

**15<sup>TH</sup> JUDICIAL DISTRICT  
PUBLIC DEFENDERS' OFFICE**

**FINANCIAL REPORT**

**June 30, 2020**

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	1-2
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements (GWFS)	
Statement of net position	5
Statement of activities	6
Fund Financial Statements (FFS)	
Balance sheet - governmental fund	8
Reconciliation of the governmental fund balance sheet to the statement of net position	9
Statement of revenues, expenditures, and changes in fund balance - governmental fund	10
Reconciliation of the statement of revenues, expenditures, and changes in fund balance of the governmental fund to the statement of activities	11
Notes to basic financial statements	12-21
REQUIRED SUPPLEMENTARY INFORMATION	
General Fund:	
Budgetary comparison schedule	23
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>	25-26
Summary schedule of current and prior year audit findings and management's corrective action plan	27

# 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.KCSRCPAS.COM

## INDEPENDENT AUDITOR'S REPORT

To the District Public Defender of the  
15<sup>th</sup> 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 15<sup>th</sup> Judicial District Public Defenders' Office (District) as of and for the year ended June 30, 2020, 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, 2020, 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 23 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 Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2020, 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 29, 2020

## **BASIC FINANCIAL STATEMENTS**

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

15<sup>th</sup> JUDICIAL DISTRICT PUBLIC DEFENDERS' OFFICE  
Parishes of Lafayette, Acadia, and Vermilion

Statement of Net Position  
June 30, 2020

	<u>Governmental Activities</u>
ASSETS	
Current assets:	
Cash and interest-bearing deposits	\$ 691,489
Due from other governmental agencies	132,697
Prepaid expenses	<u>32,620</u>
Total current assets	856,806
Noncurrent assets:	
Capital assets, net of accumulated depreciation	<u>26,203</u>
Total assets	<u>883,009</u>
LIABILITIES	
Current liabilities:	
Accounts payable	17,624
Accrued liabilities	17,684
Capital lease payable	<u>6,898</u>
Total current liabilities	42,206
Noncurrent liabilities:	
Capital lease payable	<u>9,141</u>
Total liabilities	<u>51,347</u>
NET POSITION	
Net investment in capital assets	10,164
Unrestricted	<u>821,498</u>
Total net position	<u>\$ 831,662</u>

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

15<sup>th</sup> JUDICIAL DISTRICT PUBLIC DEFENDERS' OFFICE  
Parishes of Lafayette, Acadia, and Vermilion

Statement of Activities  
For the Year Ended June 30, 2020

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	\$ 4,007,142	\$ 2,074,954	\$ 2,436,657	\$ 504,469
Interest	1,721	-	-	(1,721)
Total	\$ 4,008,863	\$ 2,074,954	\$ 2,436,657	502,748
				General revenues:
				Interest income
				15,428
				Change in net position
				518,176
				Net position, beginning
				313,486
				Net position, ending
				\$ 831,662

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



**FUND FINANCIAL STATEMENTS**

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

Balance Sheet  
 June 30, 2020

	General Fund
ASSETS	
Assets:	
Cash and interest-bearing deposits	\$ 691,489
Due from other governmental agencies	132,697
Prepaid expenses	32,620
Total assets	\$ 856,806
LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable	\$ 17,624
Payroll taxes payable	17,684
Total liabilities	35,308
Fund balance:	
Nonspendable - prepaid items	32,620
Unassigned	788,878
Total fund balance	821,498
Total liabilities and fund balance	\$ 856,806

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

15<sup>th</sup> 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, 2020

Total fund balance for governmental funds at June 30, 2020	\$ 821,498
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 \$118,060 accumulated depreciation	26,203
Long-term liabilities at June 30, 2020:	
Capital lease payable	<u>(16,039)</u>
Net position at June 30, 2020	<u>\$ 831,662</u>

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

15<sup>th</sup> 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, 2020

	General Fund
Revenues:	
Intergovernmental revenues -	
Court cost and bond forfeitures	\$ 1,926,548
District assistance fund - Louisiana IDAB	2,436,657
Charges for services -	
Partially indigent and application fees	148,406
Investment earnings	15,428
Total revenues	4,527,039
Expenditures:	
Current -	
Indigent defense:	
Operations	3,997,980
Debt service -	
Principal	6,315
Interest	1,721
Total expenditures	4,006,016
Excess of revenues over expenditures	521,023
Fund balance, beginning	300,475
Fund balance, ending	\$ 821,498

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

15<sup>th</sup> 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, 2020

Net change in fund balance for the year ended June 30, 2020, per statement of revenues, expenditures and changes in fund balance	\$ 521,023
The change in net position reported for governmental activities in the statement of activities is different because:	
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.	
Depreciation expense for the year ended June 30, 2020	(9,162)
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.	
Principal payments	<u>6,315</u>
Total changes in net position for the year ended June 30, 2020 per statement of activities	<u>\$ 518,176</u>

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

15<sup>th</sup> JUDICIAL DISTRICT PUBLIC DEFENDERS' OFFICE  
Parishes of Lafayette, Acadia, and Vermilion

Notes to the Basic Financial Statements

INTRODUCTION

The 15<sup>th</sup> Judicial District Public Defenders' Office (District) provides criminal defense to indigent persons in Louisiana's 15<sup>th</sup> 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 15<sup>th</sup> 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.

15<sup>th</sup> 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.

15<sup>th</sup> 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.



15<sup>th</sup> 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 fair market value 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:

<u>Assets Class</u>	<u>Estimated Useful Lives</u>
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, 2020 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. There are no deferred inflows or outflows as of June 30, 2020.

15<sup>th</sup> 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 fund balance 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.

15<sup>th</sup> 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, 2020, the District has interest-bearing deposits (book balances) totaling \$691,489.

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, 2020, are secured as follows:

Bank balances	<u>\$ 732,846</u>
Federal deposit insurance	\$ 254,844
Pledged securities	<u>478,002</u>
Total	<u>\$ 732,846</u>

Deposits in the amount of \$478,002 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, 2020, the amounts due from other governmental agencies consist of the following:

Bond forfeitures	\$ 23,846
Court fees	106,052
Partially indigent fees	2,298
Other local income	<u>500</u>
	<u>\$ 132,696</u>

15<sup>th</sup> 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, 2020 was as follows:

	<u>7/1/2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>6/30/2020</u>
Capital assets:				
Leasehold improvements	\$ 35,158	\$ -	\$ -	\$ 35,158
Equipment and furniture	168,553	-	59,448	109,105
Totals	<u>203,711</u>	<u>-</u>	<u>59,448</u>	<u>144,263</u>
Less: accumulated depreciation				
Leasehold improvements	34,500	658	-	35,158
Equipment and furniture	<u>133,846</u>	<u>8,504</u>	<u>59,448</u>	<u>82,902</u>
Total accumulated depreciation	<u>168,346</u>	<u>9,162</u>	<u>59,448</u>	<u>118,060</u>
Capital assets, net	<u>\$ 35,365</u>	<u>\$ (9,162)</u>	<u>\$ -</u>	<u>\$ 26,203</u>

Depreciation expense in the amount of \$9,162 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, 2020:

	<u>Balance</u> <u>7/1/2019</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>6/30/2020</u>	<u>Due Within</u> <u>One Year</u>
Capital lease payable	<u>\$ 22,354</u>	<u>\$ -</u>	<u>\$(6,315)</u>	<u>\$ 16,039</u>	<u>\$ 6,898</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 \$4,723. \$ 3,943

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 \$4,723. 3,944

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 \$10,009. 8,152

Total capital leases payable \$ 16,039

15<sup>th</sup> 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, 2020. The leased assets consist of equipment with a cost of \$29,667 and accumulated depreciation of \$10,212 for a net book value of \$19,455. Depreciation of the leased assets in the amount of \$4,238 for the year ended June 30, 2020, is included in depreciation expense.

Scheduled maturities of noncurrent liabilities as of June 30, 2020 are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2021	\$ 6,898	\$ 1,138
2022	7,538	500
2023	<u>1,603</u>	<u>22</u>
	<u>\$ 16,039</u>	<u>\$ 1,660</u>

(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, 2020 totaled \$171,514. Future minimum lease payments due under the lease terms are as follows:

2021	\$ 158,252
2022	128,782
2023	<u>85,855</u>
	<u>\$ 372,889</u>

(7) Governmental Office Revenues and Expenditures

For the year ended June 30, 2020, the major sources of governmental fund revenues and expenditures were as follows:

Revenues:

State Government -	
Grants	\$ 2,436,657
Local Government -	
Statutory fines, forfeitures, fees, court costs, and other	1,926,548
Other Grants and Contributions -	
Charges for Services	148,406
Investment Earnings	<u>15,428</u>
Total Revenues	<u>\$ 4,527,039</u>

(continued)

15<sup>th</sup> JUDICIAL DISTRICT PUBLIC DEFENDERS' OFFICE  
Parishes of Lafayette, Acadia, and Vermilion

Notes to the Basic Financial Statements (Continued)

Expenditures:

Personnel Services and Benefits -	
Salaries	\$ 1,573,998
Retirement contributions	16,086
Insurance	160,314
Payroll taxes	118,093
Other	<u>10,903</u>
Total	<u>1,879,394</u>
Professional Development -	
Dues, licenses, and registrations	<u>6,064</u>
Operating Costs -	
Library and research	19,288
Contract services - attorney/legal	1,677,563
Contract services - other	102,889
Lease - office	158,252
Lease - autos and other	15,972
Travel - other	11,244
Insurance	21,149
Supplies	69,434
Repairs and maintenance	6,395
Utilities and telephone	25,651
Other	<u>4,685</u>
Total	<u>2,112,522</u>
Debt Service	
	<u>8,036</u>
Total Expenditures	<u>\$ 4,006,016</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 15<sup>th</sup> 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, 2020, the District contributed \$16,086 to the Plan.

15<sup>th</sup> 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, 2020 follows:

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 129,000
Benefits - Insurance	7,168
Benefits - Retirement	2,000
Travel	602
Reimbursements (bar dues)	498
Per diem	27

(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**



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

Budgetary Comparison Schedule  
For the Year Ended June 30, 2020

	2020			Variance - Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental revenues -				
Court cost and bond forfeitures	\$ 2,234,500	\$ 2,119,700	\$ 1,926,548	\$ (193,152)
District assistance fund - Louisiana IDAB	1,950,484	2,441,356	2,436,657	(4,699)
Charges for services -				
Partially indigent and application fees	220,000	132,697	148,406	15,709
Investment earnings	20,000	15,400	15,428	28
Total revenues	<u>4,424,984</u>	<u>4,709,153</u>	<u>4,527,039</u>	<u>(182,114)</u>
Expenditures:				
Current -				
Indigent defense:				
Operations	4,492,526	4,005,206	3,997,980	7,226
Debt service -				
Principal	-	6,562	6,315	247
Interest	-	1,474	1,721	(247)
Capital outlay	7,500	-	-	-
Total expenditures	<u>4,500,026</u>	<u>4,013,242</u>	<u>4,006,016</u>	<u>7,226</u>
Net change in fund balance	(75,042)	695,911	521,023	(174,888)
Fund balance, beginning	<u>300,475</u>	<u>300,475</u>	<u>300,475</u>	<u>-</u>
Fund balance, ending	<u>\$ 225,433</u>	<u>\$ 996,386</u>	<u>\$ 821,498</u>	<u>\$ (174,888)</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. 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

## 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  
15<sup>th</sup> 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 15<sup>th</sup> Judicial District Public Defenders' Office (District) as of and for the year ended June 30, 2020, 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 29, 2020.

### 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 were not identified. We did identify a certain 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 2020-001 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 29, 2020

15<sup>th</sup> 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 -

**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.

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 and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

B. Compliance Findings -

There are no findings to report under this section.

Part II. Prior Year Findings

A. Internal Control Findings -

**2019-001** 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 2020-001.

B. Compliance Findings -

There are no findings to report under this section.