

**15TH JUDICIAL DISTRICT
PUBLIC DEFENDERS' OFFICE**

FINANCIAL REPORT

June 30, 2021

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	1-3
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements (GWFS)	
Statement of net position	6
Statement of activities	7
Fund Financial Statements (FFS)	
Balance sheet - governmental fund	9
Reconciliation of the governmental fund balance sheet to the statement of net position	10
Statement of revenues, expenditures, and changes in fund balance - governmental fund	11
Reconciliation of the statement of revenues, expenditures, and changes in fund balance of the governmental fund to the statement of activities	12
Notes to the basic financial statements	13-22
REQUIRED SUPPLEMENTARY INFORMATION	
General Fund:	
Budgetary comparison schedule	24
OTHER SUPPLEMENTARY INFORMATION	
Justice System Funding Schedules - Receiving Entity	26
INTERNAL CONTROL, COMPLIANCE, AND OTHER MATTERS	
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 <i>Government Auditing Standards</i>	28-29
Summary schedule of current and prior year audit findings and management's corrective action plan	30

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Brad E. Kolder, CPA, JD*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Stephen J. Anderson, CPA*
Christine C. Doucet, CPA
Wanda F. Arcement, CPA
Bryan K. Joubert, CPA
Matthew E. Margaglio, CPA
Casey L. Ardoin, CPA, CFE

183 S. Beadle Rd. 11929 Bricksome Ave.
Lafayette, LA 70508 Baton Rouge, LA 70816
Phone (337) 232-4141 Phone (225) 293-8300

1428 Metro Dr. 450 E. Main St.
Alexandria, LA 71301 New Iberia, LA 70560
Phone (318) 442-4421 Phone (337) 367-9204

200 S. Main St. 1201 David Dr.
Abbeville, LA 70510 Morgan City, LA 70380
Phone (337) 893-7944 Phone (985) 384-2020

434 E. Main St. 332 W. Sixth Ave.
Ville Platte, LA 70586 Oberlin, LA 70655
Phone (337) 363-2792 Phone (337) 639-4737

Victor R. Slaven, CPA* - retired 2020

* A Professional Accounting Corporation

WWW.KSRCPCAS.COM

INDEPENDENT AUDITOR'S REPORT

To the District Public Defender of the
15th Judicial District Public Defenders' Office
Lafayette, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund, of the 15th Judicial District Public Defenders' Office (District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the District, as of June 30, 2021, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 24 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The justice system funding schedule on page 26 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The justice system funding schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards general accepted in the United States of America. In our opinion, the justice system funding schedule is fairly stated in all material respects to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2021, on our consideration of the District'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 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'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's internal control over financial reporting and compliance.

KOLDER, SLAVEN & COMPANY, LLC
Certified Public Accountants

Lafayette, Louisiana
December 30, 2021

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

15th JUDICIAL DISTRICT PUBLIC DEFENDERS' OFFICE
Parishes of Lafayette, Acadia, and Vermilion

Statement of Net Position
June 30, 2021

	<u>Governmental Activities</u>
ASSETS	
Current assets:	
Cash and interest-bearing deposits	\$ 967,308
Due from other governmental agencies	201,767
Prepaid expenses	<u>32,524</u>
Total current assets	1,201,599
Noncurrent assets:	
Capital assets, net of accumulated depreciation	<u>21,024</u>
Total assets	<u>1,222,623</u>
LIABILITIES	
Current liabilities:	
Accounts payable	3,096
Accrued liabilities	22,962
Capital lease payable	<u>7,537</u>
Total current liabilities	33,595
Noncurrent liabilities:	
Capital lease payable	<u>1,604</u>
Total liabilities	<u>35,199</u>
NET POSITION	
Net investment in capital assets	11,883
Unrestricted	<u>1,175,541</u>
Total net position	<u>\$ 1,187,424</u>

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

15th JUDICIAL DISTRICT PUBLIC DEFENDERS' OFFICE
Parishes of Lafayette, Acadia, and Vermilion

Statement of Activities
For the Year Ended June 30, 2021

Activities	Expenses	Program Revenues		Governmental Activities Net (Expense) Revenue and Change in Net Position
		Charges for Services and Fines	Operating Grants and Contributions	
Governmental activities:				
General government	\$ 4,217,576	\$ 1,949,496	\$ 2,615,838	\$ 347,758
Interest	<u>1,138</u>	<u>-</u>	<u>-</u>	<u>(1,138)</u>
Total	<u>\$ 4,218,714</u>	<u>\$ 1,949,496</u>	<u>\$ 2,615,838</u>	346,620
General revenues:				
Interest income				<u>9,142</u>
Change in net position				355,762
Net position, beginning				<u>831,662</u>
Net position, ending				<u>\$ 1,187,424</u>

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

FUND FINANCIAL STATEMENTS

15th JUDICIAL DISTRICT PUBLIC DEFENDERS' OFFICE
 Parishes of Lafayette, Acadia, and Vermilion
 Governmental Fund

Balance Sheet
 June 30, 2021

	General Fund
ASSETS	
Assets:	
Cash and interest-bearing deposits	\$ 967,308
Due from other governmental agencies	201,767
Prepaid expenses	32,524
Total assets	\$ 1,201,599
LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable	\$ 3,096
Payroll taxes payable	22,962
Total liabilities	26,058
Fund balance:	
Nonspendable - prepaid items	32,524
Unassigned	1,143,017
Total fund balance	1,175,541
Total liabilities and fund balance	\$ 1,201,599

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

15th JUDICIAL DISTRICT PUBLIC DEFENDERS' OFFICE
Parishes of Lafayette, Acadia, and Vermilion

Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Position
June 30, 2021

Total fund balance for governmental funds at June 30, 2021	\$ 1,175,541
Total net position reported for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and; therefore, are not reported in the funds. Those assets consist of:	
Equipment and furniture, net of \$124,489 accumulated depreciation	21,024
Long-term liabilities at June 30, 2021:	
Capital lease payable	<u>(9,141)</u>
Net position at June 30, 2021	<u>\$ 1,187,424</u>

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

15th JUDICIAL DISTRICT PUBLIC DEFENDERS' OFFICE
 Parishes of Lafayette, Acadia, and Vermilion
 Governmental Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance
 For the Year Ended June 30, 2021

	General Fund
Revenues:	
Intergovernmental revenues -	
Court cost and bond forfeitures	\$ 1,842,540
District assistance fund - Louisiana IDAB	2,615,838
Charges for services -	
Partially indigent and application fees	106,956
Investment earnings	9,142
Total revenues	4,574,476
Expenditures:	
Current -	
Indigent defense:	
Operations	4,211,147
Debt service -	
Principal	6,898
Interest	1,138
Capital outlay	1,250
Total expenditures	4,220,433
Excess of revenues over expenditures	354,043
Fund balance, beginning	821,498
Fund balance, ending	\$ 1,175,541

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

15th JUDICIAL DISTRICT PUBLIC DEFENDERS' OFFICE
Parishes of Lafayette, Acadia, and Vermilion

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balance of the Governmental Fund
to the Statement of Activities
For the Year Ended June 30, 2021

Net change in fund balance for the year ended June 30, 2021, per statement of revenues, expenditures and changes in fund balance	\$ 354,043
The change in net position reported for governmental activities in the statement of activities is different because:	
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>	
Capital outlay which is considered expenditures on statement of revenues, expenditures and changes in fund balance	\$ 1,250
Depreciation expense for the year ended June 30, 2021	<u>(6,429)</u> (5,179)
<p>Proceeds from capital leases are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net position; however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of activities.</p>	
Principal payments	<u>6,898</u>
Total changes in net position for the year ended June 30, 2021 per statement of activities	<u>\$ 355,762</u>

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

15th JUDICIAL DISTRICT PUBLIC DEFENDERS' OFFICE
Parishes of Lafayette, Acadia, and Vermilion

Notes to the Basic Financial Statements

INTRODUCTION

The 15th Judicial District Public Defenders' Office (District) provides criminal defense to indigent persons in Louisiana's 15th Judicial District (Acadia, Lafayette and Vermilion Parishes). The function is accomplished by maintaining an administrative staff and contracting for legal and other defense experts.

The accounting and reporting policies of the District conform to accounting principles generally accepted in the United States of America as applicable to governments. Such accounting and reporting procedures also conform to the requirements of the industry guide, *Audits of State and Local Governmental Units*.

(1) Summary of Significant Accounting Policies

A. Financial Reporting Entity

The District is part of the operations of the Louisiana Public Defender Board. House Bill No. 436, Act No. 307 of the 2007 regular legislative session enacted the Louisiana Public Defender Act, effective August 15, 2007, creating the Louisiana Public Defender Board with oversight responsibilities of service regions and individual district public defender offices. The Louisiana Public Defender Board, which is established as a state agency, is to provide for the supervision, administration, and delivery of a statewide public defender system that is independent of local politics. Service regions are created to help provide supervision over district offices. The Louisiana Public Defender Board has the power to provide for the powers and duties of district public defenders and for the filling of vacancies.

The accompanying financial statements present information only on the Offices maintained by the 15th Judicial District Public Defenders' Office.

B. Basis of Presentation

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

Government-Wide Financial Statements (GWFS)

The statement of net position and the statement of activities display information about the District as a whole. These statements include all the financial activities of the District. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources 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, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from nonexchange transactions are recognized in accordance with professional standards.

15th JUDICIAL DISTRICT PUBLIC DEFENDERS' OFFICE
Parishes of Lafayette, Acadia, and Vermilion

Notes to the Basic Financial Statements (Continued)

The statement of activities presents a comparison between direct expenses and program revenues for the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of services offered by the District, and (b) grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements (FFS)

The District 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's functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the District or its total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures of the individual governmental fund is at least 10 percent of the corresponding total for all governmental funds. The major fund and only fund of the District is described below:

Governmental Fund –

General Fund – This fund is the primary operating fund of the District and it accounts for the operations of the District. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and internal policy.

C. Measurement Focus/Basis of Accounting

The amounts reflected in the governmental fund 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 changes in fund balance reports 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 is then reconciled, through adjustment, to a government-wide view of the District's operations.

The amounts reflected in the governmental funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers all revenues available if they are collected within 60 days after the fiscal year end.

15th JUDICIAL DISTRICT PUBLIC DEFENDERS' OFFICE
Parishes of Lafayette, Acadia, and Vermilion

Notes to the Basic Financial Statements (Continued)

Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental fund uses the following practices in recording revenues and expenditures:

Revenues

Court costs, bond forfeitures, fees from indigents, and intergovernmental revenues are recorded when the District is entitled to the funds.

Interest on interest-bearing deposits is recorded or accrued as revenues when earned. Substantially all other revenues are recorded when received.

Expenditures

The District's primary expenditures include salaries and contracted legal services, which are recorded when the liability is incurred. Capital expenditures and purchases of various operating supplies are regarded as expenditures at the time purchased.

D. Budgets

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

1. In accordance with the Budget Act of the State of Louisiana, the District prepares an operating budget for the general fund at least fifteen days prior to the commencement of the budgetary year-end. The operating budgets include proposed expenditures and the means of financing them for the upcoming year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as finally amended by the District. Such amendments were not material in relation to the original appropriations.

15th JUDICIAL DISTRICT PUBLIC DEFENDERS' OFFICE
Parishes of Lafayette, Acadia, and Vermilion

Notes to the Basic Financial Statements (Continued)

E. Cash and Interest-Bearing Deposits

Cash and interest-bearing deposits include amounts in demand deposits, interest-bearing demand deposits, and time deposits. They are stated at cost, which approximates market.

F. Capital Assets

Capital assets are capitalized at historical cost or estimated cost (the extent to which fixed asset costs have been estimated and the methods of estimation should be disclosed) if historical cost is not available (or describe other method of valuation). Donated assets are recorded as capital assets at their estimated acquisition cost at the date of donation. The District maintains a threshold level of \$1,000 or more for capitalizing capital assets.

Capital assets are recorded in the Statement of Net Position and Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

Assets Class	Estimated Useful Lives
Leasehold improvements	3 years
Furniture and fixtures	3 - 10 years

G. Compensated Absences

Employees of the District can earn from 80 to 120 hours of vacation leave each year, depending on their length of service. Vacation leave must be taken in the year it is earned. Employees can earn 96 hours of personal leave per year and can carry over 24 hours of unused leave to the next year. Personal leave is not compensable if an employee leaves the service of the District. At June 30, 2021 the District has no leave benefits required to be reported in accordance with generally accepted accounting principles.

H. Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively.

15th JUDICIAL DISTRICT PUBLIC DEFENDERS' OFFICE
Parishes of Lafayette, Acadia, and Vermilion

Notes to the Basic Financial Statements (Continued)

I. Equity Classifications

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

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

In the fund financial statements, governmental fund equity is classified as fund balance. As such, fund balance of the governmental fund is classified as follows:

- a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed – amounts that can be used only for specific purposes determined by a formal decision of the District, which is the highest level of decision-making authority.
- d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the District’s adopted policy, only the District may assign amounts for specified purposes.
- e. Unassigned – all other spendable amounts.

When an expenditure is incurred for the purposes for which both restricted and unrestricted equity is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the District has provided otherwise in its commitment or assignment actions.

15th JUDICIAL DISTRICT PUBLIC DEFENDERS' OFFICE
Parishes of Lafayette, Acadia, and Vermilion

Notes to the Basic Financial Statements (Continued)

J. Estimates

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

(2) Cash and Interest-Bearing Deposits

Under state law, the District may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The District may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2021, the District has interest-bearing deposits (book balances) totaling \$967,308.

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 similar federal security 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 bank. These securities are held in the name of the District or the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2021, are secured as follows:

Bank balances	<u>\$1,016,210</u>
Federal deposit insurance	\$ 281,848
Pledged securities	<u>734,362</u>
Total	<u>\$1,016,210</u>

Deposits in the amount of \$734,362 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the District's name. The District does not have a policy for custodial credit risk.

(3) Due From Other Governmental Agencies

At June 30, 2021, the amounts due from other governmental agencies consist of the following:

Bond forfeitures	\$ 59,711
Court fees	141,446
Other local income	<u>610</u>
	<u>\$ 201,767</u>

15th JUDICIAL DISTRICT PUBLIC DEFENDERS' OFFICE
Parishes of Lafayette, Acadia, and Vermilion

Notes to the Basic Financial Statements (Continued)

(4) Capital Assets

Capital asset activity for the year ended June 30, 2021 was as follows:

	<u>7/1/2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>6/30/2021</u>
Capital assets:				
Leasehold improvements	\$ 35,158	\$ -	\$ -	\$ 35,158
Equipment and furniture	<u>109,105</u>	<u>1,250</u>	<u>-</u>	<u>110,355</u>
Totals	<u>144,263</u>	<u>1,250</u>	<u>-</u>	<u>145,513</u>
Less: accumulated depreciation				
Leasehold improvements	35,158	-	-	35,158
Equipment and furniture	<u>82,902</u>	<u>6,429</u>	<u>-</u>	<u>89,331</u>
Total accumulated depreciation	<u>118,060</u>	<u>6,429</u>	<u>-</u>	<u>124,489</u>
Capital assets, net	<u>\$ 26,203</u>	<u>\$ (5,179)</u>	<u>\$ -</u>	<u>\$ 21,024</u>

Depreciation expense in the amount of \$6,429 was charged to general government.

(5) Changes in Noncurrent Liabilities

The following is a summary of noncurrent liabilities transactions for the year ended June 30, 2021:

	<u>Balance</u> <u>7/1/2020</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>6/30/2021</u>	<u>Due Within</u> <u>One Year</u>
Capital lease payable	<u>\$ 16,039</u>	<u>\$ -</u>	<u>\$(6,898)</u>	<u>\$ 9,141</u>	<u>\$ 7,537</u>
Capital leases -					
Note payable in the amount of \$8,265 to Great America Financial Services, dated July 7, 2017, due in monthly installments of \$175 through July 10, 2022, interest at 9.905%, secured by equipment with a carrying value of \$3,542.					\$ 2,152
Note payable in the amount of \$8,265 to Great America Financial Services, dated July 7, 2017, due in monthly installments of \$175 through July 10, 2022, interest at 9.905%, secured by equipment with a carrying value of \$3,542.					2,151
Note payable in the amount of \$13,137 to Great America Financial Services, dated October 24, 2018, due in monthly installments of \$319 through October 28, 2022, interest at 7.760%, secured by equipment with a carrying value of \$8,132.					<u>4,838</u>
Total capital leases payable					<u>\$ 9,141</u>

15th JUDICIAL DISTRICT PUBLIC DEFENDERS' OFFICE
Parishes of Lafayette, Acadia, and Vermilion

Notes to the Basic Financial Statements (Continued)

Leased assets under a capital lease are included in capital assets, net in the statement of net position at June 30, 2021. The leased assets consist of equipment with a cost of \$29,667 and accumulated depreciation of \$14,450 for a net book value of \$15,217. Depreciation of the leased assets in the amount of \$4,238 for the year ended June 30, 2021, is included in depreciation expense.

Scheduled maturities of noncurrent liabilities as of June 30, 2021 are as follows:

Year Ending June 30,	Principal	Interest
2022	\$ 7,537	\$ 500
2023	1,604	22
	\$ 9,141	\$ 522

(6) Operating Leases

The District leases various office facilities and parking space commencing from March 2020 through February 2023. Lease expense for the year ended June 30, 2021 totaled \$157,402. Future minimum lease payments due under the lease terms are as follows:

2022	\$ 157,402
2023	85,855
	\$ 243,257

(7) Governmental Office Revenues and Expenditures

For the year ended June 30, 2021, the major sources of governmental fund revenues and expenditures were as follows:

Revenues:	
State Government -	
Grants	\$ 2,615,838
Local Government -	
Statutory fines, forfeitures, fees, court costs, and other	1,842,540
Other Grants and Contributions -	
Charges for Services	106,956
Investment Earnings	9,142
Total Revenues	\$ 4,574,476

(continued)

15th JUDICIAL DISTRICT PUBLIC DEFENDERS' OFFICE
Parishes of Lafayette, Acadia, and Vermilion

Notes to the Basic Financial Statements (Continued)

Expenditures:

Personnel Services and Benefits -	
Salaries	\$ 1,670,765
Retirement contributions	17,577
Insurance	184,496
Payroll taxes	125,219
Other	<u>10,897</u>
Total	<u>2,008,954</u>
Professional Development -	
Dues, licenses, and registrations	<u>11,757</u>
Operating Costs -	
Library and research	21,219
Contract services - attorney/legal	1,799,795
Contract services - other	77,588
Lease - office	156,522
Lease - autos and other	13,359
Travel - other	4,237
Insurance	24,593
Supplies	56,898
Repairs and maintenance	4,554
Utilities and telephone	27,663
Other	<u>4,008</u>
Total	<u>2,190,436</u>
Debt Service	<u>8,036</u>
Capital Outlay	<u>1,250</u>
Total Expenditures	<u>\$ 4,220,433</u>

(8) Risk Management

The District is exposed to risks of loss in the areas of general liability, malpractice, property hazards and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year, nor have settlements exceeded coverage for the past three years.

(9) Deferred Compensation Plan

Certain employees of the District participate in the 15th Judicial District Public Defenders' Office Deferred Compensation Plan (Plan) adopted under the provisions of Internal Revenue Code Section 457, which is administered by the Nationwide Insurance Company. The District does not have managerial or financial responsibility for the plan assets. After two years of service, all employees are eligible to participate in the Plan and the District will match their contribution up to \$2,000 per year. At June 30, 2021, the District contributed \$17,577 to the Plan.

15th JUDICIAL DISTRICT PUBLIC DEFENDERS' OFFICE
Parishes of Lafayette, Acadia, and Vermilion

Notes to the Basic Financial Statements (Continued)

(10) Schedule of Compensation, Benefits, and Other Payments to Agency Head

The schedule of compensation, benefits, and other payments to Paul Marx, District Defender, for the year ended June 30, 2021 follows:

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 129,000
Benefits - Insurance	7,178
Benefits - Retirement	2,000
Travel	87
Reimbursements (bar dues)	435

(11) Uncertainties Arising During and After Financial Statement Date

As a result of the spread of the COVID 19 coronavirus, economic uncertainties have arisen which may have and may continue to impact the District's ongoing operations. The extent and severity of the potential impact on future operations is unknown at this time.

REQUIRED SUPPLEMENTARY INFORMATION

15th JUDICIAL DISTRICT PUBLIC DEFENDERS' OFFICE
Parishes of Lafayette, Acadia, and Vermilion
General Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2021

	2021			Variance - Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental revenues -				
Court cost and bond forfeitures	\$ 1,708,500	\$ 1,771,781	\$ 1,842,540	\$ 70,759
District assistance fund - Louisiana IDAB	1,950,134	2,615,228	2,615,838	610
Charges for services -				
Partially indigent and application fees	119,000	109,253	106,956	(2,297)
Investment earnings	18,000	9,142	9,142	-
Total revenues	<u>3,795,634</u>	<u>4,505,404</u>	<u>4,574,476</u>	<u>69,072</u>
Expenditures:				
Current -				
Indigent defense:				
Operations	4,333,429	4,224,359	4,211,147	13,212
Debt service -				
Principal	6,898	6,898	6,898	-
Interest	1,138	1,138	1,138	-
Capital outlay	7,500	1,250	1,250	-
Total expenditures	<u>4,348,965</u>	<u>4,233,645</u>	<u>4,220,433</u>	<u>13,212</u>
Net change in fund balance	(553,331)	271,759	354,043	82,284
Fund balance, beginning	<u>821,498</u>	<u>821,498</u>	<u>821,498</u>	<u>-</u>
Fund balance, ending	<u>\$ 268,167</u>	<u>\$ 1,093,257</u>	<u>\$ 1,175,541</u>	<u>\$ 82,284</u>

OTHER SUPPLEMENTARY INFORMATION

15th JUDICIAL DISTRICT PUBLIC DEFENDERS' OFFICE
Parishes of Lafayette, Acadia, and Vermilion

Justice System Funding Schedule - Receiving Entity
As Required by Act 87 of the 2020 Regular Legislative Session
For the Year Ended June 30, 2021

Cash Basis Presentation	<u>Six Month Period Ended 12/31/2020</u>	<u>Six Month Period Ended 6/30/2021</u>
Receipts From:		
<i>Acadia Parish Sheriff Office, Criminal Court Cost/Fees</i>	\$ 40,916	\$ 55,559
<i>Acadia Parish Sheriff Office, Bond Fees</i>	34,241	40,467
<i>Lafayette Parish Sheriff Office, Criminal Court Cost/Fees</i>	104,773	87,962
<i>Lafayette Parish Sheriff Office, Bond Fees</i>	72,250	101,883
<i>Vermilion Parish Sheriff Office, Criminal Court Cost/Fees</i>	30,631	33,047
<i>Vermilion Parish Sheriff Office, Bond Fees</i>	21,473	28,723
<i>Abbeville City Court, Criminal Court Cost/Fees</i>	11,132	11,358
<i>Crowley City Court, Criminal Court Cost/Fees</i>	30,382	39,267
<i>Kaplan City Court, Criminal Court Cost/Fees</i>	7,740	8,595
<i>Lafayette City Court, Criminal Court Cost/Fees</i>	246,632	284,464
<i>Rayne City Court, Criminal Court Cost/Fees</i>	35,841	45,817
<i>Broussard Mayors Court, Criminal Court Cost/Fees</i>	58,774	45,402
<i>Carencro Mayors Court, Criminal Court Cost/Fees</i>	25,535	32,550
<i>Erath Mayors Court, Criminal Court Cost/Fees</i>	1,005	1,140
<i>Scott City Court, Criminal Court Cost/Fees</i>	50,680	35,140
<i>Youngsville Mayors Court, Criminal Court Cost/Fees</i>	64,505	64,330
<i>Maurice Mayors Court, Criminal Court Cost/Fees</i>	4,650	5,350
<i>15th JD District Attorney, Bond fees</i>	11,543	7,528
<i>Lafayette Parish Sheriff Office, other - application fees</i>	2,650	3,233
<i>Lafayette Parish Sheriff Office, other - partially indigent fees</i>	8,422	5,466
Total Receipts	<u>\$ 863,775</u>	<u>\$ 937,281</u>
Ending Balance of Amounts Assessed but Not Received	<u>\$ -</u>	<u>\$ -</u>

**INTERNAL CONTROL, COMPLIANCE
AND
OTHER MATTERS**

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Brad E. Kolder, CPA, JD*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Stephen J. Anderson, CPA*
Christine C. Doucet, CPA
Wanda F. Arcement, CPA
Bryan K. Joubert, CPA
Matthew E. Margaglio, CPA
Casey L. Ardoin, CPA, CFE

183 S. Beadle Rd.
Lafayette, LA 70508
Phone (337) 232-4141

11929 Bricksome Ave.
Baton Rouge, LA 70816
Phone (225) 293-8300

1428 Metro Dr.
Alexandria, LA 71301
Phone (318) 442-4421

450 E. Main St.
New Iberia, LA 70560
Phone (337) 367-9204

200 S. Main St.
Abbeville, LA 70510
Phone (337) 893-7944

1201 David Dr.
Morgan City, LA 70380
Phone (985) 384-2020

434 E. Main St.
Ville Platte, LA 70586
Phone (337) 363-2792

332 W. Sixth Ave.
Oberlin, LA 70655
Phone (337) 639-4737

Victor R. Slaven, CPA* - retired 2020

* A Professional Accounting Corporation

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*

WWW.KCSRPCAS.COM

To the District Public Defender of the
15th Judicial District Public Defenders' Office
Lafayette, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the 15th Judicial District Public Defenders' Office (District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 30, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District'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's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a deficiency in internal control described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan as item 2021-001 that we consider to be a material weakness.

Compliance and Other Matters

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

The District's Response to Findings

The District's response to the finding identified in our audit is described in the accompanying schedule of current and prior year audit findings and management's corrective action plan. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

KOLDER, SLAVEN & COMPANY, LLC
Certified Public Accountants

Lafayette, Louisiana
December 30, 2021

15th JUDICIAL DISTRICT PUBLIC DEFENDERS' OFFICE
Parishes of Lafayette, Acadia, and Vermilion

Summary Schedule of Current and Prior Year Findings
and Management's Corrective Action Plan

Part I. Current Year Findings and Management's Corrective Action Plan

A. Internal Control Findings -

2021-001 Inadequate Segregation of Accounting Functions

Fiscal year finding initially occurred: 2006

CONDITION: The District did not have adequate segregation of functions within the accounting system.

CRITERIA: The District should have a control policy according to which no person should be given responsibility for more than one related function.

CAUSE: Due to the size of the District, there are a small number of available employees.

EFFECT: The District has employees that are performing more than one related function.

RECOMMENDATION: The District should establish and monitor mitigating controls over functions that are not completely segregated.

MANAGEMENT'S CORRECTIVE ACTION PLAN: Due to the size of the operations, the achievement of adequate segregation of duties is desirable, but cost prohibitive. All efforts are made to segregate duties where feasible.

B. Compliance Findings -

There are no findings to report under this section.

Part II. Prior Year Findings

A. Internal Control Findings -

2020-001 Inadequate Segregation of Accounting Functions

Fiscal year finding initially occurred: 2006

CONDITION: The District did not have adequate segregation of functions within the accounting system.

RECOMMENDATION: The District should establish and monitor mitigating controls over functions that are not completely segregated.

CURRENT STATUS: Unresolved. See finding 2021-001.

B. Compliance Findings -

There are no findings to report under this section.