
DISTRICT ATTORNEY OF THE TWENTY-THIRD
JUDICIAL DISTRICT

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

FINANCIAL REPORT

DECEMBER 31, 2023

DISTRICT ATTORNEY OF THE TWENTY-THIRD
JUDICIAL DISTRICT

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

FINANCIAL REPORT

DECEMBER 31, 2023

TABLE OF CONTENTS

	<u>Page</u>
<u>INDEPENDENT AUDITORS' REPORT</u>	
Independent Auditors' Report	1 - 3
<u>REQUIRED SUPPLEMENTARY INFORMATION - PART I</u>	
Management's Discussion and Analysis	4 - 9
<u>BASIC FINANCIAL STATEMENTS - PART II</u>	
Statement of Net Position	10
Statement of Activities	11
Governmental Funds - Balance Sheet	12
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	13
Governmental Funds - Statement of Revenues, Expenditures, and Changes in Fund Balances	14
Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	15
Statement of Fiduciary Net Position	16
Statement of Changes in Fiduciary Net Position	17
Notes to Financial Statement	18 - 36
Description of Major Funds	37

TABLE OF CONTENTS

	<u>Page</u>
<u>REQUIRED SUPPLEMENTARY INFORMATION-PART III</u>	
General Fund Budgetary Comparison Schedule	38
Title IV-D Fund-Budgetary Comparison Schedule	39
Schedule of Proportionate Share of the Net Pension Liability	40
Schedule of Employer's Contributions to Retirement System	41
<u>SUPPLEMENTAL INFORMATION-PART IV</u>	
Schedule of Compensation, Benefits and Other Payments to Agency Head	42
Justice System Funding Schedule - Collecting/Disbursing Entity	43
Justice System Funding Schedule - Receiving Entity	44
<u>OTHER REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS</u>	
Independent Auditors' Report on Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit Of Financial Statements Performed In Accordance With <i>Government Auditing Standards</i>	45 - 46
Schedule of Findings and Responses	47
Schedule to Prior Year Findings	48



INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District Attorney of the Twenty-Third Judicial District (the "District Attorney"), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District Attorney's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District Attorney, as of December 31, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not

detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or, error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District Attorney's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District Attorney's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, schedule of proportionate share of net pension liability, and schedule of employer's contributions to retirement system on pages 4-9 and 38-41 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District Attorney's basic financial statements. The schedule of compensation, benefits and other payments to agency head, justice system funding schedule – collecting/disbursing entity, and justice system funding schedule – receiving entity is presented for the purposes of additional analysis and is not a required part of the basic financial statements. The schedules of compensation, benefits and other payments to agency head, justice system funding schedule – collecting/disbursing entity, and justice system funding schedule – receiving entity are the responsibility of management and were derived from and relate directly

to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

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



Gonzales, Louisiana
June 27, 2024

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2023

This section of District Attorney's annual financial report presents a discussion and analysis of the District Attorney's financial performance during the year that ended on December 31, 2023. Please read it in conjunction with the District Attorney's financial statements and the accompanying notes to the financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

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

- As a result of this year's operations, total net position was \$482,855. Net position decreased by \$193,794 from the previous year of \$676,649.
- Total net position is comprised of the following:
 - 1) Net investment in capital assets of \$283,038 represents the net book value of property and equipment, and intangible assets.
 - 2) Restricted net position of \$115,819 represents the portion restricted for grant programs recorded in a special revenue fund.
 - 3) Unrestricted net position of \$204,106 represents the portion available to maintain continuing obligations to citizens and creditors.
- Total spending for all judicial activities was \$5,925,328 which was \$193,794 more than the charges for services, operating grants and contributions, and general revenues received for these activities of \$5,731,534.
- The governmental funds reported total ending fund balance \$1,082,880. Fund balance for governmental funds increased by \$27,747 from the previous year \$1,055,133.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

Government-wide Statements

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2023

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

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

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

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

Fund Financial Statements

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

- Some funds are required by State law

The District Attorney has two kinds of funds:

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

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

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2023

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

STATEMENTS OF NET POSITION

	<u>2023</u>	<u>2022*</u>
Current and other assets	\$ 1,247,661	\$ 1,278,676
Capital assets, net	<u>283,038</u>	<u>205,530</u>
Total assets	1,530,699	1,484,206
Deferred outflows of resources	<u>508,985</u>	<u>1,045,626</u>
Total assets and deferred outflows of resources	<u>2,039,684</u>	<u>2,529,832</u>
Current liabilities	128,172	150,128
Long term liabilities	<u>1,383,285</u>	<u>1,652,647</u>
Total liabilities	1,511,457	1,802,775
Deferred inflows of resources	<u>45,372</u>	<u>50,408</u>
Total liabilities and deferred inflows of resources	<u>1,556,829</u>	<u>1,853,183</u>
Net investment in capital assets	162,930	205,530
Restricted	115,819	117,551
Unrestricted	<u>204,106</u>	<u>353,568</u>
Total net position	<u>\$ 482,855</u>	<u>\$ 676,649</u>

*Restated

As a result of this year's operations, net position decreased by \$193,794. Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – decreased from the surplus this year. The balance in net position of \$482,855 represents the accumulated results of all past years' operations.

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

STATEMENTS OF ACTIVITIES

	<u>2023</u>	<u>2022</u>
Total program revenues	\$ 5,535,913	\$ 5,131,213
Total expenses	<u>5,925,328</u>	<u>5,799,278</u>
Net program loss	(389,415)	(668,065)
Total general revenues	<u>195,621</u>	<u>175,417</u>
Change in Net Position	<u>\$ (193,794)</u>	<u>\$ (492,648)</u>

The total revenues for the year in governmental activities were \$5,731,534 (\$1,755,727 in charges for services, \$3,780,186 in operating and grant contributions, \$25,453 in interest earnings, \$9,853 in other revenues, and \$160,315 in contributions from non-employer contributing entities-pension benefit). The total cost of all judicial programs and services was \$5,925,328. Increases in program revenues are attributed to increases in fines, forfeitures, and fee income due to courts cases arising from crime and operating grants.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2023

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS (FFS)

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

The governmental funds reported a combined fund balance of \$1,082,880. This reflects an increase of \$27,747 from last year.

BALANCE SHEETS

	<u>2023</u>	<u>2022</u>
Total Assets	<u>\$ 1,205,932</u>	<u>\$ 1,184,892</u>
Total Liabilities	<u>\$ 123,052</u>	<u>\$ 129,759</u>
Total Fund Balances	<u>1,082,880</u>	<u>1,055,133</u>
Total Liabilities & Fund Balances	<u>\$ 1,205,932</u>	<u>\$ 1,184,892</u>

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

	<u>2023</u>	<u>2022</u>
Total revenues	<u>\$ 5,571,219</u>	<u>\$ 5,151,817</u>
Expenditures:		
Current	5,507,405	5,337,786
Capital Outlay	173,937	141,225
Total Expenditures	<u>5,681,342</u>	<u>5,479,011</u>
Deficiency of revenues over expenditures	(110,123)	(327,194)
Other financing sources	<u>137,870</u>	-
Net change in fund balances	27,747	(327,194)
Fund Balances:		
Beginning of the year	1,055,133	1,382,327
End of the year	<u>\$ 1,082,880</u>	<u>\$ 1,055,133</u>

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2023

General Fund Budgetary Highlights

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

Original Budgeted Revenue	\$4,716,671	Original Budgeted Expenditures	\$4,764,753
Increase (Decrease) due to:		Increase (Decrease) due to:	
Fines & Forfeitures	158,902	Personnel Service	183,004
DAPP Fees	94,341	Auto Repair & Maintenance	3,271
Intergovernmental Revenue	63,191	Office Operations	278,169
Other	3,468	Travel & Conventions	3,130
Interest	<u>18,674</u>	Professional Services	(9,424)
		Other	(1,487)
Final Budgeted Revenues	<u>\$5,055,247</u>	Capital Outlay	<u>32,881</u>
		Final Budgeted Expenditures	<u>\$5,254,297</u>

CAPITAL ASSETS

Capital Assets: The investment in capital assets, net of accumulated depreciation for the governmental activity as of December 31, 2023 and 2022 was \$283,038 and \$205,530, respectively.

	<u>2023</u>	<u>2022</u>
Equipment and furniture	\$ 301,050	\$ 264,983
Vehicles	183,040	183,040
Other equipment	135,000	135,000
Intangible assets-RTU, leases	62,016	95,075
Intangible assets-RTU, SBITA subscription	85,624	-
Total cost	<u>766,730</u>	<u>678,098</u>
Accumulated depreciation	(461,414)	(396,811)
Accumulated amortization	(22,278)	(75,757)
Net capital assets	<u>\$ 283,038</u>	<u>\$ 205,530</u>
Depreciation Expense	\$ 64,603	\$ 53,396
Amortization Expense	<u>31,826</u>	<u>19,015</u>
Total depreciation/amortization expense	<u>\$ 96,429</u>	<u>\$ 72,411</u>

This year there was \$173,937 of additions in capital assets. More detailed information about the capital assets is presented in Note 3 to the financial statements. The District Attorney also disposed of \$85,305 of retired leased assets.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2023

LONG TERM LIABILITIES

The District Attorney's long term liabilities consist of net pension liability, compensated absences, and leases and SBITA payables. The District Attorney's total long term liabilities decreased by approximately \$269,000 primarily due to the decrease in the net pension liability. Changes in actuarial assumptions and investment performance resulted in a \$195,769 decrease from prior years liability. The offset for the remaining decrease is contributed to principal paydowns on leases and SBITAs. See note 5 for additional information on changes in long term liabilities and breakout of current portion of long term liabilities.

The District Attorney had \$120,108 in lease and SBITA payables at year end compared to \$16,143 in prior year. The increase is due new leases contracted and the implementation of the GASB 96, SBITA in the current year.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Among the factors considered in compiling the 2024 budget were:

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

The District Attorney is dependent on the State of Louisiana and three Parishes, Ascension, St. James, and Assumption, for various sources of revenues. A substantial part of these revenues is from intergovernmental fees and fines and forfeitures. The economy is not expected to generate any significant growth. Therefore, the District Attorney's future revenues are expected to be consistent with the current years.

CONTACTING THE DISTRICT ATTORNEY'S FINANCIAL MANAGEMENT

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

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

STATEMENT OF NET POSITION
DECEMBER 31, 2023

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

ASSETS

Cash and cash equivalents	\$ 1,040,623
Receivables	32,918
Prepaid insurance	49,044
Due from other governments	125,076
Capital assets, net of accumulated depreciation/amortization	283,038
TOTAL ASSETS	<u>1,530,699</u>

DEFERRED OUTFLOWS OF RESOURCES

Pension related	508,985
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>508,985</u>

TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 2,039,684</u>
--	----------------------------

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

LIABILITIES

Accounts payable	\$ 41,053
Accrued payroll and benefits	47,161
Current portion of long term liabilities	39,958
Long term liabilities:	
Compensated absences	27,523
Leases and SBITAs payable	80,150
Net pension liability	1,275,612
TOTAL LIABILITIES	<u>1,511,457</u>

DEFERRED INFLOWS OF RESOURCES

Pension related	45,372
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>45,372</u>

NET POSITION

Net investment in capital assets	162,930
Restricted for grant program	115,819
Unrestricted	204,106
TOTAL NET POSITION	<u>482,855</u>

TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$ 2,039,684</u>
--	----------------------------

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Program Revenues</u>		<u>Net (Expense)</u>	
		<u>Operating</u>	<u>Revenue and</u>	
	<u>Charges for</u>	<u>Grants and</u>	<u>Changes in</u>	
<u>Expenses</u>	<u>Service</u>	<u>Contributions</u>	<u>Net Position</u>	
			<u>Governmental</u>	
			<u>Unit</u>	
<u>FUNCTIONS/PROGRAMS</u>				
Governmental activities:				
General Government - Judicial	\$ 5,920,337	\$ 1,755,727	\$ 3,780,186	\$ (384,424)
Interest expense	4,991	-	-	(4,991)
Total governmental activities	<u>\$ 5,925,328</u>	<u>\$ 1,755,727</u>	<u>\$ 3,780,186</u>	<u>(389,415)</u>
General Revenues:				
Interest				25,453
Other				9,853
Contributions from non-employer contributing entities - pension benefit				<u>160,315</u>
Total general revenues				<u>195,621</u>
Change in net position				(193,794)
Net position - December 31, 2022, as restated				<u>676,649</u>
Net position - December 31, 2023				<u>\$ 482,855</u>

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

GOVERNMENTAL FUNDS
BALANCE SHEET
DECEMBER 31, 2023

	<u>General</u> <u>Fund</u>	<u>Title IV-D</u> <u>Fund</u>	<u>Total</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ 904,913	\$ 118,465	\$ 1,023,378
Receivable	8,358	24,560	\$ 32,918
Due from other funds	24,560	-	\$ 24,560
Due from other governments	125,076	-	\$ 125,076
TOTAL ASSETS	<u>\$ 1,062,907</u>	<u>\$ 143,025</u>	<u>\$ 1,205,932</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 23,433	\$ 375	\$ 23,808
Accrued payroll and benefits	44,890	2,271	47,161
Due to other funds	-	24,560	24,560
Compensated absences	27,523	-	27,523
TOTAL LIABILITIES	<u>95,846</u>	<u>27,206</u>	<u>123,052</u>
Fund balances:			
Restricted for grant program	-	115,819	115,819
Unassigned	967,061	-	967,061
TOTAL FUND BALANCES	<u>967,061</u>	<u>115,819</u>	<u>1,082,880</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,062,907</u>	<u>\$ 143,025</u>	<u>\$ 1,205,932</u>

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2023

Total fund balances - Governmental Funds \$ 1,082,880

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

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

Cost of capital assets at December 31, 2023	766,730	
Less: accumulated depreciation/amortization as of December 31, 2023	<u>(483,692)</u>	283,038

Prepaid insurance 49,044

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

Net pension liability		(1,275,612)
Leases payable		(48,906)
SBITAs payable		(71,202)

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

Deferred outflows-pension related	508,985	
Deferred inflows-pension related	<u>(45,372)</u>	<u>463,613</u>

Total net position at December 31, 2023 - Governmental Activities \$ 482,855

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2023

	General Fund	Title IV-D Fund	Total Governmental Funds
<u>REVENUES</u>			
Fines and forfeitures	\$ 999,348	\$ -	\$ 999,348
DAPP fees	756,379	-	756,379
Intergovernmental revenue:			
Police jury and parish councils	2,018,075	-	2,018,075
School boards	66,250	-	66,250
Other government agencies	11,067	-	11,067
Grants	49,672	-	49,672
State Salary Supplement	1,154,846	-	1,154,846
Parish Salary Supplement	247,741	-	247,741
LA Dept. of Social Services	-	232,535	232,535
Other	9,853	-	9,853
Interest	25,148	305	25,453
TOTAL REVENUES	<u>5,338,379</u>	<u>232,840</u>	<u>5,571,219</u>
<u>EXPENDITURES</u>			
General Government:			
Current operating:			
Personnel service	4,572,622	203,407	4,776,029
Auto repair & maintenance	20,053	-	20,053
Office operations	621,559	19,467	641,026
Travel and conventions	19,139	629	19,768
Professional services	41,455	8,089	49,544
Other	-	985	985
Capital outlay	171,942	1,995	173,937
TOTAL EXPENDITURES	<u>5,446,770</u>	<u>234,572</u>	<u>5,681,342</u>
Deficiency of revenues over expenditures	(108,391)	(1,732)	(110,123)
<u>OTHER FINANCING SOURCES</u>			
Lease and SBITAs proceeds	137,870	-	137,870
Net change in fund balances	29,479	(1,732)	27,747
Fund balances - beginning of year	<u>937,582</u>	<u>117,551</u>	<u>1,055,133</u>
Fund balances - end of year	<u>\$ 967,061</u>	<u>\$ 115,819</u>	<u>\$ 1,082,880</u>

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023

Total change in net fund balances-Governmental funds	\$	27,747
--	----	--------

Amounts reported for governmental activities in the statement of activities

(government-wide financial statements) are different because:

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

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

Capital asset purchases capitalized	36,067	
Right to use assets capitalized	137,870	
Depreciation/Amortization expense	<u>(96,429)</u>	77,508

Change in prepaid insurance		685
-----------------------------	--	-----

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

Leases payable incurred	(52,246)	
SBITAs payable incurred	(85,624)	
Payments on lease obligations	19,483	
Payments on SBITA obligations	<u>14,422</u>	(103,965)

Net effects of change in net pension liability, deferred outflows and deferred inflows		<u>(195,769)</u>
--	--	------------------

Change in Net Position - Governmental Activities	\$	<u>(193,794)</u>
--	----	------------------

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2023

	<u>Drug Forfeiture</u>	<u>Bond Forfeiture</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 15,417	\$ 1,828	\$ 17,245
TOTAL ASSETS	<u>\$ 15,417</u>	<u>\$ 1,828</u>	<u>\$ 17,245</u>
NET POSITION			
Restricted for:			
Individuals, organizations, and other governments	\$ 15,417	\$ 1,828	\$ 17,245
TOTAL NET POSITION	<u>\$ 15,417</u>	<u>\$ 1,828</u>	<u>\$ 17,245</u>

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
DECEMBER 31, 2023

	<u>Drug Forfeiture</u>	<u>Bond Forfeiture</u>	<u>Total</u>
Additions:			
Forfeitures	<u>\$ 13,766</u>	<u>\$ -</u>	<u>\$ 13,766</u>
Total additions			
Deductions:			
Disbursements to other governments	<u>65,475</u>	<u>-</u>	<u>65,475</u>
Total deductions	<u>65,475</u>	<u>-</u>	<u>65,475</u>
Change in fiduciary net position	<u>(51,709)</u>	<u>-</u>	<u>(51,709)</u>
Net Position - December 31, 2022	<u>67,126</u>	<u>1,828</u>	<u>68,954</u>
Net Position - December 31, 2023	<u>\$ 15,417</u>	<u>\$ 1,828</u>	<u>\$ 17,245</u>

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

INTRODUCTION

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

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

B. Reporting Entity

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Fund Accounting

Government-Wide Financial Statements

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

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

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

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

Fund Financial Statements

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Fund Accounting (continued)

Governmental Funds

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

General Fund

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

Special Revenue Funds

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

Fiduciary Funds

Custodial Funds

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

Custodial funds of the District Attorney include the:

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

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

C. **Fund Accounting** (continued)

Major Funds

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

General Fund

Title IV-D Fund

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

Government Wide Financial Statements (GWFS)

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

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

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

Fund Financial Statements (FFS)

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

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (continued)

D. Basis of Accounting / Measurement Focus (continued)

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

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

E. Budgets and Budgetary Accounting

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

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

F. Compensated Absences

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

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

At the end of the current year, employees have accumulated \$27,523 of vacation leave and compensatory time. This amount is recorded as a payable of the General Fund. The accrual of unused sick leave is not required since the amount accumulated lapses upon termination.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

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

G. **Cash and Cash Equivalents**

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

H. **Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the government-wide financial statements. Prepaid items are recorded as expenditures when consumed rather than when purchased.

I. **Capital Assets**

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

- Furniture and equipment 5-7 years
- Auto equipment 5 years
- Other equipment 3-5 years
- Intangibles 5-7 years

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

J. **Operating Transfers In and Out**

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

K. **Due from Other Governments**

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

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

L. **Interfund Receivables and Payables**

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

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

M. **Equity Classifications**

Government-wide Statements

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

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

Fund Financial Statements

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

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

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

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

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

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

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

N. Use of Estimates

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

O. Pension Plans

The District Attorney is a participating employer in a defined benefit pension plan as described in Note 10. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plan, and additions to/deductions from the plans' fiduciary net position has been determined on the same basis as they reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

P. Deferred Inflows and Outflows of Resources

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

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

Q. Implementation of New Accounting GASB Pronouncements

The District Attorney implemented GASB No. 96, Subscription Based IT Arrangements (SBITAs) on January 1, 2023. This statement requires recognition of certain cloud-based right-to use (RTU) software implementation and subscription assets and associated lessee liabilities that previously were classified, respectively, as intangible assets and recognized as outflows of resources based upon the payment provisions of the contract. It establishes a single model of IT subscription accounting based upon the foundational principle that software subscriptions are financings of the right to use an underlying asset. SBITAs where the maximum possible lease term is one year or less continue to be reported as operating subscriptions. Perpetual software licenses and SBITAs that transfer ownership and contain no cancellation provisions are reported as debt by the lessee and the sale of an asset by the lessor.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Q. Implementation of New Accounting GASB Pronouncements (continued)

There are no adjustments to 2022 beginning balances to implement GASB 96 SBITAs:

Current year leases and SBITA activity is summarized in Capital Assets Note 3, Leases & SBITAs Note 4, and Changes in Long Term Liabilities Note 5.

2. CASH AND CASH EQUIVALENTS

A summary of deposits followed:

Cash:

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

Custodial credit risk is the risk that in an event of bank failure, the district's deposits may not be returned to it. The government does not have deposit policy for custodial risk. As of December 31, 2023, these deposits were completely collateralized and/or insured.

Investments:

The District Attorney has \$327,343 investment in the Louisiana Asset Management Pool (LAMP), a local government investment pool. LAMP is administered by LAMP, Inc., a nonprofit corporation organized under the laws of the State of Louisiana. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA – R.S. 33:2955.

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

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

- Credit risk: LAMP is rated AAAM by Standard & Poor's
- Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

2. CASH AND CASH EQUIVALENTS (continued)

- Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.
- Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments.
- Foreign currency risk: Not applicable

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

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

3. CAPITAL ASSETS

Capital assets and depreciation/amortization activity as of and for the year ended December 31, 2023 are as follows:

	<u>Beginning Balance- restated</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities				
Capital Assets, being depreciated/amortized:				
Equipment & furniture	\$ 264,983	\$ 36,067	\$ -	\$ 301,050
Vehicles	183,040	-	-	183,040
Other equipment	135,000	-	-	135,000
Intangible assets-RTU, leases	95,075	52,246	85,305	62,016
Intangible assets-RTU, SBITA subscription	-	85,624	-	85,624
Total capital assets begin depreciated/amortized	<u>\$ 678,098</u>	<u>\$ 173,937</u>	<u>\$ 85,305</u>	<u>\$ 766,730</u>
Less accumulated depreciated/amortized for:				
Equipment & furniture	\$ 221,557	\$ 24,154	\$ -	\$ 245,711
Vehicles	159,504	13,449	-	172,953
Other equipment	15,750	27,000	-	42,750
Intangible assets-RTU, leases	75,757	21,836	85,305	12,288
Intangible assets-RTU, SBITA subscription	-	9,990	-	9,990
Total accumulated depreciated/amortized	<u>\$ 472,568</u>	<u>\$ 96,429</u>	<u>\$ 85,305</u>	<u>\$ 483,692</u>
Total capital assets, net	<u>\$ 205,530</u>	<u>\$ 77,508</u>	<u>\$ -</u>	<u>\$ 283,038</u>

Depreciation/amortization expense for the year ended December 31, 2023 was \$96,429.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

4. LEASES AND SERVICE-BASED IT ARRANGEMENTS (SBITAs)

Leases

The District Attorney has entered into agreements to lease equipment. The lease agreements qualify as other than short-term leases under GASB 87 and; therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception. An implicit interest rate is calculated for each individual lease at 6%. Governmental funds report leases current expenditures in the fund level Statement of Revenue, Expenditures, and Changes in Fund Balances, while total economic resources are reported in the government-wide statements. GASB 87 was implemented on January 1, 2022.

SBITA

The District Attorney has entered into a service-based IT arrangement (SBITA). Under GASB 96, an incremental borrowing rate of 6% is calculated for each individual SBITA. The present value of the SBITA is aggregated on a fund basis. Governmental funds report SBITAs current expenditures in the fund level Statement of Revenue, Expenditures, and Changes in Fund Balances, while total economic resources are reported in the government-wide statements.

5. CHANGES IN LONG TERM LIABILITIES

The following is a summary of the District Attorney's long term liabilities for the year ending December 31, 2023:

Governmental Activities	Beginning Balance- restated	Increases	Decreases	Ending Balance	Due Within One Year
Long term liabilities:					
Leases payable	\$ 16,143	\$ 52,246	\$ 19,483	\$ 48,906	\$ 12,867
SBITAs payable	-	85,624	14,422	71,202	27,091
Total long term liabilities	<u>\$ 16,143</u>	<u>\$ 137,870</u>	<u>\$ 33,905</u>	<u>\$ 120,108</u>	<u>\$ 39,958</u>

The schedule of future minimum payments for leases payable is as follows:

	Principal	Interest	Total Requirements
December 31:			
2024	\$ 12,867	\$ 2,153	\$ 15,020
2025	12,161	1,509	27,254
2026	11,385	935	12,320
2027	9,196	416	9,612
2028	3,297	38	3,335
Total	<u>\$ 48,906</u>	<u>\$ 5,051</u>	<u>\$ 67,541</u>

The schedule of future minimum payments for SBITAs payable is as follows:

	Principal	Interest	Total Requirements
December 31:			
2024	\$ 27,091	\$ 3,549	\$ 30,640
2025	30,551	1,827	32,378
2026	13,560	204	13,764
Total	<u>\$ 71,202</u>	<u>\$ 5,580</u>	<u>\$ 76,782</u>

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

6. ON-BEHALF PAYMENTS FOR SALARIES AND FRINGE BENEFITS

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

In accordance with GASB Codification Section N50.129, the amount of these salaries and benefits paid on-behalf directly to the District Attorney and the Assistant District Attorneys has been recognized by the District Attorney’s Office as revenues and expenditures. The amount recognized in the current year from the State and the Parishes was \$1,154,846 and \$247,741, respectively.

7. CONTINGENCIES

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

8. INTERFUND RECEIVABLES/PAYABLES

Interfund receivables and payables for the individual funds were:

Individual Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 24,560	\$ -
IV-D Fund	-	24,560
Total	<u>\$ 24,560</u>	<u>\$ 24,560</u>

9. RISK MANAGEMENT

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

10. DEFINED BENEFIT PENSION PLANS

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

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

10. DEFINED BENEFIT PENSION PLANS (continued)

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

Plan Description:

District Attorneys' Retirement System (DARS)

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

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

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

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

10. DEFINED BENEFIT PENSION PLANS (continued)

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

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

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

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

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

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

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

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

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

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

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

Funding Policy

Article X, Section 29(E) (2) (a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions to DARS. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer's portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems' Actuarial Committee (PRSAC). Contributions to the plan is required and determined by State statute (which may be amended) are expressed as a percentage of covered payroll. The contribution rates in effect for the year ended December 31, 2023, for the District Attorney and covered employees were as follows:

	<u>District Attorney</u>	<u>Employees</u>
DARS (January-June 2023)	9.50%	8.00%
DARS (July-December 2023)	12.00%	8.00%

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

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

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

	<u>December 31,</u>		
	<u>2023</u>	<u>2022</u>	<u>2021</u>
DARS	\$ 100,820	\$ 91,960	\$ 66,696

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

The following schedule lists the District Attorney's proportionate share of the Net Pension Liability allocated to the pension plan as of the measurement date for the plan. The District Attorney uses this measurement to record its Net Pension Liability and associated amounts as of December 31, 2023 in accordance with GASB Statement 68. The schedule also includes the proportionate share allocation rate used as of the respective measurement date. The District Attorney's proportion of the Net Pension Liability was based on the District Attorney's long-term share of contributions to the pension plan relative to the actual contributions of all participating employers.

	<u>Measurement Date</u>	<u>Net Pension Liability</u>	<u>Rate at Measurement Date</u>	<u>Increase (Decrease) To Prior Year Rate</u>
DARS	June 30, 2023	\$ 1,275,612	1.487506%	(0.0084%)

The pension plan's recognized pension expense of the District Attorney for the year ended December 31, 2023 was \$356,084.

At December 31, 2023, the District Attorney reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 79,368	\$ 42,136
Changes of assumptions	195,387	-
Net difference between projected and actual earnings		
on pension plan investments	146,845	-
Changes in proportion and differences between Employer contributions and proportionate share of contributions	31,229	3,236
Differences between allocated and actual contributions	-	-
Employer contributions subsequent to the measurement date	56,156	-
	<u>\$ 508,985</u>	<u>\$ 45,372</u>

The District Attorney reported \$56,156 as deferred outflow of resources related to pension contributions made subsequent to the measurement date.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

10. DEFINED BENEFIT PENSION PLANS (continued)

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

Year	DARS
2024	\$ 139,612
2025	116,468
2026	209,708
2027	(62,060)
2028	-
	<u>\$ 407,457</u>

Actuarial Assumptions

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

	DARS
Valuation Date	June 30, 2023
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
	5 years June 30, 2023
	5 years June 30, 2022
	5 years June 30, 2021
Expected Remaining Service Lives	6 years June 30, 2020
	6 years June 30, 2019
	6 years June 30, 2018
	7 years June 30, 2017
Investment Rate of Return	6.10% net of investment expense
Mortality	<p>Pub-2010 Public Retirement Plans Mortality Table for General Above-Median Employees multiplied by 115% for males and females for current employees, each with full generational projection using the MP2019 scale.</p> <p>Pub-2010 Public Retirement Plans Mortality Table for General Above-Median Healthy Retirees multiplied by 115% for males and females for annuitants and beneficiaries, each with full generational projection using the MP2019 scale.</p> <p>Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 115% for males and females for annuitants and beneficiaries, each with full generational projection using the MP2019 scale.</p>
Salary Increases	5.00% (2.20% Inflation, 2.80% Merit)
Cost of Living Adjustments	Only those previously granted

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

10. DEFINED BENEFIT PENSION PLANS (continued)

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

The long term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The resulting long-term rate of return is 7.70% for the year ended June 30, 2023.

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

Asset Class	Long-Term Target Asset Allocation	Expected Portfolio Real Rate of Return
Equities	50.11%	10.66%
Fixed Income	32.82%	3.81%
Alternatives	16.90%	6.50%
Cash	0.20%	0.00%
Total	100.0%	5.02%
Inflation		2.68%
Expected Arithmetic Nominal Return		7.70%

Discount Rate

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate used to measure the total pension liability for DARS was 6.10%, for the measurement period years ended June 30, 2023.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

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

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

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

	<u>1.0% Decrease</u>	<u>Current Discount Rate</u>	<u>1.0% Increase</u>
DARS Rates	5.10%	6.10%	7.10%
District Attorney’s Share of NPL	\$ 2,383,899	\$ 1,275,612	\$ 345,847

Non-employer contribution – In accordance with state statute, DARS received ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities. Non-employer contributions were recognized as revenue during the year December 31, 2023, and excluded from pension expense.

11. **DEFERRED COMPENSATION PLAN**

All current employees are eligible to participate in the State of Louisiana Public Employees Deferred Compensation Plan. Through payroll deductions, employees can make pre-tax contributions to this 457 plan from eligible pay. The amount allowed to contribute to the plan is based on taxable compensation as defined by the Internal Revenue Code (IRC). Existing deferred compensation plans with a prior employer may be transferred at any time. In 2022, the District Attorney’s office matched employee’s contributions up to 7.5%, dollar for dollar. The total employer contributions made for December 31, 2023, 2022, and 2021 were \$80,739, \$88,559, and \$87,784, respectively.

12. **PRIOR PERIOD ADJUSTMENT**

The District Attorney recorded the following prior period adjustments in 2023:

	<u>Governmental Activities</u>
January 1, 2022 net position, as previously reported	\$ 673,474
Net effect of recording right to use assets and lease/SBITA payables	3,175
December 31, 2022 net position, as restated	<u>\$ 676,649</u>

13. **SUBSEQUENT EVENTS**

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 27, 2024, and determined no events occurred that require disclosure. No subsequent events after this date have been evaluated for inclusion in these financial statements.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

DESCRIPTION OF MAJOR FUNDS

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

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<u>REVENUES</u>				
Fines and forfeitures	\$ 703,500	\$ 862,402	\$ 999,348	\$ 136,946
DAPP fees	665,000	759,341	756,379	(2,962)
Intergovernmental revenue:				
Police jury and parish councils	1,937,200	2,037,998	2,018,075	(19,923)
School boards	66,250	66,250	66,250	-
Other governmental agencies	11,000	11,000	11,067	67
Grants	60,000	49,672	49,672	-
State Salary Supplement	1,080,376	999,417	1,154,846	155,429
Parish Salary Supplement	176,410	230,090	247,741	17,651
Other	10,200	13,668	9,853	(3,815)
Interest	6,735	25,409	25,148	(261)
Total Revenues	4,716,671	5,055,247	5,338,379	283,132
<u>EXPENDITURES</u>				
General Government:				
Current operating:				
Personnel service	4,274,953	4,457,957	4,572,622	(114,665)
Auto repair & maintenance	17,000	20,271	20,053	218
Office operations	391,300	669,469	621,559	47,910
Travel and conventions	22,200	25,330	19,139	6,191
Professional services	57,300	47,876	41,455	6,421
Other	2,000	513	-	513
Capital outlay	-	32,881	171,942	(139,061)
Total Expenditures	4,764,753	5,254,297	5,446,770	(192,473)
Deficiency of revenues over expenditures	(48,082)	(199,050)	(108,391)	475,605
<u>OTHER FINANCING SOURCES</u>				
Lease and SBITAs proceeds	-	-	137,870	(137,870)
Net change in fund balances	(48,082)	(199,050)	29,479	337,735
Fund Balance, Beginning of year	796,811	796,811	937,582	(140,771)
Fund Balance, End of year	\$ 748,729	\$ 597,761	\$ 967,061	\$ 196,964

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

TITLE IV-D FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<u>REVENUES</u>				
Intergovernmental revenue:				
Louisiana Department of Social Services	\$ 224,700	\$ 226,905	\$ 232,535	\$ 5,630
Interest	35	300	305	5
Total Revenues	<u>224,735</u>	<u>227,205</u>	<u>232,840</u>	<u>5,635</u>
<u>EXPENDITURES</u>				
General Government				
Current operating:				
Personnel service	155,235	205,231	203,407	1,824
Office operations	17,412	20,651	19,467	1,184
Travel and conventions	700	733	629	104
Professional services	14,200	8,280	8,089	191
Other	-	-	985	(985)
Capital outlay	500	1,995	1,995	-
Total Expenditures	<u>188,047</u>	<u>236,890</u>	<u>234,572</u>	<u>2,318</u>
Net change in fund balances	<u>36,688</u>	<u>(9,685)</u>	<u>(1,732)</u>	<u>3,317</u>
Fund Balance, Beginning of year	<u>48,508</u>	<u>48,508</u>	<u>117,551</u>	<u>(69,043)</u>
Fund Balance, End of year	<u>\$ 85,196</u>	<u>\$ 38,823</u>	<u>\$ 115,819</u>	<u>\$ (65,726)</u>

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED DECEMBER 31, 2023**

As of the fiscal year ended (*):

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
	<u>DARS</u>	<u>DARS</u>	<u>DARS</u>	<u>DARS</u>	<u>DARS</u>	<u>DARS</u>	<u>DARS</u>	<u>DARS</u>	<u>DARS</u>	<u>DARS</u>
Employer's Proportion of the Net Pension Liability	1.4875%	1.4959%	1.4156%	1.3345%	1.3202%	1.2027%	1.1605%	0.8676%	0.7384%	0.5676%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 1,275,612	\$ 1,611,448	\$ 252,021	\$ 1,057,277	\$ 424,711	\$ 387,028	\$ 313,016	\$ 166,058	\$ 39,773	\$ 11,199
Employer's Covered-Employee Payroll	\$ 984,015	\$ 964,995	\$ 887,320	\$ 827,868	\$ 776,302	\$ 379,483	\$ -	\$ 524,389	\$ 426,486	\$ 319,071
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	129.6334%	166.9903%	28.4025%	127.7108%	54.7095%	101.9882%	0.0000%	31.6669%	9.3257%	3.5099%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	85.85%	81.65%	96.79%	84.86%	93.13%	92.92%	93.57%	95.09%	98.56%	99.45%

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

(*): The amounts presented have a measurement date of June 30th fiscal year end of the respective retirement system.

The Retirement System reported in this schedule is as follows:

DARS = District Attorneys' Retirement System

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

**SCHEDULE OF THE EMPLOYER'S CONTRIBUTIONS TO
RETIREMENT SYSTEM
FOR THE YEAR ENDED DECEMBER 31, 2023**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
	DARS	DARS	DARS	DARS	DARS	DARS	DARS	DARS	DARS	DARS
Contractually Required Contribution ¹	\$ 100,891	\$ 91,494	\$ 66,787	\$ 34,565	\$ 21,082	\$ 4,796	\$ -	\$ 10,221	\$ 26,695	\$ 28,589
Contributions in Relation to Contractually Required Contribution ²	100,820	91,779	66,696	34,564	21,276	4,772	-	9,372	26,611	28,320
Contribution Deficiency (Excess)	\$ 71	\$ (285)	\$ 91	\$ 1	\$ (194)	\$ 24	\$ -	\$ 849	\$ 84	\$ 269
Employer's Covered Employee Payroll ³	\$ 938,518	\$ 963,094	\$ 958,205	\$ 864,113	\$ 803,125	\$ 761,302	\$ -	\$ 584,074	\$ 508,470	\$ 341,560
Contributions as a % of Covered Employee Payroll	10.750%	9.500%	6.970%	4.000%	2.625%	0.630%	0.000%	1.750%	5.250%	8.370%

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

For reference only:

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

² Actual employer contributions remitted to Retirement System

³ Employer's covered employee payroll amount for the fiscal year ended December 31, 2023

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER
PAYMENTS TO AGENCY HEAD
FOR THE YEAR ENDED DECEMBER 31, 2023**

Agency Head Name/Title: Ricky Babin, District Attorney

<u>PURPOSE</u>	<u>AMOUNT</u>
Salary - State	\$ 55,000
Salary - Parish Supplement	9,000
Salary - Office	110,000
Vehicle allowance	12,000
Benefits - retirement	18,705
Conference travel	4,533
Continuing professional education fees	480
	<u>\$ 209,718</u>

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT
Justice System Funding Schedule - Collecting/Disbursing Entity
As Required by Act 87 of the 2020 Regular Legislative Session
For the year ended December 31, 2023

	First Six Month Period Ended 06/30/23	Second Six Month Period Ended 12/31/23
Beginning Balance of Amounts Collected (i.e. cash on hand)	\$ 69,153	\$ 19,588
Add: Collections		
Civil Fees (including refundable amounts such as garnishments or advance deposits)	240	804
Bond Fees	-	-
Asset Forfeiture/Sale	13,660	-
Pre-Trial Diversion Program Fees	526,286	553,476
Criminal Court Costs/Fees	11,876	9,601
Criminal Court Costs/Fees	-	-
Criminal Fines - Contempt	-	-
Criminal Fines - Other	-	-
Restitution	7,731	6,140
Probation/Parole/Supervision Fees	-	-
Service/Collection Fees (e.g. credit card fees, report fees, 3rd party service fees)	-	-
Interest Earnings on Collected Balances	12,084	14,651
Other (do not include collections that fit into more specific categories above)	-	-
Subtotal Collections	571,877	584,672
Less: Disbursements To Governments & Nonprofits:		
Louisiana State Police, Asset Forfeiture/Sale	37,751	-
Ascension Parish Clerk of Court, Asset Forfeiture/Sale	632	-
Ascension Parish Criminal Court, Asset Forfeiture/Sale	12,679	-
Louisiana District Attorney's Association, Asset Forfeiture/Sale	648	-
Ascension Parish Sheriff's Office, Asset Forfeiture/Sale	383	-
Assumption Parish Criminal Court Fund, Asset Forfeiture/Sale	160	-
US Postal Inspector's Office, Asset Forfeiture/Sale	383	-
Louisiana Department of Wildlife & Fisheries, Pre-Trial Diversion Program Fees	-	50
Baton Rouge City Police, Pre-Trial Diversion Program Fees	-	-
Louisiana State Police, Pre-Trial Diversion Program Fees	10,325	13,900
Ascension Parish Sheriff's Office, Pre-Trial Diversion Program Fees	450	950
Gonzales Police Department, Pre-Trial Diversion Program Fees	50	100
Assumption Parish Sheriff's Office, Pre-Trial Diversion Program Fees	2,300	3,000
St. James Parish Sheriff's Office, Pre-Trial Diversion Program Fees	500	500
Less: Amounts Retained by Collecting Agency		
Collection Fee for Collecting/Disbursing to Others Based on Percentage of Collection	-	-
Collection Fee for Collecting/Disbursing to Others Based on Fixed Amount	-	-
Self-Disbursed, Interest Earnings on Collected Balances	12,084	14,651
Self-Disbursed, Criminal Court Costs/Fees	11,776	9,601
Self-Disbursed, Civil Fees	240	804
Self-Disbursed, Asset Forfeiture/Sale	12,839	-
Self-Disbursed, Pre-Trial Diversion Program Fees	510,229	537,176
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Civil Fee Refunds	-	-
Bond Fee Refunds	-	-
Asset Forfeiture/Sale Refunds	-	-
Pre-Trial Diversion Program Fees Refunds	182	-
Criminal Court Costs/Fees Refunds	100	-
Restitution Payments to Individuals (additional detail is not required)	7,731	6,140
Other Disbursements to Individuals (additional detail is not required)	-	-
Payments to 3rd Party Collection/Processing Agencies	-	-
Subtotal Disbursements/Retainage	621,442	586,872
Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)	\$ 19,588	\$ 17,388

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT
Justice System Funding Schedule - Receiving Entity
As Required by Act 87 of the 2020 Regular Legislative Session
For the year ended December 31, 2023

	<u>First Six Month Period Ended 06/30/23</u>	<u>Second Six Month Period Ended 12/31/23</u>
Receipts From:		
Ascension Parish Sheriff's Office, Criminal Court Costs/Fees	\$ 64,241	\$ 70,833
Ascension Parish Sheriff's Office, Criminal Fines - Other	28,265	30,956
Ascension Parish Sheriff's Office, Asset Forfeiture/Sale	11,188	17,160
Ascension Parish Sheriff's Office, Bond Fees	85,415	83,028
Ascension Parish Sheriff's Office, Interest Earnings on Collected Balances	-	3,885
Assumption Parish Sheriff's Office, Criminal Court Costs/Fees	17,088	23,581
Assumption Parish Sheriff's Office, Criminal Fines - Other	8,205	10,583
Assumption Parish Sheriff's Office, Asset Forfeiture/Sale	-	-
Assumption Parish Sheriff's Office, Bond Fees	17,999	15,189
St. James Parish Sheriff's Office, Criminal Court Costs/Fees	11,140	17,960
St. James Parish Sheriff's Office, Criminal Fines - Other	5,649	8,250
St. James Parish Sheriff's Office, Asset Forfeiture/Sale	1,843	-
St. James Parish Sheriff's Office, Bond Fees	17,260	13,197
City of Donaldsonville, Criminal Court Costs/Fees	7,680	5,720
City of Donaldsonville, Criminal Fines - Other	2,758	2,077
City of Donaldsonville, Bond Fees	672	52
City of Donaldsonville, Interest Earnings on Collected Balances	-	183
City of Gonzales, Criminal Court Costs/Fees	6,460	5,260
City of Gonzales, Asset Forfeiture/Sale	193	-
Town of Sorrento, Criminal Court Costs/Fees	60	60
Town of Sorrento, Criminal Fines - Other	42	7
Town of Sorrento, Interest Earnings on Collected Balances	-	1
Louisiana Department of Public Safety, Reinstatement Fees	1,350	925
Subtotal Receipts	<u>\$ 287,508</u>	<u>\$ 308,907</u>



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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of American and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District Attorney of the Twenty-Third Judicial District (the "District Attorney"), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District Attorney's basic financial statements, and have issued our report thereon dated June 27, 2024.

Internal Control Over Financial Reporting

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

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

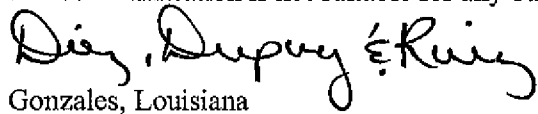
Our consideration of the internal control was for the limited purposed described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we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

Report on Compliance and Other Matters

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

Purpose of this Report

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



Gonzales, Louisiana
June 27, 2024

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

SCHEDULE OF FINDINGS AND RESPONSES

YEAR ENDED DECEMBER 31, 2023

A. SUMMARY OF AUDIT RESULTS

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

B. FINDINGS – FINANCIAL STATEMENT AUDIT

None

C. FINDINGS – NONCOMPLIANCE WITH STATE LAWS AND REGULATIONS

None

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

SCHEDULE OF PRIOR YEAR FINDINGS
YEAR ENDED DECEMBER 31, 2023

A. FINDINGS – FINANCIAL STATEMENT

None

B. FINDINGS – NONCOMPLIANCE WITH STATE LAWS AND REGULATIONS

None

DISTRICT ATTORNEY OF THE TWENTY-THIRD

JUDICIAL DISTRICT

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

STATEWIDE AGREED UPON PROCEDURES

DECEMBER 31, 2023



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

We have performed the procedures enumerated below, which were agreed to by the District Attorney of the 23rd Judicial District (the District Attorney) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2023 through December 31, 2023. The District Attorney's management is responsible for those C/C areas identified in the SAUPs.

District Attorney of the 23rd Judicial District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2023 through December 31, 2023. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1) Written Policies and Procedures

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
- i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
Written policies and procedures were obtained and address the functions noted above.
 - ii. ***Purchasing***, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.
Written policies and procedures were obtained and address the functions noted above.
 - iii. ***Disbursements***, including processing, reviewing, and approving.
Written policies and procedures were obtained and address the functions noted above.
 - iv. ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
Written policies and procedures were obtained and address the functions noted above.

- v. **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.
Written policies and procedures were obtained and address the functions noted above.
- vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
Written policies and procedures were obtained and address the functions noted above.
- vii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
Written policies and procedures were obtained and address the functions noted above.
- viii. **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
Written policies and procedures were obtained and address the functions noted above.
- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
Written policies and procedures were obtained and address the functions noted above.
- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
Written policies and procedures were obtained and address the functions noted above.
- xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
Written policies and procedures were obtained and address the functions noted above.
- xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.
Written policies and procedures were obtained and address the functions noted above.

2) Board or Finance Committee

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

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

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

- ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

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

- iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

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

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

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

3) Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

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

- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
No exceptions noted.
- ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated, electronically logged); and
No exceptions noted.
- iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.
Not applicable, the entity did not have any reconciling items that have been outstanding for more than 12 months.

4) Collections (excluding electronic funds transfers)

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
Obtained a listing of deposit sites and management's representation that listing is complete.
- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that
Obtained a listing of collection locations and management's representation that listing is complete.
 - i. Employees responsible for cash collections do not share cash drawers/registers;
No exceptions noted.
 - ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;
No exceptions noted.
 - iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and
No exceptions noted.
 - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.
No exceptions noted.

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

No exceptions noted.

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

- i. Observe that receipts are sequentially pre-numbered.

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

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

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

- B. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that

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

No exceptions noted.

- ii. At least two employees are involved in processing and approving payments to vendors;
No exceptions noted.
 - iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;
No exceptions noted.
 - iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and
No exceptions noted.
 - v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.
No exceptions noted.
- C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and
- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and
No exceptions noted.
 - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.
No exceptions noted.
- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.
No exceptions noted.

6) Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the

persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

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

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

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

No exceptions noted.

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

No exceptions noted.

C. Using the monthly statements or combined statements selected under procedure #7B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Exceptions noted. 1 card reviewed did not have documentation of business/public purpose written nor did it state individuals who participated in meals on 4 of the 10 transactions selected.

Managements Response: Management will ensure that all transactions on credit cards will include the proper documentation and support.

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

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

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

- i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov);
No exceptions noted.
- ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
No exceptions noted.
- iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii); and
No exceptions noted.
- iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.
No exceptions noted.

8) Contracts

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and
Obtained listing of contracts initiated or renewed during the fiscal period and management's representation that listing is complete.
 - i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;
Not applicable.
 - ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);
Not applicable.
 - iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and
Not applicable.
 - iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.
No exceptions noted.

9) Payroll and Personnel

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

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

- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and

- i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);

Salaried employees are not required to document their attendance. The hourly employees documented attendance. Leave was documented for all employees.

- ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.

Obtained listing of terminated employees and management's representation that listing was complete. No exceptions noted.

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

No exceptions noted.

10) Ethics

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and
- i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
No exceptions noted.
 - ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
No exceptions noted.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.
No exceptions noted.

11) Debt Service

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
Not applicable.
- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).
Not applicable.

12) Fraud Notice

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.
Management asserted that the entity did not have any misappropriations of public funds or assets.
- B. Observe that the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.
No exceptions noted.

13) Information Technology Disaster Recovery/Business Continuity

A. Perform the following procedures, **verbally discuss the results with management, and report “We performed the procedure and discussed the results with management.”**

- i. Obtain and inspect the entity’s most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government’s local server or network, and (c) was encrypted.

We performed the procedure and discussed the results with management.

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

We performed the procedure and discussed the results with management.

- iii. Obtain a listing of the entity’s computers currently in use and their related locations, and management’s representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

We performed the procedure and discussed the results with management.

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

We performed the procedure and discussed the results with management.

C. Randomly select 5 employees/officials from payroll and personnel and obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency’s information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:

- Hired before June 9, 2020-complete the training; and
- Hired on or after June 9, 2020- completed the training within 30 days of initial service or employment.

We performed the procedure and discussed the results with management.

14) Prevention of Sexual Harassment

A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the

documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

No exceptions noted.

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

No exceptions noted.

- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

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

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

A handwritten signature in black ink, reading "Diery, Dupuy & Reig". The signature is written in a cursive style with a large, stylized 'D' at the beginning and a long, sweeping underline that extends across the entire name.

Gonzales, Louisiana
June 27, 2024