements of the District Attorney of the Twenty-Third Judicial District, which would be required to be reported in accordance with *Government Auditing Standards*, were reported during the audit.

B. FINDINGS – FINANCIAL STATEMENT AUDIT

None

C. FINDINGS – NONCOMPLIANCE WITH STATE LAWS AND REGULATIONS

None

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

SCHEDULE OF PRIOR YEAR FINDINGS
YEAR ENDED DECEMBER 31, 2021

A. FINDINGS – FINANCIAL STATEMENT

None

B. FINDINGS – NONCOMPLIANCE WITH STATE LAWS AND REGULATIONS

None

DISTRICT ATTORNEY OF THE TWENTY-THIRD

JUDICIAL DISTRICT

PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES,
LOUISIANA

STATEWIDE AGREED UPON PROCEDURES

DECEMBER 31, 2021



INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Honorable Ricky L. Babin, and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the District Attorney of the 23rd Judicial District (the District Attorney) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2021 through December 31, 2021. The District Attorney's management is responsible for those C/C areas identified in the SAUPs.

District Attorney of the 23rd Judicial District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2021 through December 31, 2021. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and entity's operations:

- a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.

Written policies and procedures were obtained and address the functions noted above.

- b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.

Written policies and procedures were obtained and address the functions noted above.

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

Written policies and procedures were obtained and address the functions noted above.

- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

Written policies and procedures were obtained and address the functions noted above.

- e) **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.

Written policies and procedures were obtained and address the functions noted above.

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

Written policies and procedures were obtained and address the functions noted above.

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of the statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

Written policies and procedures were obtained and address the functions noted above.

- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

Written policies and procedures were obtained and address the functions noted above.

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

Written policies and procedures were obtained and address the functions noted above.

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

Not applicable.

- k) **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.

Written policies and procedures were obtained and address the functions noted above.

- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Written policies and procedures were obtained and address the functions noted above.

Board (or Finance Committee, if applicable)

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

- a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws or other equivalent document.
- b) *The entity does not have a board (or Finance Committee), as the District Attorney is an elected official responsible for all oversight of the entity. Therefore, these procedures were not applicable to the entity.*
- c) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

The entity does not have a board (or Finance Committee), as the District Attorney is an elected official responsible for all oversight of the entity. Therefore, these procedures were not applicable to the entity.

- d) 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.
- e) *The entity does not have a board (or Finance Committee), as the District Attorney is an elected official responsible for all oversight of the entity. Therefore, these procedures were not applicable to the entity.*

Bank Reconciliations

- 3. 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:

Obtained listing of client bank accounts for the fiscal period from management and management's representation that listing is complete.

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

No exceptions noted.

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

No exceptions noted.

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

Not applicable, the entity did not have any reconciling items that have been outstanding for more than 12 months.

Collections (excluding electronic funds transfers)

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

Obtained a listing of deposit sites and management's representation that listing is complete.

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

Obtained a listing of collection locations and management's representation that listing is complete.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

- 6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was enforced during the fiscal period.

No exceptions noted.

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

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

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

Obtained listing of locations that process payments and management's representation that listing is complete.

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

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

- a) Observe that the disbursement matched the related original itemized invoice and that supporting documentation indicates that deliverables included on the invoice were received by the entity.

No exception noted.

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

No exceptions noted.

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

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

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

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

- a) Observe 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) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain

the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.)]

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

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

Obtained listing of travel and related expense reimbursements and management's representation that listing is complete.

- a) If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

Contracts

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

Obtained listing of contracts initiated or renewed during the fiscal period and management's representation that listing is complete.

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

Not applicable.

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

No exceptions noted.

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

Not applicable.

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

No exceptions noted.

Payroll and Personnel

- 16. Obtain a listing of employees and officials 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.

Obtained listing of employees and management's representation that listing was complete. Agreed paid salaries to authorized salaries/pay rates in the personnel file without exception.

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

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

No exceptions noted.

- b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.

No exceptions noted.

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

No exceptions noted.

- d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

No exceptions noted.

18. 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 and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulate leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

No exceptions noted.

19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

No exceptions noted.

Ethics

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

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

No exceptions noted.

- b. Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

No exceptions noted.

Debt Service

21. 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.

Not applicable.

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

Not applicable.

Fraud Notice

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

Management asserted that the entity did not have any misappropriations of public funds or assets.

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

No exceptions noted.

Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**

- a. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

We performed the procedure and discussed the results with management.

- b. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

We performed the procedure and discussed the results with management.

- c. 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.

We performed the procedure and discussed the results with management.

Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

No exceptions noted.

27. Observe that 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 a website).

No exceptions noted.

28. 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 that it includes the applicable requirements of R.S. 42:344:

- a. Number and percentage of public servants in the agency who have completed the training requirements;

No exceptions noted.

- b. Number of sexual harassment complaints received by the agency;

No exceptions noted.

- c. Number of complaints which resulted in a finding that sexual harassment occurred;

No exceptions noted.

- d. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

No exceptions noted.

- e. Amount of time it took to resolve each complaint.

No exceptions noted.

We were engaged by District Attorney of the 23rd Judicial District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of District Attorney of the 23rd Judicial District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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



Gonzales, Louisiana
June 23, 2022