

ORLEANS PUBLIC DEFENDERS
FINANCIAL AND COMPLIANCE AUDIT
TOGETHER WITH
INDEPENDENT AUDITORS' REPORT

For the Year Ended June 30, 2024

TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITORS' REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	4
STATEMENT OF NET POSITION	9
STATEMENT OF ACTIVITIES	10
BALANCE SHEET - GOVERNMENTAL FUND	11
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUND TO THE STATEMENT OF NET POSITION	12
STATEMENT OF REVENUES, EXPENDITURES AND NET CHANGE IN FUND BALANCE - GOVERNMENTAL FUND	13
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND NET CHANGE IN FUND BALANCE - GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES	14
NOTES TO THE FINANCIAL STATEMENTS	15
REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULE I - Budgetary Comparison Schedule - Governmental Fund	27
OTHER SUPPLEMENTARY INFORMATION	
SCHEDULE II - Schedule of Compensation, Benefits and Payments to Chief District Defender	28
SCHEDULE II - Judicial System Funding Schedule - Receiving Entity	29
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENTAL AUDITING STANDARDS</i>	30
SCHEDULE OF FINDINGS	32
SCHEDULE OF PRIOR YEAR FINDINGS	33



DONALD R. FORD

CERTIFIED PUBLIC ACCOUNTANT

A LIMITED LIABILITY COMPANY

MEMBER

AMERICAN INSTITUTE OF CPAS
SOCIETY OF LOUISIANA CPAS

INDEPENDENT AUDITORS' REPORT

To the Chief District Defender
Orleans Public Defenders
New Orleans, Louisiana

Report on the Audit of the Financial Statements

Opinions

I have audited the accompanying financial statements of the governmental activities and the major fund (general fund) information of **Orleans Public Defenders (OPD)**, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise **OPD's** basic financial statements as listed in the table of contents.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, and major fund information of **OPD's**, as of June 30, 2024, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

I conducted my 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. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of **OPD** and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Responsibilities of Management for the Financial Statements

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

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 **OPD'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

My 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 my 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*, I:

- 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 **OPD'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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about **OPD's** ability to continue as a going concern for a reasonable period of time.

I am 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 I 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 the budgetary comparison schedule, 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. I 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 my inquiries, the basic financial statements and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise **OPD's** basic financial statements. The schedule of compensation, benefits and other payments to the Chief District Defender and the Justice System Funding Schedule – Receiving Entity are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the schedule of compensation, benefits and other payments to the Chief District Defender and the Justice System Funding Schedule – Receiving Entity are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued my report dated December 27, 2024, on my consideration of **OPD's** internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering **OPD's** internal control over financial reporting and compliance.

Donald R. Ford, CPA, LLC

A handwritten signature in dark ink that reads "Donald R. Ford, CPA LLC". The signature is written in a cursive, flowing style.

Baton Rouge, Louisiana
December 27, 2024

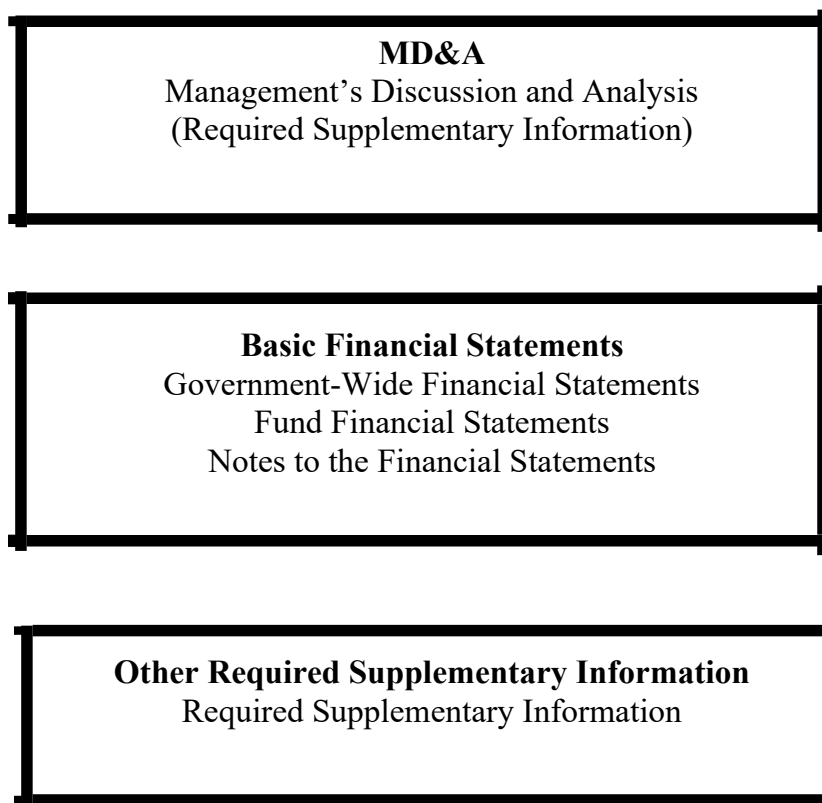
ORLEANS PUBLIC DEFENDERS

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2024

The Orleans Public Defenders' (OPD) Management's Discussion and Analysis is intended to assist the reader in focusing on significant financial issues, provide an overview of OPD's financial activity, and identify changes in OPD's financial position and its ability to address the next and subsequent years' challenges. It also identifies any material deviations from the financial plan and identifies individual fund issues or concerns. This is a requirement of the Governmental Accounting Standards Board Statement No. 34 (GASB 34) *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* and is intended to provide the financial results for the year ended June 30, 2024.

The following is an illustration on how this financial report is presented.



As indicated in the illustration, GASB 34 requires the presentation of two basic types of financial statements: Government-Wide Financial Statements and Fund Financial Statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of OPD's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of OPD's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of OPD is improving or deteriorating.

ORLEANS PUBLIC DEFENDERS

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2024

(Continued)

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be found on pages 9 and 10 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. **OPD**, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of **OPD** are categorized as governmental funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and net change in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

OPD maintains one governmental fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and net change in fund balance for the general fund, which is considered to be the major fund.

OPD adopts an annual budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 11 through 14 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 15 through 26 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning **OPD**'s budgetary comparison schedule for its major governmental fund. The required supplementary information can be found on page 27 of this report.

ORLEANS PUBLIC DEFENDERS

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2024

Financial Analysis of OPD

Summary of Net Position

	As of		
	June 30, 2024	June 30, 2023	Variance
Assets			
Current assets	\$ 9,180,384	\$ 8,810,460	\$ 369,924
Non-current assets	<u>562,822</u>	<u>839,117</u>	<u>(276,295)</u>
Total assets	<u>9,743,206</u>	<u>9,649,577</u>	<u>93,629</u>
Liabilities			
Current liabilities	456,178	670,088	(213,910)
Long-term liabilities	<u>136,571</u>	<u>545,721</u>	<u>(409,150)</u>
Total liabilities	<u>592,749</u>	<u>1,215,809</u>	<u>(623,060)</u>
Net Position			
Net investment in capital assets	134,923	118,608	16,315
Net investment in right of use asset	427,899	720,509	(292,610)
Restricted	40,279	279,498	(239,219)
Unrestricted	<u>8,547,356</u>	<u>7,315,153</u>	<u>1,232,203</u>
Total net position	<u>\$ 9,150,457</u>	<u>\$ 8,433,768</u>	<u>\$ 716,689</u>

As indicated by the statement above, total net position at June 30, 2024 is \$9,150,457. Net position is separated into four categories: net investment in capital assets, net investment in right of use asset, restricted and unrestricted.

Net investment in capital assets of \$134,923 is a combination of capital assets at original cost less accumulated depreciation. The original cost of capital assets is \$280,870, which is an accumulation of capital assets year after year less any capital disposals. Accumulated depreciation is the accumulation of depreciation expense since acquisition. In accordance with accounting principles generally accepted in the United States of America, depreciation expense is recorded on the original cost of the asset, less an estimated salvage value, and expensed over the estimated useful life of the asset. Total accumulated depreciation is \$145,947. Net assets in right of use asset of \$427,899 net of accumulated amortization.

Restricted net position of \$40,279 represents contributions from non-profit organizations whose use has been limited by donor-imposed stipulations that will either expire by passage of time or can be fulfilled and removed by actions of the organization pursuant to those stipulations.

The remaining \$8,547,356 of net position is unrestricted. Unrestricted net position is an accumulation of prior years' operating results. This balance is directly affected each year by OPD's operating results.

ORLEANS PUBLIC DEFENDERS

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2024

(Continued)

Result of Operations

	For the Year Ended June 30, 2024	For the Year Ended June 30, 2023	Variance
Revenues			
District Assistance Funds	\$ 3,396,052	\$ 2,849,836	\$ 546,216
City appropriation	8,877,181	8,377,181	500,000
Court costs on fines and forfeitures	1,389,777	1,196,216	193,561
Other program revenues	394,188	542,019	(147,831)
General revenues	<u>17,868</u>	<u>28,549</u>	<u>(10,681)</u>
Total revenues	<u>14,075,066</u>	<u>12,993,801</u>	<u>1,081,265</u>
Expenses			
Public defense	<u>13,358,377</u>	<u>11,292,997</u>	<u>2,065,380</u>
Total expenses	<u>13,358,377</u>	<u>11,292,997</u>	<u>2,065,380</u>
Change in net position	<u>\$ 716,689</u>	<u>\$ 1,700,804</u>	<u>\$ (984,115)</u>

As indicated above, for the year ended June 30, 2024 net position decreased by \$984,115 due primarily to an increase in personnel, benefits and contract services. The city funding increase offset this downward change in net position.

Total expenses for the year ended June 30, 2024 increased by \$2,065,380 as compared to the year ended June 30, 2023 due primarily to an increase in personnel, benefits, and contract services. Operating revenues for the year ended June 30, 2024 increased by \$1,081,265 when compared to operating revenues for the year ended June 30, 2023 due to an increase in City appropriation revenues and District assistance funds.

Capital Assets

At June 30, 2024, OPD has \$134,923 (net of accumulated depreciation of \$145,947) invested in furniture, fixtures and equipment. During the year ended June 30, 2024, OPD disposed of furniture, fixtures and equipment of \$44,645. In addition, there were right of use leased assets of \$427,899 (net of accumulated amortization) related to the office building.

Economic Factors and Next Year's Budget

The major factor affecting the budget is the local revenue received from court costs on fines and forfeitures, which includes fees received from traffic, municipal, juvenile and criminal courts. Additionally, OPD receives grants, bond funds, a city appropriation, and a district allotment from the Louisiana Public Defender Board.

ORLEANS PUBLIC DEFENDERS

MANAGEMENT'S DISCUSSION AND ANALYSIS For the Year Ended June 30, 2024

Budgetary Highlights

As required by state law, OPD adopts the original budget prior to the commencement of the fiscal year to which the budget applies.

Budgetary Comparison Data **For the Year Ended June 30, 2024**

	Original Budget	Final Budget	Actual
Revenues	\$ 13,358,777	\$ 13,991,277	\$ 14,040,052
Total revenues	13,358,777	13,991,277	14,040,052
Expenses			
Operating expenditures	13,280,800	13,423,300	13,424,494
Capital expenditures	60,000	60,000	54,109
Total expenditures	13,340,800	13,483,300	13,478,603
Net change in fund balance	17,977	507,977	561,449
Fund balance, beginning of year	4,277,677	4,277,677	4,152,065
Fund balance, end of year	\$ 4,295,654	\$ 4,785,654	\$ 4,713,514

Budgetary Highlights, Continued

OPD amended its original budget for the year ended June 30, 2024 to reflect an increase in Traffic court, an increase in Appropriations special, increase in supplementary/emergency funds and Grants-fellowships. Also, **OPD** amended its original budget to increase expenditures-specifically for personnel and benefits offset by decreases in operating and professional service expenditures.

Contacting OPD Financial Management

This financial report is designed to provide citizens, taxpayers, funding sources and creditors with a general overview of OPD's finances and demonstrate OPD's accountability for money it receives. If you have questions about this report or need additional information, contact Mr. Daniel Engelberg, Chief District Defender, at 2601 Tulane Avenue, Suite 700, New Orleans, Louisiana 70119.

Basic Financial Statements

ORLEANS PUBLIC DEFENDERS

STATEMENT OF NET POSITION

June 30, 2024

ASSETS

	Governmental Activities
Current assets	
Cash and cash equivalents	\$ 4,548,908
City appropriation receivable	4,438,591
Court costs on fines and forfeitures receivable	142,625
State and other receivables	<u>50,260</u>
Total current assets	<u>9,180,384</u>
Noncurrent assets:	
Right to use leased asset, (net of accumulated amortization)	427,899
Capital assets, (net of accumulated depreciation)	<u>134,923</u>
Total noncurrent assets	<u>562,822</u>
Total assets	<u><u>9,743,206</u></u>

LIABILITIES AND NET POSITION

Current liabilities	
Accounts payable	28,279
Lease obligation	<u>427,899</u>
Total current liabilities	<u>456,178</u>
Noncurrent liabilities	
Compensated absences	<u>136,571</u>
Total noncurrent liabilities	<u>136,571</u>
Total liabilities	<u>592,749</u>
Net Position	
Net investment in capital assets	134,923
Net investment in right of use lease asset	427,899
Restricted for other purposes	40,279
Unrestricted	<u>8,547,356</u>
Total net position	<u><u>9,150,457</u></u>

The accompanying notes are an integral part of the financial statements.

ORLEANS PUBLIC DEFENDERS

STATEMENT OF ACTIVITIES For the Year Ended June 30, 2024

Program Revenue

District assistance funds	\$ 3,396,052
City appropriation	8,877,181
Court costs on fines and forfeitures	1,389,777
Operating grants	104,000
Bond funds	288,463
Reimbursements and application fees	1,700
Probation assessments	<u>25</u>
Total Program Revenue	<u>14,057,198</u>

General Revenue:

Contributions	<u>17,868</u>
Total general revenue	<u>17,868</u>

Total program and general revenues	<u>14,075,066</u>
------------------------------------	-------------------

Expenses

Public Defense:

Personnel services and benefits	10,198,589
Professional development	27,136
Other operating costs	2,716,072
Interest expense	18,531
Depreciation and amortization	<u>398,049</u>

Total Expenses	<u>13,358,377</u>
----------------	-------------------

Change in Net Position	716,689
------------------------	---------

Net Position at Beginning of Year	<u>8,433,768</u>
-----------------------------------	------------------

Net Position at End of Year	<u>\$ 9,150,457</u>
-----------------------------	---------------------

The accompanying notes are an integral part of the financial statements.

ORLEANS PUBLIC DEFENDERS

BALANCE SHEET - GOVERNMENTAL FUND

June 30, 2024

	<u>General Fund</u>
<u>ASSETS</u>	
Cash	\$ 4,548,908
Court costs on fines and forfeitures receivable	142,625
State and other receivables	<u>50,260</u>
Total Assets	<u><u>\$ 4,741,793</u></u>
<u>LIABILITIES</u>	
Accounts payable	<u>28,279</u>
Total liabilities	<u>28,279</u>
<u>FUND BALANCE</u>	
Restricted for other purposes	40,279
Unrestricted	<u>4,673,235</u>
Total fund balance	<u>4,713,514</u>
Total liabilities and fund balance	<u><u>\$ 4,741,793</u></u>

The accompanying notes are an integral part of the financial statements.

ORLEANS PUBLIC DEFENDERS

RECONCILIATION OF THE BALANCE SHEET - GOVERNMENT FUND TO THE STATEMENT OF NET POSITION June 30, 2024

Total fund balance - Governmental Fund		\$ 4,713,514
Amount reported the governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and; therefore; are not reported in the governmental fund:		
Cost of capital assets	280,870	
Accumulated depreciation	<u>(145,947)</u>	134,923
Right to use lease assets and their related liabilities used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Right to use lease asset (net of accumulated amortization)	427,899	
Lease liability	<u>(427,899)</u>	-
Receivables not available to meet the liabilities of the current period may not be included as governmental fund revenue or receivables:		
City of New Orleans appropriation receivable	<u>4,438,591</u>	4,438,591
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental fund:		
		<u>(136,571)</u>
Net position of governmental activities		<u><u>\$ 9,150,457</u></u>

The accompanying notes are an integral part of the financial statements.

ORLEANS PUBLIC DEFENDERS

STATEMENT OF REVENUES, EXPENDITURES AND NET CHANGE
IN FUND BALANCE - GOVERNMENTAL FUND
For the Year Ended June 30, 2024

	<u>General Fund</u>
REVENUE	
Local appropriation	\$ 8,627,180
District assistance funds	3,396,052
Court costs on fines and forfeitures	1,389,777
Grants	318,987
Bond funds	288,463
Other revenue	17,868
Reimbursements and application fees	1,700
Probation assessments	25
Total revenues	<u>14,040,052</u>
EXPENDITURES	
Current	
Personnel services and benefits	10,179,840
Other operating costs	2,783,718
Professional development	27,136
Capital outlays	54,109
Lease:	
Redemption of principal	415,269
Interest	18,531
Total expenditures	<u>13,478,603</u>
Net change in fund balance	561,449
Fund balance at beginning of year	<u>4,152,065</u>
Fund balance at end of year	<u><u>\$ 4,713,514</u></u>

The accompanying notes are an integral part of the financial statements.

ORLEANS PUBLIC DEFENDERS

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND NET CHANGE IN FUND BALANCE-GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2024

Net change in fund balance		\$ 561,449
Amounts reported for governmental activities the Statement of Net Position are different because:		
The Governmental Fund reported capital outlays as expenditures whereas in the Statement of Activities these costs are depreciated over their estimated lives:		
Depreciation expense		(37,794)
Capital outlays		54,109
Receivables not available to meet the liabilities of the fiscal year may not be included as governmental fund revenue or receivables:		
City of New Orleans appropriation revenue	4,438,591	
Grant revenue	<u>(214,987)</u>	4,223,604
Receivables of the previous fiscal year that were not available to meet the liabilities of that year, but which were collected during the current fiscal year, are included as governmental fund revenue of the current fiscal year:		
City of New Orleans appropriation revenue	<u>(4,188,590)</u>	(4,188,590)
Change in right to use lease asset and lease liability in accordance with GASB 87		122,660
In the statement of activities, the cost of compensated absences is measured by the amounts earned during the year, while in the governmental fund expenditures are recognized based on the amounts actually paid for leave used. This is the net amounts of vacation and sick leave used (earned) in excess of the amount earned (used) in the current period.		<u>(18,749)</u>
Change in net position of governmental activities		<u>\$ 716,689</u>

The accompanying notes are an integral part of the financial statements.

ORLEANS PUBLIC DEFENDERS

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2024

Note 1 – Background and Summary of Significant Accounting Policies

Background

Orleans Public Defenders (OPD), established in compliance with Louisiana Revised Statutes 15.146 et seq., provides counsel to represent indigents (needy individuals) in criminal, quasi-criminal, juvenile, municipal and traffic cases at the District Court level. The 41st judicial district encompasses the Parish of Orleans, Louisiana. All duties and responsibilities for the management of personnel, property and funds are by virtue of Act 307 those of the District Defender. Revenues to finance OPD's operations are provided primarily by District Assistance Funds from the Louisiana Public Defender Board (LPDB), City of New Orleans budget appropriations, and court costs on fines imposed by the various courts within the district.

Summary of Significant Accounting Policies

A. Implementation of GASB Statements

OPD implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a governmental fund balance more transparent. The following classifications describe the relative strength of the spending constraints:

- Nonspendable fund balance- Amounts that are not in spendable form (such as inventory) or are required to be maintained intact.
- Restricted fund balance- amounts constrained to specific purposes by their provider (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- Committed fund balance - amounts constrained to specific purposes by OPD itself, using its highest level of decision-making authority. To be reported as committed, amounts cannot be used for any other purpose unless OPD takes the same highest level action to remove or change the constraint.
- Assigned fund balance - amounts OPD intends to use for a specific purpose. Intent can be expressed by the District Defender or by an official to which the District Defender delegates the authority
- Unassigned fund balance- amounts that are available for any purpose. Positive amounts are reported only in the general fund

ORLEANS PUBLIC DEFENDERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2024

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, OPD considers restricted funds to have been spent first.

At June 30, 2024, OPD had no nonspendable, committed, or assigned fund balances.

OPD has also implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflow of Resources, and Net Position*, effective fiscal year 2013. This standard provides guidance for reporting the financial statement elements of deferred outflows of resources and deferred inflows of resources.

Deferred outflows represent the consumption of the government's net position that is applicable to a future reporting period. A deferred inflow represents the acquisition of net position that is applicable to a future reporting period.

Because deferred outflows and deferred inflows are, by definition, neither assets nor liabilities, the statement of net assets, title is now referred to as the statement of net position. The statement of net position reports net position as the difference between all other elements in a statement of net position and should be displayed in three components: net investment in capital assets, restricted net position (distinguishing between major categories of restrictions), and unrestricted net position.

Net investment in capital assets - This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding debt attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the position of the debt attributable to the unspent proceeds is not included in this component of net position. Rather, that portion is included in the same component of net position as the unspent proceeds.

- Restricted - This component reports those net position with externally imposed constraints placed on their use by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- Unrestricted - Unrestricted net position is the balance (deficit) of all other elements in a statement of net position remaining after net investment in capital assets and restricted net position.

B. Basis of Presentation

The accompanying financial statements of OPD have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

ORLEANS PUBLIC DEFENDERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2024

C. Reporting Entity

For financial reporting purposes, in conformance with GASB Codification Section 2100, OPD is a part of the District Court System of the State of Louisiana. However, OPD operates autonomously from the State of Louisiana and independently from the District Court System. Therefore, OPD reports as an independent reporting entity and the financial statements include only the transactions of OPD.

D. Fund Accounting

OPD 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 OPD functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The funds of OPD are classified as governmental.

The governmental funds account for all of OPD's general activities. 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 funds 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 OPD. The following is a description of OPD's governmental fund:

- General Fund- the operating fund of OPD which accounts for all financial resources. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to OPD.

E. Basis of Accounting/Measurement Focus

The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. These statements include all the financial activities of OPD.

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 occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Fund Financial Statements (FFS)

Governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and net change in fund balance reports

ORLEANS PUBLIC DEFENDERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2024

on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the governmental-wide statements and the statements for governmental funds are prepared.

Governmental fund financial statements therefore include a reconciliation with brief explanations to better identity the relationship between the government- wide statements and the statements for governmental funds.

FFS report detailed information about OPD. The focus of governmental fund financial statements is on major funds rather than reporting funds by type.

Governmental funds are maintained on the modified accrual basis of accounting wherein revenues are recognized in the accounting period in which they become available and measurable. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, OPD considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. OPD uses the following practices in recording revenues and expenditures.

- Revenues - Court costs on fines and forfeitures are recorded in the month the amounts are collected by the appropriate courts. Interest income on time deposits is recorded when the time deposits have matured.
- Expenditures- Expenditures are recognized in the accounting period in which the liability is incurred.

F. Budgetary Data

OPD's Governing Authority as of July, 2008, is the District Defender by virtue of Act 307.

OPD utilizes the following budget practices:

- In the last quarter of the year, a budget for the following year is prepared and submitted to the Governing Authority for approval. The budget may be amended during the year, if requested, with the approval of the Governing Authority.
- The budget records are maintained in the accounting department with all other public records of this program and can be reviewed by making arrangements with the Governing Authority.
- The budget is based on prior year experience as to receipts and disbursements and takes into consideration increases in costs of services and supplies, taxes, insurance and equipment, as well as the increased costs of salaries and fringe benefits when raises and/or new positions are authorized. The budget as a whole is based on the amount of money

ORLEANS PUBLIC DEFENDERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2024

that is available and the disbursements that are necessary to maintain the efficient operation of this program.

- Monthly financial reports are submitted to the Governing Authority, which in part list the amount of the budget that has been used for that period and indicates a favorable or unfavorable difference as to the budget amount attributed to the period of time being reported.
- All budgetary appropriations lapse at the end of the fiscal year and OPD does not use a system of encumbrance accounting.
- The budget for the general fund expenditures is prepared on a basis consistent with accounting principles generally accepted in the United States of America.

G. Cash and Cash Equivalents

Cash includes amounts in demand deposits and interest-bearing time deposits. Cash equivalents include amounts in time deposits with original maturities of ninety (90) days or less. Under state law, OPD may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, 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

Capital assets are stated at historical cost at the date of purchased or at fair market value at the date of donation, if donated. Additions, improvements, and expenditures greater than \$1,000 that significantly extend the useful life of an asset are capitalized.

Depreciation is provided over the estimated useful lives of assets using the straight-line method. The estimated useful lives of furniture, fixtures and equipment range from three (3) to seven (7) years (see NOTE 5).

I. Compensated Absences

Employees earn one and one-half (1 ½,) days of annual leave each month. Sick leave is earned at the rate of one (1) day each month. A maximum of 40 hours of annual leave and 120 hours of sick leave may be carried over to the subsequent year. Upon termination of employment, any unused accrued annual leave is payable to the employee while any unused sick leave is forfeited.

J. Use of Estimates

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

ORLEANS PUBLIC DEFENDERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2024

Note 2 – Cash

At June 30, 2024, OPD has cash in demand deposit accounts (book balances) totaling \$4,548,908. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance, or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of OPD in a holding or custodial bank that is mutually acceptable to both parties.

Custodial credit risk is the risk that in the event of failure of a financial institution or counterparty, OPD would not be able to recover its deposits, investments or collateral securities that are in the possession of an outside party. At June 30, 2024, OPD has \$4,794,930 in deposits (collected bank balances) at two financial institutions. These deposits are secured from risk by \$250,000 of federal deposit insurance per bank, with the remaining balance collateralized by pledged securities held by the custodial bank in the name of OPD.

Note 3 – Concentration of Credit Risk

The Organization periodically maintains cash in bank accounts in excess of insured limits. At June 30, 2024, the Organization's cash included bank deposit accounts aggregating approximately \$4,544,930. of the Federal Deposit Insurance Corporation limit of \$250,000 per institution.

The Organization made an arrangement with a certain financial institution, who holds most of their bank deposits, that stated the financial institution will purchase pledged securities to be used as collateral against the excess of deposits over FDIC insurance coverage limit.

Note 4 – Grants Receivable

At June 30, 2024, OPD has no grants receivable.

(Remainder of the page intentionally left blank)

ORLEANS PUBLIC DEFENDERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2024

Note 5 – Capital Assets

Capital assets and depreciation activity as of and for the year June 30, 2024, are as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Furniture, fixtures and equipment	\$ 271,406	\$ 54,109	\$ (44,645)	\$ 280,870
Less: Accumulated depreciation	<u>(152,798)</u>	<u>(37,794)</u>	<u>44,645</u>	<u>(145,947)</u>
Net capital assets	<u>\$ 118,608</u>	<u>\$ 16,315</u>	<u>\$ -</u>	<u>\$ 134,923</u>

Note 6 – Compensated Absences

The following schedule summarizes the change in long-term compensated absences for the year ended June 30, 2024:

Compensated absences at July 1, 2023	\$ 117,822
Additions	745,426
Deductions	<u>(726,678)</u>
Compensated absences at June 30, 2024	<u>\$ 136,571</u>

Note 7 – District Assistance Fund

During the year ended June 30, 2024, OPD was awarded and received grant funds from the Louisiana Public Defender Board's (LPDB) District Assistance Fund in the amount of \$3,396,052.

The District Assistance Fund is a grant-in-aid program intended to provide supplemental financial assistance in felony cases to district public defender boards that have a need for such supplemental funding and that are willing to comply with the standards, guidelines, and policies of the LPDB.

Funding under the program is being provided to assist qualified districts in improving the quality of indigent defense on a continuous basis especially with respect to the following major goals:

- 1) To lower attorney caseloads to levels consistent with LPDB and national caseload standards.

ORLEANS PUBLIC DEFENDERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2024

- 2) To increase the pool of qualified attorneys certified under the LPDB's capital and appellate programs.
- 3) To provide more effective attorney unit support in the form of investigators, secretaries, and other forms of office support.
- 4) To improve criminal defense knowledge and skill through training, specialized continuing legal education, and better supervision; and
- 5) To defray expert witness/testing costs.

Note 8 – Grants revenue

OPD received grant funding from the following sources during the year ended June 30, 2024:

Louisiana Public Defender Board	\$ 50,000
Loyola Law - Summer Clerks	<u>54,000</u>
Total	<u>\$ 104,000</u>

Note 9 – Operating Lease

In February 2014, the Organization entered into an agreement to occupy office space under a non-cancellable operating lease. The initial term of the lease was for a four (4) year period ended January 31, 2018. The Organization exercised two (2) additional (4) year lease renewal options to extend the lease term. The lease calls for monthly installments of \$36,150 expiring June 30, 2025.

The Organization has recorded a right to use lease asset. The asset is a right to use asset for office space. The related lease liability is discussed on page 23. The right to use lease asset is amortized on a straight-line basis over the terms of the related asset.

	Beginning Balance	Increases	Decreases	Ending Balance
Right to use asset:				
Office space	\$ 1,410,998	\$ -	\$ -	\$1,410,998
Less accumulated amortization	<u>690,489</u>	<u>292,610</u>	<u>-</u>	<u>983,099</u>
Right to use asset, net	<u>\$ 720,509</u>	<u>\$ 292,610</u>	<u>\$ -</u>	<u>\$ 427,899</u>

This lease agreement qualifies as other than short-term lease under GASB 87 and, therefore, has been recorded at the present value of the future minimum lease payments of the date of their inception. There are no variable payment components of the lease. The lease liability is measured at a discount of 3%. At June 30, 2024, the net book value of the right to use asset is \$360,253. The

ORLEANS PUBLIC DEFENDERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2024

future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2024 were as follows:

For the Year Ending June 30	Principal Payments	Interest Payments	Total
2025	<u>427,899</u>	<u>5,901</u>	<u>433,800</u>
Total	<u>\$ 427,899</u>	<u>\$ 5,901</u>	<u>\$433,800</u>

Note 10 – Classification of Net Position

On the GWFS, net position is separated into three categories: net investment in capital assets, restricted, and unrestricted.

The restricted balance on the GWFS represents the portion of previously recognized grant revenues for which donor-imposed restrictions have not yet been met. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the government considers restricted funds to have been spent.

On the GWFS, restricted net position as of June 30, 2024, consists of the following:

Expert fees	\$ 7,879
Loyola University - Law Clerks	<u>32,400</u>
Total	<u>\$ 40,279</u>

Remainder of the page intentionally left blank)

ORLEANS PUBLIC DEFENDERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2024

Note 11 – Governmental Fund Revenues and Expenditures

For the year June 30, 2024, the major sources of governmental fund revenues and expenditures were as follows:

Revenues

State Government

Appropriations - general	\$ 3,396,052	
Grants	<u>54,000</u>	
Total		<u>3,450,052</u>

Local Government

Appropriations - general	8,627,180	
Statutory fines, forfeitures, fees court costs, and other	<u>1,678,240</u>	
Total		<u>10,305,420</u>

Other Grants and Contributions

Non-profit organizations	264,987	
Other	<u>17,868</u>	
Total		<u>282,855</u>

Charges for Services		<u>1,725</u>
Total revenues		<u>\$ 14,040,052</u>

(Remainder of the page intentionally left blank)

ORLEANS PUBLIC DEFENDERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2024

Expenditures

Personnel Services and Benefits

Salaries	\$ 7,240,297	
Insurance	1,140,770	
Payroll taxes	608,805	
Other	<u>1,189,968</u>	
Total		<u>10,179,840</u>

Professional Development

Dues, licenses, and registrations	<u>27,136</u>	
Total		<u>27,136</u>

Operating Costs

Library and research	53,590	
Contract services - attorney/legal	1,839,575	
Expert witness and investigators	301,024	
Contract services - other	125,624	
Professional services	11,558	
Lease - office	433,800	
Lease - autos and other	30,292	
Travel - transportation	21,810	
Insurance	66,223	
Supplies	71,006	
Repairs and maintenance	13,310	
Utilities and telephone	80,610	
Bad debt expense	18,500	
Other	<u>150,596</u>	
Total		<u>3,217,518</u>

Capital outlay	<u>54,109</u>	<u>54,109</u>
----------------	---------------	---------------

Total expenditures		<u>\$ 13,478,603</u>
--------------------	--	----------------------

(Remainder of the page intentionally left blank)

ORLEANS PUBLIC DEFENDERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2024

Note 11 – Pension Plan

OPD's employees participate in the federal social security program. OPD is required to remit an amount to the Social Security Administration equal to the employee's contribution up to an established limit. OPD does not guarantee any of the benefits granted by the Social Security Administration.

Note 12 – Risk Management

OPD is exposed to various risks of loss related to torts, theft of, and damage to and destruction of assets for which OPD carries commercial insurance. Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated.

(Remainder of the page intentionally left blank)

SUPPLEMENTARY INFORMATION

ORLEANS PUBLIC DEFENDERS

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive/ (Negative)
Revenues				
Grants - Indirect (pass thru State)	\$ 50,000	\$ 50,000	\$ 50,000	\$ -
Child in Need of Care (CINC)	62,500	100,000	130,979	30,979
District assistance funds	2,746,996	2,746,996	2,805,073	58,077
Supplemental/Emergency Funds	-	100,000	-	(100,000)
Other State Income	460,000	460,000	460,000	-
Appropriations - General	8,127,181	8,127,181	8,127,181	-
Appropriations - Special	250,000	500,000	500,000	-
Court Revenue	1,510,100	1,685,100	1,678,264	(6,836)
Application fees	2,000	2,000	1,700	(300)
Grants - Fellowships	120,000	200,000	268,987	68,987
Donations	30,000	20,000	17,868	(2,132)
Total revenues	<u>13,358,777</u>	<u>13,991,277</u>	<u>14,040,052</u>	<u>48,775</u>
Expenditures				
Personnel services and benefits				
Salaries	7,000,000	7,400,000	7,240,297	159,703
Accrued leave	520,000	570,000	745,427	(175,427)
Hospitalization insurance	1,060,000	1,140,000	1,140,770	(770)
Payroll taxes	570,000	600,000	608,805	(8,805)
Retirement	450,000	450,000	444,847	5,153
Workers' compensation	10,000	10,000	(306)	10,306
Total Personnel and Benefits	<u>9,610,000</u>	<u>10,170,000</u>	<u>10,179,840</u>	<u>(9,840)</u>
Professional development	75,000	75,000	27,136	47,864
Operating Services				
Insurance - Malpractice	60,000	60,000	57,388	2,612
Insurance - Auto/Physical Liability	12,000	12,000	8,835	3,165
Lease - Office	433,800	433,800	433,800	-
Lease - Equipment	30,000	30,000	30,292	(292)
Repair and maintenance	20,000	20,000	13,310	6,690
Telephone/Comms/Internet	110,000	80,000	80,610	(610)
Office supplies	100,000	75,000	71,006	3,994
Travel/lodging/mileage	30,000	30,000	21,810	8,190
Law library/journals/subscriptions	80,000	65,000	53,590	11,410
Other operating expenses	<u>200,000</u>	<u>115,000</u>	<u>29,378</u>	<u>85,622</u>
Total Operating services	<u>1,075,800</u>	<u>920,800</u>	<u>800,019</u>	<u>120,781</u>
Professional Services				
Audit/accounting expense	40,000	40,000	45,224	(5,224)
Expert witness	250,000	210,000	223,865	(13,865)
Contract - Investigators	50,000	50,000	43,599	6,401
Contract - Interpreters	-	2,500	-	2,500
Contract - Social Workers	50,000	35,000	-	35,000
Contract - Conflict Representation	1,000,000	725,000	1,214,675	(489,675)
Contract - Juvenile Attorneys or CINC	1,000,000	600,000	607,400	(7,400)
Contract - Mid Attorneys	50,000	15,000	17,500	(2,500)
Contract - City	-	500,000	125,624	374,376
IT/Technical support	80,000	80,000	80,400	(400)
Other	<u>-</u>	<u>-</u>	<u>59,212</u>	<u>(59,212)</u>
Total Professional Services	<u>2,520,000</u>	<u>2,257,500</u>	<u>2,417,499</u>	<u>(159,999)</u>
Capital outlays	<u>60,000</u>	<u>60,000</u>	<u>54,109</u>	<u>5,891</u>
Total expenditures	<u>13,340,800</u>	<u>13,483,300</u>	<u>13,478,603</u>	<u>4,697</u>
Net change in fund balance	17,977	507,977	561,449	53,472
Fund balance - June 30, 2023	<u>4,277,677</u>	<u>4,277,677</u>	<u>4,152,065</u>	<u>(125,612)</u>
Fund balance - June 30, 2024	<u>\$ 4,295,654</u>	<u>\$ 4,785,654</u>	<u>\$ 4,713,514</u>	<u>\$ (72,140)</u>

See Independent Auditors' Report on Supplementary Information

ORLEANS PUBLIC DEFENDERS

**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO CHIEF DISTRICT DEFENDER
For the Year Ended June 30, 2024**

Chief District Defender Name: Daniel Engelberg

<u>PURPOSE</u>	<u>AMOUNT</u>
Salary	\$ 137,000
Benefits - health and life insurance	10,750
Benefits - retirement	8,563
Benefits - payroll taxes	10,481
Mobile phone	624
Conference/Training(registration, travel)	557
	<u>\$ 167,975</u>

ORLEANS PUBLIC DEFENDERS

JUSTICE SYSTEM FUNDING SCHEDULE-RECEIVING ENTITY
AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION
For the Year Ended June 30, 2024

Cash Basis Presentation

	First Six Month Period Ended 12/31/2023	Second Six Month Period Ended 06/30/2024
Receipts From:		
Orleans Parish Criminal District Court- Application Fees	\$ 975	\$ 620
Orleans Parish Criminal Sheriff-Criminal Bond Fees	3,320	10,054
Orleans Parish Criminal Sheriff-Bail Bond	118,372	146,249
Municipal & Traffic Court of New Orleans- Seat Belt	11,275	11,265
Municipal & Traffic Court of New Orleans- Traffic Fines	161,547	178,974
Municipal & Traffic Court of New Orleans- Municipal	3,872	7,402
Total Receipts	\$ 299,361	\$ 354,564



DONALD R. FORD

CERTIFIED PUBLIC ACCOUNTANT
A LIMITED LIABILITY COMPANY
MEMBER

AMERICAN INSTITUTE OF CPAS
SOCIETY OF LOUISIANA CPAS

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

To the Chief District Defender
Orleans Public Defenders
New Orleans, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of **Orleans Public Defenders (OPD)**, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise **OPD's** basic financial statements and have issued my report thereon dated December 27, 2024.

Report on Internal Control over Financial Reporting

In planning and performing my audit of the financial statements, I considered **OPD'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 my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of **OPD's** internal control. Accordingly, I do not express an opinion on the effectiveness of **OPD'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.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether **OPD's** financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of our tests disclosed no instance of noncompliance that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of my 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.

Donald R. Ford, CPA, LLC

A handwritten signature in dark ink that reads "Donald R. Ford, CPA LLC". The signature is written in a cursive, flowing style.

Baton Rouge, Louisiana

December 27, 2024

ORLEANS PUBLIC DEFENDERS

SCHEDULE OF FINDINGS For the Year Ended June 30, 2024

Part I- Summary of Auditor's Results

Financial Statements

- | | |
|--------------------------------------------------------------|------------|
| I. Type of auditor report issued: | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified? | No |
| 3. Noncompliance material to the financial statements noted? | No |

Federal Awards

Not applicable.

Part II - Financial Statement Findings

There were no financial statement findings.

ORLEANS PUBLIC DEFENDERS

SCHEDULE OF PRIOR YEAR FINDINGS

For the Year Ended June 30, 2024

Section I. Internal Control and Compliance Material to the Financial Statements

No matters were reported.

Section II. Findings – Financial Statements Audit

2023-001 Late Submission of Audit Report to Legislative Auditor

Fiscal Year Finding Originated: 2023

Condition:

Orleans Public Defenders’ audit report for the fiscal year ending June 30, 2023 was not completed within the six-month deadline as per R. S. 24:513 A(5)(a)(i).

Effect:

Management did not comply with the requirements of R. S. 24:513 A(5)(a)(i).

Criteria:

LSA-R.S.24.513 states that “all engagements must be completed and transmitted to the legislative auditor within six months of the auditee fiscal year. “The Orleans Public Defenders’ audit report should be submitted to the Louisiana Legislative Auditor by December 31” each year.

Cause:

The financial information did not comply with the requirements of R. S. 24:513 A(5)(a)(i).

Recommendation:

The audit report should be submitted to Louisiana Legislative Auditor by the December 31st deadline.

Current Status:

Resolved.



DONALD R. FORD

CERTIFIED PUBLIC ACCOUNTANT
A LIMITED LIABILITY COMPANY
MEMBER

AMERICAN INSTITUTE OF CPAS
SOCIETY OF LOUISIANA CPAS

INDEPENDENT ACCOUNTANTS'
REPORT ON APPLYING AGREED
UPON PROCEDURES

To the Governing Board of the Orleans Public Defenders
and the Louisiana Legislative Auditor:

I have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2023, through June 30, 2024. Orleans Public Defenders' management is responsible for those C/C areas identified in the SAUPs.

The Orleans Public Defenders (hereinafter "OPD") 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 OPD's SAUPs for the fiscal period July 1, 2023 through June 30, 2024. 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 the entity's operations:

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

I performed the procedures above and noted no exceptions.

- 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.

I performed the procedures above and noted no exceptions.

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

I performed the procedures above and noted no exceptions.

- 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.)

I performed the procedures above and noted no exceptions.

- e. ***Payroll/Personnel***, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

I performed the procedures above and noted no exceptions.

- 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.

I performed the procedures above and noted no exceptions.

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

I performed the procedures above and noted no exceptions.

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

I performed the procedures above and noted no exceptions.

- 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) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

I performed the procedures above and noted no exceptions.

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

I performed the procedures above and noted no exceptions.

- k. ***Information Technology Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of data backups, (2) storage 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 systems and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

I performed the procedures above and noted no exceptions.

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

I performed the procedures above and noted no exceptions.

Board or Finance Committee

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

- a. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

I performed the procedures above and noted no exceptions.

- b. For those entities reporting on the governmental accounting model, observe whether the minutes reference 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 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.

I performed the procedures above and noted no exceptions.

- c. 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.

I performed the procedures above and noted no exceptions.

- d. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved

I performed the procedures above and noted no exceptions.

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:

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

I performed the procedures above and noted no exceptions.

- 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

I performed the procedures above and noted no exceptions.

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

I performed the procedures above and noted no exceptions.

Collections

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

I performed the above procedures and noted no exceptions.

- 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 segregated at each collection location such that:

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

I performed the procedures above and noted no exceptions.

- 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.

I performed the procedures above and noted no exceptions.

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

I performed the procedures above and noted no exceptions.

- 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/official verifies the reconciliation.

I performed the procedures above and noted no exceptions.

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

I performed the above procedures and noted no exceptions.

- 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). Alternatively, 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.

I performed the procedure above and noted no exceptions.

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

I performed the procedure above and noted no exceptions.

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

I performed the procedure above and noted no exceptions.

- d. Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

I performed the procedure above and noted no exceptions.

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

I performed the procedure above and noted no exceptions.

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).

I performed the above procedures and noted no exceptions.

- 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.

I performed the procedure above and noted no exceptions.

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

I performed the procedure above and noted no exceptions.

- 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.

I performed the procedure above and noted no exceptions.

- 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.

I performed the procedure above and noted no exceptions.

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 whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.

I performed the procedure above and noted no exceptions.

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

I performed the procedure above and noted no exceptions.

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 (card) 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.

I performed the procedure above and noted no exceptions.

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

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

I performed the procedure above and noted no exceptions.

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

I performed the procedures above and noted no exceptions.

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 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.

I performed the procedure above and noted no exceptions.

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:

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

I performed the procedure above and noted no exceptions

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

I performed the procedure above and noted no exceptions.

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

I performed the procedure above and noted no exceptions.

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

I performed the procedure above and noted no exceptions.

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:

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

I performed the procedures above and noted no exceptions.

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

I performed the procedure above and noted no exceptions.

- c. If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).

I performed the procedure above and noted no exceptions.

- 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.

I performed the procedure above and noted no exceptions.

Payroll and Personnel

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

I performed the procedure above and noted no exceptions.

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

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

I performed the procedure above and noted no exceptions.

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

I performed the procedure above and noted no exceptions.

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

I performed the procedure above and noted no exceptions.

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

I performed the procedure above and noted no exceptions.

- 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' cumulative 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.

I performed the procedure above and noted no exceptions.

- 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.

We performed the procedure above and noted no exceptions.

Ethics

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

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

I performed the procedures above and 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.

I performed the procedures above and no exceptions noted.

Debt Service

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

I performed the procedure above and noted no exceptions.

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).

I performed the procedure above and noted no exceptions.

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.

I performed the procedure above and noted no exceptions.

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.

I performed the procedure above and noted no exceptions.

Information Technology Disaster Recovery/Business Continuity

25.) Perform the following procedures, verbally discuss the results with management, and report "I 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.

I performed the procedures above and noted no exceptions.

- 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.

I performed the above procedures and noted no exceptions.

- 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.

I performed the procedure above and noted no exceptions.

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 the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

I performed the procedures above and noted no exceptions.

- 27.) Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

I performed the procedures above and noted no exceptions.

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

I performed the procedures above and noted no exceptions.

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

All

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

There were four sexual harassment complaints filed during the FY 2024.

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

There were two sexual harassment complaints that resulted in a finding that sexual harassment occurred during FY 2024.

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

71 administrative hours were spent resolving the complaints for FY 2024.

I was engaged by Orleans Public Defenders to perform this agreed-upon procedures engagement and conducted my engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. I was 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, I do not express such an opinion or conclusion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

I am required to be independent of Orleans Public Defenders and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements related to my 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.

Donald R. Ford, CPA, LLC

A handwritten signature in cursive script that reads "Donald R. Ford, CPA LLC".

Baton Rouge, Louisiana
December 27, 2024