

**District Attorney of the Fifth Judicial District**  
Parishes of Franklin, Richland, and West Carroll, Louisiana

Annual Financial Statements  
with Independent Auditor's Report

As of and For the Year Ended  
December 31, 2021  
with Supplemental Information Schedules

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District Attorney of the Fifth Judicial District  
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**Independent Auditor's Report**

District Attorney of the Fifth Judicial District  
Rayville, Louisiana

**Opinions**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the fiduciary fund of the District Attorney of the Fifth Judicial District, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the District Attorney of the Fifth Judicial District'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 financial position of the governmental activities each major fund, and the fiduciary fund of the District Attorney of the Fifth Judicial District, as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof 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 the financial audits contained in the Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District Attorney of the Fifth Judicial District, 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.

**Responsibility of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America 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 of the Fifth Judicial District'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.

## **Auditor's 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 of the Fifth Judicial District'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 of the Fifth Judicial District'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 budgetary comparison information, the Schedule of Employer's Share of Net Pension Liability, the Schedule of Employer Contributions, and the Schedule of Changes in Net OPEB Liability and Related Ratios, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District Attorney of the Fifth Judicial District's basic financial statements. The Schedule of Compensation, Benefits, and Other Payments to Agency Head, the Schedule of Justice System Funding Collecting/Disbursing Entity, and the Schedule of Justice System Funding Receiving Entity are presented for the purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Compensation, Benefits, and Other Payments to Agency Head, the Schedule of Justice System Funding Collecting/Disbursing Entity, and the Schedule of Justice System Funding Receiving Entity are the responsibility of management and were derived from and relates 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 directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Compensation, Benefits, and Other Payments to Agency Head, the Schedule of Justice System Funding Collecting/Disbursing Entity, and the Schedule of Justice System Funding Receiving Entity are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated June 24, 2022 on our consideration of the District Attorney of the Fifth Judicial District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 of the Fifth Judicial District's internal control over financial reporting and compliance.

*Kenneth D. Zolden & Co., CPAs, LLC*

Jonesboro, Louisiana  
June 24, 2022

# **BASIC FINANCIAL STATEMENTS**

# **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**District Attorney of the Fifth Judicial District**  
Parishes of Franklin, Richland, and West Carroll

**Statement of Net Position**  
**December 31, 2021**

	Governmental Activities
<u>Assets</u>	
Cash and Cash Equivalents	\$ 912,206
Investments	221,530
Accounts Receivable	103,156
Due from Other Agencies	103,384
Capital Assets:	
Depreciable	11,061
Net Pension Asset	39,734
Total Assets	1,391,071
<u>Deferred Outflows of Resources</u>	
Prepaid Expenses	-
Resources Related to Pensions	324,784
Total Deferred Outflows of Resources	324,784
<u>Liabilities</u>	
Accounts Payable	\$ 77,296
Salaries Payable	1,250
Payroll Withholdings Payable	-
Compensated Absences Payable	23,306
Due to Other Agencies	5,817
Unfunded Post Retirement Benefit Plan Obligations	599,987
Total Liabilities	707,656
<u>Deferred Inflows of Resources</u>	
Resources Related to Pensions	489,468
<u>Net Position</u>	
Net Investment in Capital Assets	11,061
Net Position - Unrestricted	507,670
Total Net Position	\$ 518,731

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

**District Attorney of the Fifth Judicial District**  
Parishes of Franklin, Richland, and West Carroll

**Statement of Activities**  
**For the Year Ended December 31, 2021**

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenue and Changes in Net Position</u>
Governmental Activities:					
Public Safety & Judicial					
Prosecution	<u>\$ 1,654,173</u>	<u>\$ 564,818</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,089,355)</u>
			General Revenues:		
			Federal Support	\$ 202,489	
			State Support	346,250	
			Local Support	395,080	
			Interest Earnings	3,328	
			Interfund Transfer	50,000	
			Miscellaneous	-	
			Total General Revenues	<u>997,147</u>	
			Changes in Net Position		(92,208)
			Net Position - Beginning		<u>610,939</u>
			NET POSITION - ENDING		<u>\$ 518,731</u>

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

# **FUND FINANCIAL STATEMENTS**

**District Attorney of the Fifth Judicial District**  
Parishes of Franklin, Richland, and West Carroll

**Balance Sheet, Governmental Funds**  
**December 31, 2021**

	Major Funds		
	General Fund	Title IV-D	Total
<u>Assets</u>			
Cash and Cash Equivalents	\$ 665,665	\$ 246,541	\$ 912,206
Investments	168,197	53,333	221,530
Accounts Receivable	35,806	67,350	103,156
Prepaid Expense	-	-	-
Due from other Funds	303,303	-	303,303
Due from other Agencies	93,384	10,000	103,384
<u>Total Assets</u>	<u>\$ 1,266,355</u>	<u>\$ 377,224</u>	<u>\$ 1,643,579</u>
<u>LIABILITIES AND FUND BALANCE</u>			
<u>Liabilities</u>			
Accounts Payable	\$ 77,210	\$ 86	\$ 77,296
Due to Other Funds	-	303,303	303,303
Due to Other Agencies	2,418	3,399	5,817
Payroll Withholdings Payable	-	-	-
Salaries Payable	-	1,250	1,250
<u>Total Liabilities</u>	79,628	308,038	387,666
<u>Fund Balance</u>			
Unassigned	1,186,727	69,186	1,255,913
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>\$ 1,266,355</u>	<u>\$ 377,224</u>	<u>\$ 1,643,579</u>

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

**District Attorney of the Fifth Judicial District**  
Parishes of Franklin, Richland, and West Carroll

**Balance Sheet, Governmental Funds**  
**December 31, 2021**

**Reconciliation of the Balance Sheet of the Governmental Funds  
to the Statement of Net Position**

*Amounts reported for governmental activities in the Statement of Net Position are different because:*

Fund Balance, Governmental Funds:	\$ 1,255,913
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	11,061
Net pension liability does not require the use of current financial resources and therefore is not reported in the funds.	39,734
Long-term obligations are not due and payable in the current period and therefore are not reported in the fund statements:	
Compensated absences payable	(23,306)
Net OPEB obligation	(599,987)
The net effect of deferred outflows of resources and deferred inflows of resources related to pensions do not require the use of current financial resources and therefore are not reported in the funds.	<u>(164,684)</u>
Net Position of Governmental Activities	<u><u>\$ 518,731</u></u>

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

**District Attorney of the Fifth Judicial District**  
Parishes of Franklin, Richland, and West Carroll

**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**For the Year Ended December 31, 2021**

	Major Funds		
	General Fund	Title IV-D	Total
<u>Operating Revenue</u>			
Fines, Fees and Bond Forfeitures	\$ 436,511	\$ -	\$ 436,511
Court Cost Fees	46,366	-	46,366
Interest Income	2,772	556	3,328
<u>Intergovernmental Revenue</u>			
Federal	-	202,489	202,489
State	346,250	-	346,250
Local	395,080	-	395,080
Drug Asset Forfeiture	16,416	-	16,416
Collection Fees	8,263	-	8,263
Total Operating Revenue	<u>1,251,659</u>	<u>203,045</u>	<u>1,454,704</u>
<u>Operating Expenditures</u>			
Current:			
General Government			
Personnel Services	1,237,109	174,815	1,411,924
Operating Services	146,316	27,679	173,995
Materials and Supplies	52,109	3,274	55,383
Travel and Other Charges	18,768	582	19,350
Capital Outlay	20,172	-	20,172
Total Operating Expenditures	<u>1,474,475</u>	<u>206,350</u>	<u>1,680,825</u>
<u>Excess (Deficiency) of Revenues Over</u>			
<u>Expenditures</u>	(222,816)	(3,305)	(226,121)
<u>Operating Transfers In</u>			
	<u>50,000</u>	<u>-</u>	<u>50,000</u>
<u>Excess (Deficiency) of Revenues Over</u>			
<u>Expenditures and Transfers In</u>	(172,816)	(3,305)	(176,121)
<u>Fund Balance - Beginning of the Year</u>			
	<u>1,359,543</u>	<u>72,491</u>	<u>1,432,034</u>
<u>FUND BALANCE - END OF THE YEAR</u>			
	<u>\$ 1,186,727</u>	<u>\$ 69,186</u>	<u>\$ 1,255,913</u>

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

**District Attorney of the Fifth Judicial District**  
Parishes of Franklin, Richland, and West Carroll

**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**For the Year Ended December 31, 2021**

**Reconciliation of the Statement of Revenues, Expenditures,  
and Changes in Fund Balances of Governmental Funds  
To the Statement of Activities**

*Amounts reported for governmental activities in the Statement of Activities  
are different because:*

Net change in fund balances - total governmental funds	\$	(176,121)
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Governmental funds report capital outlays as expenditures,  
however, in the statement of activities, the cost of those  
assets is depreciated over their estimated useful lives.

Expenditures for capital assets	10,540		
Less current year depreciation	(415)		
			10,125

Governmental funds report current year pension contributions as expenditures. However, in the statement of activities, these contributions are reported as deferred inflows of resources and the District's proportionate share of the plans pension expense is reported as pension expense.			3,950
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Payments of long-term debt, including contributions to the OPEB obligation,  
are reported as expenditures in governmental funds. However, these amounts  
are a reduction of long-term liabilities in the Statement of Net Position and  
are not reflected in the Statement of Activities:

Change in compensated absences payable			12,577
Pension expense			57,261
Other parties' contributions to pension plans			-
			-

Changes in net position of governmental activities	\$	(92,208)
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The accompanying notes are an integral part of this financial statement.

**District Attorney of the Fifth Judicial District**  
Parishes of Franklin, Richland, and West Carroll

**Statement of Fiduciary Net Position**  
**December 31, 2021**

	Special Asset Forfeiture	Worthless Check Fund	Total
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 72,110	\$ 5,025	\$ 77,135
TOTAL ASSETS	72,110	5,025	77,135
<u>LIABILITIES</u>			
Deposits Due Others	72,110	5,025	77,135
TOTAL LIABILITIES	\$ 72,110	\$ 5,025	\$ 77,135

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

**District Attorney of the Fifth Judicial District**  
Parishes of Franklin, Richland, and West Carroll

**Statement of Changes in Fiduciary Net Position**  
**For the Year Ended December 31, 2021**

	Special Asset Forfeiture	Worthless Check Fund	Total
<u>BALANCE AT BEGINNING OF YEAR</u>	\$ 65,219	\$ 5,125	\$ 70,344
Collections	90,002	40,794	130,796
Disbursements	(83,111)	(40,894)	(124,005)
<u>BALANCE AT END OF YEAR</u>	<u>\$ 72,110</u>	<u>\$ 5,025</u>	<u>\$ 77,135</u>

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

# **NOTES TO THE FINANCIAL STATEMENTS**

DISTRICT ATTORNEY OF THE FIFTH JUDICIAL DISTRICT  
FOR THE PARISHES OF FRANKLIN, RICHLAND, AND WEST CARROLL  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 in his district, is the representative of the state before the grand jury in his district, and is the legal advisor to the grand jury. He 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 judicial district encompasses the Parishes of Franklin, Richland, and West Carroll, Louisiana.

The accompanying financial statements of the District Attorney of the Fifth Judicial District have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis -for State and Local Governments*, issued in June 1999.

A. Basis of Presentation

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

B. Reporting Entity

As the governing authority of the parish, for reporting purposes, the Richland Parish Police Jury is the financial reporting entity for Richland Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Richland Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial responsibility. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include: (1) Appointing a voting majority of an organization's governing body or (2) the ability of the District Attorney to impose its will on that organization and/or (3) the potential for the organization to provide specific financial benefits to or impose specific financial burdens on the District Attorney. Organizations for which the District Attorney does not appoint a voting majority but are fiscally dependent on the District Attorney. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Reporting Entity (Continued)

Because the police jury maintains and operates the parish courthouse in which the District Attorney's office is located and provides partial funding for equipment, furniture and supplies of the District Attorney's office, the District Attorney was determined to be a component unit of the Richland Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District Attorney and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the Richland Parish financial reporting entity.

C. Fund Accounting

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 accounting entity with a self-balancing set of accounts.

Funds of the District Attorney are classified into two categories; governmental and fiduciary. Each category is divided into separate fund types. The fund classifications and a description of each existing fund type are as follows:

Governmental Funds

Governmental funds account for all or most of the District Attorney's general activities. These funds focus on the sources, uses, and balances of current financial resources. The following are the District Attorney's governmental funds:

*General Fund* – The General Fund is the District Attorney's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The General Fund was established in compliance with Louisiana Revised Statute 15:571.11, which provides that twelve percent (12%) of the fines and forfeitures collected be transmitted to the District Attorney to defray the necessary expenses of that office.

*Title IV-D* - The Special Revenue Fund consists of federal reimbursement grants passed through the Louisiana Department of Children and Family 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 family and children, to locate absent parents, to establish paternity, and to obtain family and child support.

Expenditures from this fund are at the sole discretion of the District Attorney and may be used to defray the salaries and the expenses of the office of the District Attorney but may not be used to supplement the salary of the district attorney. In some years, overages in funding appear to occur due to salary accrual changes from year to year.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fiduciary Funds

Fiduciary funds account for assets held by the district attorney in a trustee capacity or as an agent on behalf of outside parties.

*Agency funds* are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. These funds are used to account for assets that the district attorney holds for others in an agency capacity. The district attorney reports the following agency funds:

*Asset Forfeiture Fund* - The Asset Forfeiture Fund was established for the allocation and disposition of property obtained under the provisions of Louisiana Revised Statute 40:2616. The District Attorney may (1) retain property for official use or transfer the custody to any local, state or federal agency; (2) destroy or use for investigative purposes, any illegal or controlled substances or other contraband, upon the written approval of the District Attorney after not less than twenty days after seizure; and (3) authorize a public sale without appraisal of that which is not required by law to be destroyed and which is not harmful to the public.

Property is distributed by court order first to satisfy any security interest or lien; second to reimburse expenses of seizure; and the balance shall be allocated as follows:

60% to law enforcement agency(s) making the seizure  
20% to the criminal court fund  
20% to District Attorney's general fund

These proceeds are to be used to further and enhance drug law enforcement. The District Attorney is required to make an annual report to the Governor, the President of the Senate, and the Speaker of the House of Representatives. This fund is subject to public audit.

*Worthless Check Collection Fee* - The Worthless Check Collection Fee Fund consists of fees collected in accordance with Louisiana Revised Statute 16:15, which provides for a specific fee whenever the District Attorney's office collects and processes a worthless check.

D. Measurement Focus/Basis of Accounting

*Government- Wide Financial Statements*

The statement of net position and the statement of activities display information about the reporting government as a whole. The government-wide financial statements were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, liabilities and deferred outflows/inflows of resources resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, liabilities and deferred outflows/inflows of resources resulting from non-exchange transactions are recognized in accordance with the requirements of GASB No. 33, *Accounting and Financial Reporting for Non - exchange transactions*.

#### D. Measurement Focus/Basis of Accounting – (Continued)

Fiduciary funds are not included in the government-wide financial statements.

*Program Revenues* - Program revenues included in the Statement of Activities derive directly from parties outside the District Attorney's taxpayers or citizenry, as a whole. Program revenues reduce the costs of the function to be financed from the District Attorney's general revenues.

Revenues represented by reimbursements and incentives under the Title IV-D program are recognized and recorded when program expenditures are incurred in accordance with program guidelines. Forfeited drug assets are recorded when the court ordered Judgment of Forfeiture is received. Court cost and fees provided for in Louisiana Statutes are recorded as received in cash. Collection fees for worthless checks are recorded as received in cash. Investment earnings are recorded as earned since they are measurable and available.

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant and, accordingly, when such funds are received, they are recorded as unearned revenues until earned.

#### *Fund Financial Statements (FFS)*

The amounts reflected in the Governmental funds statements are accounted for using a current financial resources measurement focus and a modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

The amounts reflected in the General Fund and Other Funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period.

The District Attorney considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

The agency funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting.

#### *Revenues*

Commissions on fines and bond forfeitures are recorded in the year they are collected by the parish tax collectors. Grants are recorded when the District Attorney of the Fifth Judicial District is entitled to the funds.

#### D. Measurement Focus/Basis of Accounting – (Continued)

Interest earned on investments is recorded when the investment has matured and the income is available. Substantially all other revenues are recorded when received.

#### *Expenditures*

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

#### E. Budgets

The District Attorney uses the following budget practices:

An annual operating budget is adopted each year for the General Fund and the modified accrual basis of accounting is used to reflect actual revenues and expenditures, which is consistent with accounting principles generally accepted in the United States of America.

All appropriations lapse at year-end and any unexpended fund balance is carried forward into subsequent years. Formal budget integration is not employed as a management control device, and the District Attorney of the Fifth Judicial District does not use encumbrance accounting.

#### F. Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. The District Attorney considers all short-term, highly liquid investments with original maturities of 90 days or less to be treated as cash equivalents. 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 and national banks having their principal offices in Louisiana.

#### G. Investments

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments in non-participating interest-earning contracts, such as non-negotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.

#### H. Short-term Interfund Receivables/ Payables (Fund Financial Statements)

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as interfund receivables/payables on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

In the process of aggregating data for the statement of net position interfund payables and receivables were eliminated to minimize the "grossing up" effect of assets and liabilities within the governmental activities column.

## I. Capital Assets

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation.

Capital assets are reported in the government-wide financial statements but not in the fund financial statements. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes by the District Attorney, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Furniture and office equipment	5 years
Computer hardware	5-10 years
Telephone equipment	10 years
Vehicles	5 years

## J. Compensated Absences

All employees are granted two to three weeks of cumulative vacation leave each year, depending on length of service and are allowed to accrue up to 24 days of leave. Sick leave is non-cumulative at 10 days per year.

At December 31, 2021, employees have accumulated and vested \$23,306 of employee leave benefits, computed in accordance with GASB Codification Section C60. This amount is recorded as a general long-term obligation in the accompanying financial statements.

## K. Restricted Net Position

For the government-wide statement of net position, net position is reported as restricted when constraints placed on net position use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations other governments;

Imposed by law through constitutional provisions or enabling legislation.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, the unrestricted resource as needed.

## L. Fund Balance of Fund Financial Statements

Fund balance amounts are reported within the fund balance categories as follows:

Non-spendable: Fund balance that is not in spendable form or legally or contractually required to be maintained intact.

Restricted: Fund balance that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Committed: Fund balance that can only be used for specific purposes determined by the District Attorney. Committed amounts cannot be used for any other purpose unless the District Attorney removes or changes the specified use by taking the same type of action it employed to previously commit the funds.

Assigned: Fund balance that is constrained by the District Attorney's intent to be used for specific purposes but are neither restricted nor committed. Intent should be expressed by the District Attorney.

Unassigned: Fund balance that is the residual classification for the general fund or a deficit fund balance in other funds.

The District Attorney reduces committed amounts, followed by assigned amounts and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used. The District Attorney considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available.

#### M. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is generally used in government funds.

Based on the size of the accounts and the methods used for payments, the District Attorney does not employ encumbrance accounting.

#### N. Interfund Transactions

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transactions are reported as transfers.

#### O. Estimates

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

P. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement 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 or resources (expense/expenditure) until then. The District Attorney has one item, deferred outflows related to pensions that qualifies in this category and is reported only in the governmental activities.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement 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 until that time. The District Attorney has one item, deferred inflows related to pensions that qualifies in this category and is reported only in the governmental activities.

For purposes 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 retirement systems and additions to/deductions from the retirements systems fiduciary net position have been determined on the same basis as they are reported by the retirement systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS

Deposits are stated at cost, which approximate fair value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in the holding or custodial bank that is mutually acceptable to both parties.

Interest Rate Risk: The District Attorney does not have a policy that addresses interest rate risk.

Credit Risk: The District Attorney's investments are in Certificates of Deposits which do not have credit ratings.

Custodial Credit Risk: At year-end the District Attorney's carrying amount of deposits was \$1,133,736 and the bank balance was \$899,415, which includes \$221,530 in certificates of deposit classified as investments.

NOTE 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS – (Continued)

Of the bank balances, \$500,000 was covered by federal depository insurance. The remaining balance was collateralized with securities held by the pledging financial institution's trust department in the District Attorney's name. The District Attorney does not have a policy that addresses custodial credit risk. Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement No. 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District Attorney that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 3 – ACCOUNTS RECEIVABLE

The following is a summary of receivables at December 31, 2021:

	General Fund	Title IV-D Special Revenue Fund	Total
Department of Health and Human Services	\$ -	\$ 67,350	\$ 67,350
Fines, Fees, and Bond Forfeitures	35,806	-	35,806
Total	<u>\$ 35,806</u>	<u>\$ 67,350</u>	<u>\$103,156</u>

NOTE 4 - INTERFUND RECEIVABLES/PAYABLES

The following is a summary of interfund receivables and payables at December 31, 2021:

	Due From Other Funds	Due To Other Funds
General Fund	\$ 62,640	\$ -
Title IV-D	-	62,640
Total	<u>\$ 62,640</u>	<u>\$ 62,640</u>

The purpose of the interfund payable from the Title IV-D fund was to cover current-year expenditures for the cost reimbursement program until the reimbursement request is received.

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2021 and 2020 is as follows:

	December 31, 2020			December 31, 2021
	Balance	Additions	Deletions	Balance
Depreciable Assets:				
Autos & Equipment	\$181,439	10,540	-	\$191,979
Totals at Historical Cost	181,439	10,540	-	191,979
Less Accumulated Depreciation for:				
Autos & Equipment	(180,503)	( 415)	-	(180,918)
Total Accumulated Depreciation	(180,503)	( 415)	-	(180,918)
<u>CAPITAL ASSETS, NET</u>	<u>\$ 936</u>	<u>\$ 10,125</u>	<u>\$ -</u>	<u>\$ 11,061</u>

Depreciation expense was \$415 in 2021.

#### NOTE 7 – PENSION PLANS

##### **Parochial Employees' Retirement System of Louisiana (System)**

###### *Plan Description*

The 5th Judicial District Attorney contributes to the Parochial Employees' Retirement System of Louisiana (System) which is a cost sharing multiple employer defined benefit pension plan. All permanent employees working at least 28 hours per week are eligible to participate in the System. As of January 1997, elected officials, except coroners, justices of the peace, and parish presidents may no longer join PERS. Section 1901 through 2025 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:1901-2025) and other general laws of the State of Louisiana govern PERS.

The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the 5th Judicial District Attorney are members of Plan A.

Any member of Plan A who was hired prior to January 1, 2007, can retire providing he/she meets one of the following criteria:

1. Any age after 30 years of creditable service.
2. Age 55 after 25 years of creditable service.
3. Age 60 after 10 years of creditable service.
4. Age 65 after seven years creditable service.

Eligibility for retirement for Plan A members hired on or after January 1, 2007 is as follows:

1. Age 55 after 30 years of creditable service.
2. Age 62 after 10 years of creditable service.
3. Age 67 after seven years of creditable service.

Generally, the monthly amount of the retirement allowance of any member of Plan A shall consist of an amount equal to three percent of the employee's final average compensation multiplied by his or her years of creditable service. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts.

The System also provides death and disability benefits. Benefits are established or amended by state statute.

For the year ended December 31, 2021, the 5th Judicial District Attorney's total payroll for all employees was \$661,026. Total covered payroll was \$439,923. Covered payroll refers to all compensation paid by the 5th Judicial District Attorney to active employees covered by the Plan.

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 to the Parochial Employees Retirement System of Louisiana, 7509 Wrenwood Boulevard, Baton Rouge, Louisiana 70809, or by calling (225) 928-1361, or by visiting the System's website [www.persla.org](http://www.persla.org).

### *Contributions*

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ended December 31, 2020, the actual employer contribution rate was 12.25% for Plan A, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. In accordance with state statute, the System receives 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 but are not considered special funding situations. The 5th Judicial District Attorney's contributions to the System under Plan A for the year ending December 31, 2021 were \$53,981.

Under Plan A, members are required by state statute to contribute 9.50% of their annual covered salary. The contributions are deducted from the employee's wages or salary and remitted by the 5th Judicial District Attorney to the System monthly.

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

At December 31, 2021, the Employer reported an asset of \$116,153 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of December 31, 2020 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The 5th Judicial District Attorney's proportion of the Net Pension Liability was based on a projection of the 5th Judicial District Attorney's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2020, the 5th Judicial District Attorney's proportion was 0.066244%, which was an increase of 0.003688% from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021, the 5th Judicial District Attorney recognized pension expense of \$13,543 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, which was (\$55,547). Total pension expense for the 5th Judicial District Attorney for the year ended December 31, 2021 was (\$42,044).

At December 31, 2021, the 5th Judicial District Attorney reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	28,279	13,864
Changes in assumption	38,002	-
Net difference between projected and actual earnings on pension plan investments	-	226,697
Changes in employer's portion of beginning net pension liability	521	6,932
Differences between employer contributions and proportionate share of employer contributions	261	41
Subsequent measurement contributions	53,891	-
Total	120,954	247,534

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

Year ended December 31,	
2022	(50,653)
2023	(19,218)
2024	(73,560)
2025	(37,041)

#### *Actuarial Assumptions*

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2020, are as follows:

Valuation Date	December 31, 2020
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment Rate of Return	6.40% (net of investment expense, including inflation)
Expected remaining service lives	4 years
Projected salary increases	4.75%
Inflation Rate	2.30%
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.
Mortality rates	Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2018 scale for annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2018 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale for disabled annuitants.

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the capital asset pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates 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 rates 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 of 2.00% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.00% for the year ended December 31, 2020.

Best estimates of arithmetic real rates of return for each major asset class included in the System’s target asset allocation as of December 31, 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed income	33%	0.86%
Equity	51%	3.36%
Alternatives	14%	0.67%
Real Assets	2%	0.11%
Totals	100%	5.00%
Inflation		2.00%
Expected arithmetic nominal return		7.00%

*Discount Rate*

The discount rate used to measure the total pension liability was 6.40% for Plan A. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems’ Actuarial Committee. Based on those assumptions, the System’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.

*Sensitivity of the 5th Judicial District Attorney’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate*

The following presents the 5th Judicial District Attorney’s proportionate share of the net pension liability calculated using the discount rate of 6.40%, as well as what the 5th Judicial District Attorney’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (5.40%) or one percentage-point higher (7.40%) than the current rate:

	1.0% Decrease	Current Discount Rate	1.0% Increase
Employer’s proportionate share of net pension liability	243,539	(116,153)	(417,388)

### *Payables to the Pension Plan*

These financial statements include a payable to the pension plan of \$26,324, which is the legally required contribution due at December 31, 2021. This amount is recorded in accrued expenses.

### *Plan Fiduciary Net Position*

Detailed information about the Plan's fiduciary net position is available in the separately issued Parochial Employees' Retirement System of Louisiana Audit Report at [www.persla.org](http://www.persla.org).

## **District Attorney's Retirement System of Louisiana (System)**

### *Plan Description*

The 5th Judicial District Attorney contributes to the District Attorneys' Retirement System of Louisiana (System) which is a cost sharing multiple employer defined benefit pension plan. The System was established on August 1, 1956 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 Louisiana R.S. 11, Chapter 3 for district attorneys and their assistants in each parish. All persons who are district attorneys of the State of Louisiana or assistant district attorneys in any parish shall become members as a condition of their employment, provided 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.

Any member of the Plan who was hired prior to July 1, 1990, and who have elected not to be covered under the new provisions, are eligible to receive normal retirement benefit if one of the following criteria is met:

5. Age 62 after 10 or more years of creditable service.
6. Age 60 after 18 or more years of creditable service.
7. Age 55 after 23 or more years of creditable service.
8. Any age after 30 or more years of creditable service.

Generally, the monthly amount of the retirement allowance of any member of the Plan shall consist of an amount equal to three percent of the employee's final compensation for each year of creditable service. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts. Retirement benefits may not exceed 100% of final average compensation.

Any member of the Plan who was hired after to July 1, 1990, or who have elected to be covered under the new provisions, are eligible to receive normal retirement benefit if one of the following criteria is met:

1. Age 60 after 10 or more years of creditable service.
2. Age 55 after 24 or more years of creditable service.
3. Any age after 30 or more years of creditable service.

Generally, the monthly amount of the retirement allowance of any member of the Plan shall consist of an amount equal to 3.5% of the employee's final compensation multiplied by years of membership service. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts. Retirement benefits may not exceed 100% of final average compensation.

The System also provides death and disability benefits. Benefits are established or amended by state statute.

For the year ended December 31, 2021, the 5th Judicial District Attorney's total payroll for all employees was \$346,250. Total covered payroll was \$271,057. Covered payroll refers to all compensation paid by the 5th Judicial District Attorney to active employees covered by the Plan.

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 to the District Attorneys' Retirement System of Louisiana, 1645 Nicholson Drive, Baton Rouge, Louisiana 70802, or by calling (225) 267-4824, or by visiting the System's website [www.ladars.org](http://www.ladars.org).

#### *Contributions*

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ended December 31, 2021, the actual employer contribution rate was 4.00% for January-June and 9.50% for July-November and 8.00% for December, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The 5th Judicial District Attorney's contributions to the System for the year ending December 31, 2021 were \$17,925. In accordance with state statute, the System receives 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, but are not considered special funding situations.

Members are required by state statute to contribute 8.00% of their annual covered salary. The contributions are deducted from the employee's wages or salary and remitted by the 5th Judicial District Attorney to the System monthly.

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

At December 31, 2021, the Employer reported a liability of \$76,419 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2021 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The 5th Judicial District Attorney's proportion of the Net Pension Liability was based on a projection of the Police Jury's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

At June 30, 2021, the 5th Judicial District Attorney's proportion was 0.429242%, which was a decrease of (0.072792%) from its proportion measured as of June 30, 2020.

For the year ended December 31, 2021, the 5th Judicial District Attorney recognized pension expense of \$45,527 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, which was (\$10,929). Total pension expense for the 5th Judicial District Attorney for the year ended December 31, 2021 was \$34,598.

At December 31, 2021, the 5th Judicial District Attorney reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	24,517	23,465
Changes in assumptions	144,210	-
Net difference between projected and actual earnings on pension plan	-	207,841
Changes in employer's proportion of beginning net pension liability	22,424	6,802
Differences between employer and proportionate share of contributions	98	3,825
Subsequent measurement contributions	12,579	-
Total	203,829	241,933

The \$12,579 reported as deferred outflows of resources related to pensions resulting from the 5th Judicial District Attorney contributions subsequent to the measurement date will be recognized as a reduction of Net Pension Liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ended December 31,	
2022	(6,939)
2023	1,785
2024	(19,914)
2025	(25,614)

*Actuarial Assumptions*

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2021, are as follows:

Valuation Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal Cost
Actuarial Assumptions:	
Investment Rate of Return	6.10%, net of investment expense
Salary increases	5.00% (2.20% inflation, 2.80% merit)
Mortality rates	<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 disabled retirees, each with full generational projection using the MP2019 scale.</p>
Expected remaining service lives	5 years
Cost of Living Adjustments	Only those previously granted

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 building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The resulting long-term rate of return is 8.25% for the year ended June 30, 2021.

The best estimates of arithmetic real rates of return for each major asset class based on the System’s target asset allocation as of June 30, 2021, were as follows:

Asset Class	Target Allocation	Rates of Return	
		Real	Nominal
Equities	57.11%	6.43%	
Fixed income	30.19%	0.94%	
Alternatives	12.67%	0.89%	
Real estate	0.03%	0.00%	
Totals	100%		5.80%
Inflation			2.45%
Expected arithmetic nominal return			8.25%

*Discount Rate*

The discount rate used to measure the total pension liability was 6.10%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from participating employers will be made at actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System’s actuary. Based on those assumptions, the System’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 payment to determine the total pension liability.

*Sensitivity of the 5th Judicial District Attorney’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate*

The following presents the 5th Judicial District Attorney’s proportionate share of the net pension liability calculated using the discount rate of 6.10%, as well as what the Police Jury’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (5.10%) or one percentage-point higher (7.10%) than the current rate:

	1.0% Decrease	Current Discount Rate	1.0% Increase
Employer’s proportionate share of net pension liability	374,697	76,419	(173,474)

*Payables to the Pension Plan*

These financial statements include a payable to the pension plan of \$12,976, which is the legally required contribution due at December 31, 2021. This amount is recorded in accrued expenses.

*Plan Fiduciary Net Position*

Detailed information about the System’s fiduciary net position is available in the separately issued District Attorneys’ Retirement System of Louisiana Audit Report at [www.ladars.org](http://www.ladars.org).

**NOTE 8 - FEDERAL FINANCIAL ASSISTANCE PROGRAM**

The District Attorney participates in the United States Department of Health and Human Services Support Enforcement, Title IV-D Program, Catalog of Federal Domestic Assistance Number 93.563. This program is funded by indirect assistance payments in the

form of reimbursements for related expenditures, received from the Louisiana Department of Children and Family Services.

For the year ended December 31, 2021, the District Attorney for the Fourth Judicial District expended \$206,350 for the program.

The reimbursement payments are restricted by a formal agreement between the District Attorney and Department of Children and Family Services and include a budget of expected expenditures for each fiscal year ending June 30. The District Attorney submits reimbursements requests to the Department of Children and Family Services on a monthly basis.

The reimbursement payments may be subjected to further review and audit by the federal grantor agency. No provision has been made in the financial statements for the reimbursement of any expenditure that may be disallowed as a result of such a review or audit. Based on prior experience, the District Attorney feels such disallowances, if any, will be immaterial.

NOTE 9 - AGENCY FUNDS

A summary of the changes in the District Attorney's agency funds is as follows:

	Balance at Beginning of <u>Year</u>	<u>Additions</u>	<u>Reductions</u>	Balance at End of <u>Year</u>
Special Asset Forfeiture Fund	\$ 65,219	\$ 90,002	\$ 83,111	\$ 72,110
Worthless Check Fund	<u>5,125</u>	<u>40,794</u>	<u>40,894</u>	<u>5,025</u>
Total	<u>\$ 70,344</u>	<u>\$306,723</u>	<u>\$287,474</u>	<u>\$ 77,135</u>

NOTE 10 - STEWARDSHIP AND ACCOUNTABILITY

Excess of Actual Expenditures Over Budgeted Expenditures in Individual Funds The following fund had actual expenditures which exceeded budgeted expenditures for the year ended December 31, 2021:

	<u>Final Budget</u>	<u>Actual</u>	Unfavorable <u>Variance</u>
Personnel Services	\$1,090,850	\$ 1,237,109	\$ (146,259)
Operating Services	\$ 41,700	\$ 146,316	\$ (104,616)
Materials & Supplies	\$ 12,000	\$ 52,109	\$ ( 40,109)

NOTE 11 - LITIGATION AND CLAIMS

At December 31, 2021, the District Attorney is not involved in any litigation, nor is she aware of any unasserted claims.

NOTE 12 - EXPENDITURES OF THE DISTRICT ATTORNEY NOT INCLUDED IN THE FINANCIAL STATEMENTS

The accompanying financial statements do not include certain expenditures of the District Attorney paid out of the funds of the criminal court, the parish police jury, or directly by the state.

NOTE 13 – POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

**General Information about the OPEB Plan**

*Plan description* – The Fifth Judicial District Attorney (the District Attorney) provides certain continuing health care and life insurance benefits for its retired employees. The Fifth Judicial District Attorney’s OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the District Attorney. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the District Attorney. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB).

*Benefits Provided* – Medical benefits are provided through comprehensive plans and are made available to employees upon actual retirement. Employees retirement eligibility (D.R.O.P. entry) provisions are as follows: Only a retiring District Attorney with at least 25 years of service is eligible for retiree medical benefits to be paid by the employer. Benefits are governed by applicable Louisiana Law (R.S. 16:516).

Life insurance coverage is not considered for this valuation.

*Employees covered by benefit terms* – As of the measurement date December 31, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	2
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	1
	<hr/>
	3

**Total OPEB Liability**

The District Attorney’s total OPEB liability is \$599,987 as of the measurement date September 30, 2021, the end of the fiscal year.

*Actuarial Assumptions and other inputs* – The total OPEB liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.0%
Salary increases	3.0%, including inflation
Discount rate	2.12% annually (Beginning of Year to Determine ADC) 2.06%, annually (As of End of Year Measurement Date)
Healthcare cost trend rates	5.5% annually until year 2030, then 4.5%
Mortality	SOA RP-2014 Table

The discount rate was based on the Bond Buyers' 20 Year General Obligation municipal bond

index as of December 31, 2021, the end of the applicable measurement period.

The actuarial assumptions used in the December 31, 2021 valuation were based on the results of ongoing evaluations of the assumptions from January 1, 2009 to December 31, 2021.

### Changes in the Total OPEB Liability

Balance at December 31, 2020	\$ 603,937
Changes for the year:	
Service cost	-
Interest	12,803
Differences between expected and actual experience	(12,800)
Changes in assumptions	4,770
Benefit payments and net transfers	(8,723)
Net changes	(3,950)
Balance at December 31, 2021	\$ 599,987

*Sensitivity of the total OPEB liability to changes in the discount rate* – The following presents the total OPEB liability of the District Attorney, as well as what the District Attorney’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.06%) or 1-percentage-point higher (3.06%) than the current discount rate:

	<b>1.0% Decrease (1.06%)</b>	<b>Current Discount Rate (2.06%)</b>	<b>1.0% Increase (3.06%)</b>
Total OPEB liability	\$ 684,789	\$ 599,987	\$ 530,517

*Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates* – The following presents the total OPEB liability of the District Attorney, as well as what the District Attorney’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.5%) or 1-percentage-point higher (6.5%) than the current healthcare trend rates:

	<b>1.0% Decrease (4.5%)</b>	<b>Current Trend (5.5%)</b>	<b>1.0% Increase (6.5%)</b>
Total OPEB liability	\$ 534,285	\$ 599,987	\$ 678,066

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources  
Related to OPEB**

For the year ended December 31, 2021, the District Attorney recognized OPEB expense of \$4,774. At December 31, 2021, the District Attorney reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years ending December 31:	
2022	0
2023	0
2024	0
2025	0
2026	0
Thereafter	0

**NOTE 14 – SUBSEQUENT EVENTS**

Subsequent events have been evaluated through June 24, 2022, which is the day the financial statements were available to be issued, and it has been determined that one significant event requires disclosure.

# **REQUIRED SUPPLEMENTARY INFORMATION**

**District Attorney of the Fifth Judicial District**  
 Parishes Franklin, Richland, and West Carroll

**Statement of Revenues, Expenditures and Changes in Fund Balance -  
 Budget to Actual  
 General Fund  
 For the Year Ended December 31, 2021**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over(Under)
	Original	Final		
<u>Operating Revenue</u>				
Fines, Fees and Bond Forfeitures	634,000	450,000	\$ 436,511	\$ (13,489)
Court Cost Fees	60,400	47,000	46,366	(634)
Interest Income	1,715	1,500	2,772	1,272
Intergovernmental Revenue				
State	-	-	346,250	346,250
Local	507,500	500,000	395,080	(104,920)
Drug Asset Forfeiture	3,800	3,800	16,416	12,616
Collection Fees	10,825	10,825	8,263	(2,562)
Other Revenues	-	-	-	-
Total Operating Revenues	<u>\$1,218,240</u>	<u>\$1,013,125</u>	<u>\$1,251,659</u>	<u>\$238,534</u>
<u>Operating Expenditures</u>				
General Government				
Personnel Services	1,090,850	1,090,850	1,237,109	(146,259)
Operating Services	41,700	41,700	146,316	(104,616)
Materials and Supplies	16,000	12,000	52,109	(40,109)
Travel and Other Charges	23,700	20,000	18,768	1,232
Capital Outlay	-	9,632	20,172	(10,540)
Total Expenditures	<u>1,172,250</u>	<u>1,174,182</u>	<u>1,474,475</u>	<u>(300,293)</u>
<u>Excess (Deficiency) of Revenues Over</u>				
<u>Expenditures</u>	45,990	(161,057)	(222,816)	(61,759)
Transfers In	-	-	50,000	50,000
<u>Fund Balance - Beginning of the Year</u>	<u>1,359,543</u>	<u>1,359,543</u>	<u>1,359,543</u>	<u>-</u>
<b><u>FUND BALANCE - END OF THE YEAR</u></b>	<b><u>\$ 1,405,533</u></b>	<b><u>\$ 1,198,486</u></b>	<b><u>\$ 1,186,727</u></b>	<b><u>\$ (61,759)</u></b>

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

**District Attorney of the Fifth Judicial District**  
Parishes of Franklin, Richland, and West Carroll

**Statement of Revenues, Expenditures and Changes in Fund Balance -  
Budget to Actual  
Special Revenue - Title IV-D  
For the Year Ended December 31, 2021**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
<u>Operating Revenue</u>				
Intergovernmental Revenue	\$ 210,663	\$ 210,663	\$ 202,489	\$ (8,174)
Interest Income	-	-	556	556
Total Operating Revenues	210,663	210,663	203,045	(7,618)
<u>Operating Expenditures</u>				
General Government				
Personnel Services	173,790	173,790	174,815	(1,025)
Operating Services	27,087	27,087	27,679	(592)
Materials and Supplies	4,855	4,855	3,274	1,581
Travel and Other Charges	800	800	582	218
Capital Outlay	-	-	-	-
Total Expenditures	206,532	206,532	206,350	182
<u>Excess (Deficiency) of Revenues Over Expenditures</u>	4,131	4,131	(3,305)	(7,436)
<u>Fund Balance - Beginning of the Year</u>	72,491	72,491	72,491	-
<u>FUND BALANCE - END OF THE YEAR</u>	\$ 76,622	\$ 76,622	\$ 69,186	\$ (7,436)

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

DISTRICT ATTORNEY OF THE FIFTH JUDICIAL DISTRICT  
FOR THE PARISHES OF FRANKLIN, RICHLAND, AND WEST CARROLL  
NOTES TO THE BUDGETARY COMPARISON SCHEDULES  
FOR THE YEAR ENDED DECEMBER 31, 2021

A. BUDGETS

General Budget Practices The District Attorney follows these procedures in establishing the budgetary data reflected in the combined financial statements:

State statute requires budgets to be adopted for the general fund and all special revenue funds.

Each year in December, the administrator prepares and submits a proposed budget to the District Attorney for review. Public hearings are conducted to obtain taxpayer comments, prior to the adoption of the budget. The operating budgets include proposed expenditures and the means of financing them.

Appropriations (unexpended budget balances) lapse at year-end.

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the function level. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

Encumbrances Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed.

Budget Basis of Accounting All governmental funds' budgets are prepared on the modified accrual basis of accounting, a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Budgeted amounts are originally adopted or amended by the District Attorney. Legally, the District Attorney must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the District Attorney to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more.

B. UNFAVORABLE BUDGET VARIANCE

Actual expenditures greater than budgeted expenditures:

	<u>Final Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
Personnel Services	\$ 1,090,850	\$ 1,237,109	\$ (146,259)
Operating Services	\$ 41,700	\$ 146,316	\$ (104,616)
Materials & Supplies	\$ 12,000	\$ 52,109	\$ (40,109)

District Attorney of the Fifth Judicial District  
Rayville, Louisiana

Schedule of Employer's Share of Net Pension Liability  
District Attorneys' Retirement System  
For the Year Ended December 31, 2021

	2021	2020	2019	2018	2017	2016	2015	2014
Employer's proportion of the net pension liability (asset)	0.429242 %	0.356451 %	0.381106 %	0.375174 %	0.337874 %	0.407038 %	0.421569 %	0.501784 %
Employer's proportionate share of the net pension liability (asset)	\$ 76,419	\$ 282,406	\$ 122,603	\$ 120,728	\$ 91,132	\$ 77,910	\$ 22,708	\$ 10,007
Employer's covered employee payroll	\$ 269,043	\$ 354,033	\$ 224,018	\$ 230,408	\$ 231,621	\$ 266,917	\$ 247,204	\$ 272,469
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll	28.40 %	79.77 %	54.73 %	52.40 %	39.35 %	29.19 %	9.19 %	3.67 %
Employer's proportion of the net pension liability (asset)	96.79 %	84.86 %	93.13 %	92.92 %	93.57 %	95.09 %	98.56 %	99.45 %

The amounts presented have a measurement date of the previous fiscal year end.

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

District Attorney of the Fifth Judicial District  
Rayville, Louisiana

Schedule of Employer's Share of Net Pension Liability  
Parochial Employees' Retirement System  
For the Year Ended December 31, 2021

	2021	2020	2019	2018	2017	2016	2015
Employer's proportion of the net pension liability (asset)	0.066244 %	0.069932 %	0.073421 %	0.069373 %	0.066294 %	0.063602 %	0.086391 %
Employer's proportionate share of the net pension liability (asset)	\$ (116,153)	\$ 3,292	\$ 325,869	\$ (51,492)	\$ 136,533	\$ 167,419	\$ 23,620
Employer's covered employee payroll	\$ 442,446	\$ 443,470	\$ 449,705	\$ 426,998	\$ 393,160	\$ 364,671	\$ 369,481
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll	(26.25)%	0.74 %	72.46 %	(12.06)%	34.73 %	45.91 %	6.39 %
Employer's proportion of the net pension liability (asset)	104.00 %	99.89 %	88.86 %	102.00 %	82.10 %	99.23 %	87.34 %

The amounts presented have a measurement date of the previous fiscal year end.

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

District Attorney of the Fifth Judicial District  
Rayville, Louisiana

Schedule of Employer Contributions  
District Attorneys' Retirement System  
For the Year Ended December 31, 2021

	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Contractually required contribution	\$ 17,925	\$ 9,832	\$ 5,714	\$ -	\$ -	\$ 9,342	\$ 17,305	\$ 26,568
Contributions in relation to contractually required contribution	17,925	9,832	5,714	-	-	9,342	17,305	26,568
Contribution deficiency (excess)	-	-	-	-	-	-	-	-
Employer's covered payroll	\$ 271,057	\$ 245,799	\$ 218,972	\$ 230,408	\$ 231,621	\$ 266,917	\$ 247,204	\$ 272,469
Contributions as a percentage of covered employee payroll	6.61 %	4.00 %	2.61 %	- %	- %	3.50 %	7.00 %	9.75 %

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

District Attorney of the Fifth Judicial District  
Rayville, Louisiana

Schedule of Employer Contributions  
Parochial Employees' Retirement System  
For the Year Ended December 31, 2021

	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Contractually required contribution	\$ 53,891	\$ 54,200	\$ 50,999	\$ 51,716	\$ 53,375	\$ 51,111	\$ 52,877
Contributions in relation to contractually required contribution	53,891	54,200	50,999	51,716	53,375	51,111	52,877
Contribution deficiency (excess)	-	-	-	-	-	-	-
Employer's covered payroll	\$ 439,923	\$ 442,446	\$ 443,470	\$ 449,705	\$ 426,998	\$ 393,160	\$ 364,671
Contributions as a percentage of covered employee payroll	12.25 %	12.25 %	11.50 %	11.50 %	12.50 %	13.00 %	14.50 %

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

DISTRICT ATTORNEY OF THE FIFTH JUDICIAL DISTRICT  
FOR THE PARISHES OF FRANKLIN, RICHLAND AND WEST CARROLL  
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS  
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Total OPEB Liability				
Service Cost	\$ -	\$ -	\$ -	\$ -
Interest	10,458	11,038	8,420	12,803
Changes of Benefit Terms	-	-	-	-
Changes Between Expected and Actual Experience	(17,235)	(4,700)	219,314	(12,800)
Changes of Assumptions	(20,181)	40,018	77,154	4,770
Benefit Payments	(7,832)	(8,263)	(8,268)	(8,723)
Net Change in Total OPEB Liability	<u>(34,790)</u>	<u>38,093</u>	<u>296,620</u>	<u>(3,950)</u>
Total OPEB Liability - Beginning	<u>304,014</u>	<u>269,224</u>	<u>307,317</u>	<u>603,937</u>
Total OPEB Liability - Ending (a)	<u><u>\$ 269,224</u></u>	<u><u>\$ 307,317</u></u>	<u><u>\$ 603,937</u></u>	<u><u>\$ 599,987</u></u>
Covered Payroll	\$ 135,000	\$ 139,050	\$ 3,900	\$ 40,170
Net OPEB Liability as a Percentage of Covered-Employee Payroll	199.43%	221.01%	1548.56%	1493.62%
Notes to Schedule:				
Benefit Change:	None	None	None	None
Changes of Assumptions:				
Discount Rate:	4.10%	2.74%	2.12%	2.06%
Mortality:	RP-2000	RP-2000	RP-2014	RP-2014
Trend:	5.5%	5.5%	Variable	Variable

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



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**Independent Auditor's Report on Internal Control Over  
Financial Reporting and on Compliance and  
Other Matters Based on an Audit of Financial Statements  
Performed in Accordance With Government Auditing Standards**

District Attorney of the Fifth Judicial District  
Rayville, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the fiduciary fund of the District Attorney of the Fifth Judicial District, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the District Attorney of the Fifth Judicial District's basic financial statements and have issued our report thereon dated June 24, 2022.

**Report on Internal Control Over Financial Reporting**

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified one deficiency in internal control, described in the accompanying schedule of findings and questioned costs as Finding 2021-001 that we consider to be a significant deficiency.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District Attorney of the Fifth Judicial District'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 a 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.

### **District Attorney of the Fifth Judicial District's Response to Findings**

Government Auditing Standards requires the auditor to perform limited procedures on the District Attorney of the Fifth Judicial District's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The District Attorney of the Fifth Judicial District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **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 result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District Attorney of the Fifth Judicial District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Kenneth D. Zolden & Co., CPAs, LLC*

Jonesboro, Louisiana  
June 24, 2022

# **SUPPLEMENTAL INFORMATION**

District Attorney of the Fifth Judicial District  
Rayville, Louisiana

Schedule of Findings and Questioned Costs  
For the year ended December 31, 2021

We have audited the basic financial statements of the District Attorney of the Fifth Judicial District as of and for the year ended December 31, 2021 and have issued our report thereon dated June 24, 2022. 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 Governmental Auditing Standards, issued by the Comptroller General of the United States. Our audit of the financial statements as of December 31, 2021 resulted in an unqualified opinion.

A. Summary of Auditor's Report

Report on Internal Control and Compliance Material to Financial Statements

Internal Control

Material Weakness       Yes     No      Significant Deficiencies       Yes       No

Compliance

Compliance Material to Financial Statements       Yes     No

B. Findings - Financial Statements Audit

Current Year

**2021-001 Inadequate Segregation of Duties**

Criteria: Proper internal controls require that accounting duties be performed by separate individuals so that one individual could not perpetrate and conceal errors or irregularities without them being detected by another individual who was performing his or her assigned duties.

Condition: At present, the Administrator handles all aspects of the accounting system. He is responsible for, or has access to, the handling, recording and mailing of cash disbursements and receipts. Currently, he is the only person that is trained to do this job. Two signatures are required on check disbursements.

Recommendation: Although the size of the District Attorney's staff prohibits complete adherence to this concept, I believe the following practices could be implemented to improve existing internal control without impairing efficiency. Bank statements, cancelled checks, etc. should be received by someone other than the Administrator. Such items could be periodically reviewed prior to turning them over for reconciliation. Unusual items noted during the review should be investigated promptly. Signed checks should be also mailed without allowing them to be returned to the employee responsible for accounts payable. Management should review supporting documents for normal recurring disbursements (not usually reviewed) on a spot-check basis.

Management Response: The District Attorney has hired an outside fee accountant to handle the accounting duties of the Criminal Court Fund.

District Attorney of the Fifth Judicial District  
Rayville, Louisiana

Schedule of Findings and Questioned Costs  
For the year ended December 31, 2021

Prior Year

**2020-001 Inadequate Segregation of Duties**

Criteria: Proper internal controls require that accounting duties be performed by separate individuals so that one individual could not perpetrate and conceal errors or irregularities without them being detected by another individual who was performing his or her assigned duties.

Condition: At present, the Administrator handles all aspects of the accounting system. He is responsible for, or has access to, the handling, recording and mailing of cash disbursements and receipts. Currently, he is the only person that is trained to do this job. Two signatures are required on check disbursements.

Recommendation: Although the size of the District Attorney's staff prohibits complete adherence to this concept, we believe the following practices could be implemented to improve existing internal control without impairing efficiency. Mail should be opened by an employee not responsible for accounting, such as someone else on the administrative staff. Cash receipts could be recorded and the deposit prepared by this person. Cash receipts should be deposited intact daily. Holding receipts exposes the District Attorney to loss. Bank statements, cancelled checks, etc. should be received by someone other than the Administrator. Such items could be periodically reviewed prior to turning them over for reconciliation. Unusual items noted during the review should be investigated promptly. Signed checks should be also mailed without allowing them to be returned to the employee responsible for accounts payable. Management should review supporting documents for normal recurring disbursements (not usually reviewed) on a spot-check basis.

Management Response: It is not feasible to correct this deficiency entirely, based on the size of the 5th District DA staff. However, the 5th District DA staff Administrator will contract with an external CPA to review and provide oversight regarding financial operations. The 5th District DA has an employee independent of the financial operations who retrieves, opens, dates and distributes mail. The 5th District DA will work toward implementing other recommendations if possible at a later date.

Finding Status: Although the Administrator still maintains all aspects of the accounting system, the District Attorney has hired a fee accountant to prepare the books at year end for audit and to answer any accounting questions should they arise during the year.

**District Attorney of the Fifth Judicial District**  
Parishes of West Carroll, Richland and Franklin, Louisiana

**Justice System Funding Schedule - Collecting/Disbursing Entity**  
**As Required by Act 87 of the 2020 Regular Legislative Session**

	First Six Month Period Ended 6/30/2021	Second Six Month Period Ended 12/31/2021
<b>Beginning Balance of Amounts Collected</b>	\$ 1,211,097	\$ 1,331,384
<b>Add: Collections</b>		
Bond Fees (DA)	34,565	39,643
Bond Fees (Asset Forfeiture)	-	3,431
Asset Forfeiture	30,340	56,208
Check Collection	23,476	40,895
Check Collection Fees	5,823	12,740
Diversion - West Carroll	-	-
Diversion - Richland	91,673	204,396
Diversion - Franklin	2,425	-
Diversion - Juvenile	2,850	1,400
Intrest on Collected Balances	197	198
<b>Total Collections</b>	191,349	358,911
<b>Less: Disbursements to Governments</b>		
District Attorney's Office - Check Collection Fees	3,478	6,822
Richland Parish Sheriff's Office - Check Collection Fees	2,221	-
Richland Parish Clerk of Court - Asset Forfeiture/Sale	-	4,091
Asset Forfeiture/Sale	1,000	65,071
Louisiana State Police - Diversion Expense	23,217	20,237
Richland Parish Sheriff's Office - Diversion Expense	9,124	10,987
<b>Less: Disbursements to Individuals</b>		
Other Disbursements to Individuals - Asset Forfeiture/Sale	17,040	-
Other Disbursements to Individuals - Check Collection	14,982	29,983
<b>Total Disbursements</b>	71,062	137,191
<b>Ending Balance of Amounts Collected but not Disbursed</b>	<u>\$ 1,331,384</u>	<u>\$ 1,553,104</u>

**District Attorney of the Fifth Judicial District**  
Parishes of West Carroll, Richland and Franklin, Louisiana

**Justice System Funding Schedule - Receiving Entity**  
**As Required by Act 87 of the 2020 Regular Legislative Session**

	<u>First Six Month Period Ended 6/30/2021</u>	<u>Second Six Month Period Ended 12/31/2021</u>
<b>Receipts From:</b>		
West Carroll Parish Sheriff's Office - FINES	9,021	10,446
Richland Parish Sheriff's Office - FINES	38,886	47,035
Franklin Parish Sheriff's Office - FINES	11,726	13,178
West Carroll Parish Sheriff's Office - COST	3,995	5,380
Richland Parish Sheriff's Office - COST	13,625	13,917
Franklin Parish Sheriff's Office - COST	4,769	4,680
Franklin Parish Sheriff's Office - DA COST OF PROSECUTION	1,150	324
West Carroll Parish Sheriff's Office - 2% Bond Forf	6,842	7,583
Richland Parish Sheriff's Office - 2% Bond Forf	11,196	17,301
Franklin Parish Sheriff's Office - 2% Bond Forf	16,527	14,759
West Carroll Parish Sheriff's Office - Reinstatement Fees	592	250
Richland Parish Sheriff's Office - Reinstatement Fees	4,200	8,188
Franklin Parish Sheriff's Office - Reinstatement Fees	775	530
Interest on Collected Balances	198	199
 <b>Total Receipts</b>	<b>\$ 123,502</b>	<b>\$ 143,770</b>

**District Attorney of the Fifth Judicial District**  
Parishes of Franklin, Richland, and West Carroll

**Schedule of Compensation, Reimbursements, Benefits  
and Other Payments to Agency Head  
Political Subdivision Head, or Chief Executive Officer  
For the Year Ended December 31, 2021**

<u>Purpose</u>	Penny Douciere District Attorney
Salary - Non Support	\$ 7,000
Salary - General Fund	114,539
Salary - State of Louisiana	5,375
Benefits - Insurance	15,316
Benefits - Retirement	9,163
Travel and other	<u>2,287</u>
Total	<u><u>\$ 153,680</u></u>



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**Independent Accountant's Report on Applying Agreed-Upon Procedures**

To the District Attorney of the Fifth Judicial District  
Rayville, Louisiana  
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 01, 2021 through December 31, 2021. District Attorney of the Fifth Judicial District's management is responsible for those C/C areas identified in the SAUPs.

District Attorney of the Fifth 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 01, 2021 through December 31, 2021. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

**Written Policies and Procedures**

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

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

Exception: The District Attorney of the Fifth Judicial District has policies and procedures as required except disbursing and debt service. No debt service policy is needed at this time since they have no debt or any plan to incur debt.

*Management's Response: The District Attorney of the Fifth Judicial District will create and update policies and procedures as required.*

## **Board**

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
  - a. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
  - b. 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. Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.
  - c. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

Exception: Not applicable.

*Management's Response: None.*

## Bank Reconciliations

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

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

Response: Bank reconciliations reviewed include evidence that they were prepared within 2 months of the related statement closing date.

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

Response: There is no evidence that bank reconciliations were reviewed.

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

Response: We noted no reconciling items outstanding for more than 12 months.

Exception: See above responses.

*Management's Response: The District Attorney of the Fifth Judicial District will review and document review of bank reconciliations.*

## Collections

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

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

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

Response: No cash drawers are shared.

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

Response: The employee who collects cash is not responsible for preparing/making deposits.

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

Response: The employee responsible for collecting cash is not responsible for posting collection entries.

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

Response: The employee responsible for collecting cash is not responsible for reconciling cash collections.

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

Response: Employees are covered by bond or insurance policy.

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

a. Observe that receipts are sequentially pre-numbered.

Response: No sequentially pre-numbered receipts.

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

Response: All documentation was traced to the deposit slip.

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

Response: All deposits were traced to the bank statement.

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

Response: No deposits were made within one business day of receipt.

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

Response: All deposits were traced to the general ledger.

Exception: See above responses.

*Management's Response: None.*

### **Disbursements - General**

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

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

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

Response: Administrators of each parish office request purchases, and the DA is approves and signs checks.

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

Response: The Administrator processes payments and the DA approves payments.

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

Response: The contract CPA is only one who can add vendor files, and the DA reviews any new vendors.

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

Response: Another person who cannot process payments or sign checks, mail checks.

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

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

Response: Two of 32 disbursements reviewed did not have the related original invoice/billing statement.

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

Response: Two of 32 disbursements reviewed did not include evidence that the segregation of duties were followed.

Exception: None.

*Management's Response: None.*

## **Credit Cards**

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

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

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

Response: The credit card is mostly held by the District Attorney, but there was no evidence that statements were reviewed and approved, in writing.

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

Response: There were no finance charges or late fees assessed.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing).

a. For each transaction, observe that it is supported by:

i. An original itemized receipt that identifies precisely what was purchased,

Response: All charges except three were supported by an invoice or receipt.

ii. Written documentation of the business/public purpose, and

Response: Receipts did not include the business/public purpose.

iii. Documentation of the individuals participating in meals (for meal charges only).

Response: Not applicable.

For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

Response: None.

Exception: See above responses.

*Management's Response: Business/public purpose will be included for each charge.*

### **Travel and Expense Reimbursement**

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

- a. If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).
- b. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- c. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
- d. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Exception: None.

*Management's Response: None.*

### **Contracts**

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

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

Response: The contracts were not required to be bid.

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

Response: Not applicable.

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

Response: Not applicable.

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

Response: Payments on each contract agreed to the terms and conditions of the contract.

Exception: None.

*Management's Response: None.*

## **Payroll and Personnel**

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

Response: Employee personnel files did not include current salary or pay rates.

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

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

Response: All employees documented their daily attendance and leave.

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

Response: Four of five timesheets were not approved by supervisors.

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

Response: Leave taken during the pay period was noted in the cumulative leave records.

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

Response: There were no terminated employees.

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

Exception: See above responses.

*Management's Response: Supervisors will document approval of timesheets in writing. Personnel files will be updated with current salary or pay rates.*

## **Ethics**

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

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

Response: Four of five employees completed ethics training.

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

Response: There is no documentation that changes to the ethics policy have been communicated to employees.

Exception: See above responses.

*Management's Response: Management will communicate any changes of the ethics policy to employees.*

### **Debt Service**

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

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

Exception: Not applicable.

*Management's Response: None.*

### **Fraud Notice**

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

Response: There was no misappropriations of public funds and assets during the audit period.

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

Response: The notice has been posted.

Exception: None.

*Management's Response: None.*

### **Information Technology Disaster Recovery/Business Continuity**

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

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

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

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

Response: We performed the procedure and discussed the results with management.

*Management's Response: None.*

### **Sexual Harassment**

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

Response: Four of five employees have completed sexual harassment training.

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

Response: The sexual harassment policy has not been posted.

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

- a. Number and percentage of public servants in the agency who have completed the training requirements;
- b. Number of sexual harassment complaints received by the agency;
- c. Number of complaints which resulted in a finding that sexual harassment occurred;
- d. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- e. Amount of time it took to resolve each complaint.

Response: There is no written evidence that the annual sexual harassment report has been completed.

*Management's Response: Management will post the sexual harassment policy and annual report.*

We were engaged by District Attorney of the Fifth 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.

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.

*Kenneth D. Falden & Co., CPAs, LLC*

Jonesboro, Louisiana  
June 24, 2022



**OFFICE OF THE**

**DISTRICT ATTORNEY**

FIFTH JUDICIAL DISTRICT  
FRANKLIN, RICHLAND, WEST CARROLL PARISHES  
**PENNY DOUCIERE**

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**CRIMINAL DIVISIONS:**  
FRANKLIN PARISH  
CAROLINE HEMPHILL

**RICHLAND PARISH**  
AMANDA WILKINS  
K. DOUGLAS WHEELER

**WEST CARROLL PARISH**  
MOLLY CLEMENT

**CIVIL DIVISION:**  
MICHAEL KRAMER

**ADMINISTRATOR:**  
PATRICIA MILLER

**CHILD SUPPORT ENFORCEMENT:**  
MICHAEL R. ELLINGTON

**CHILD WELFARE AND JUVENILE:**  
SHIRLEY GUILLORY GEE

**VICTIM ASSISTANCE:**  
DEBRA COLSON

June 24, 2022

Kenneth D. Folden & Co., CPAs, LLC  
302 8th Street  
Jonesboro, LA 71251

In connection with your engagement to apply agreed-upon procedures to certain control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures (SAUPs), for the fiscal period January 01, 2021 through December 31, 2021, we confirm to the best of our knowledge and belief, the following representations made to you during your engagement.

1. We acknowledge that we are responsible for the C/C areas identified in the SAUPs, including written policies and procedures; board or finance committee; bank reconciliations; collections; non-payroll disbursements; credit/debit/fuel/purchasing cards; travel and travel related expense reimbursement; contracts; payroll and personnel; ethics; debt service; and other areas (as applicable).  
Yes  No
2. For the fiscal period January 01, 2021 through December 31, 2021, the C/C areas were administered in accordance with the best practice criteria presented in the SAUPs.  
Yes  No
3. We are responsible for selecting the criteria and procedures and for determining that such criteria and procedures are appropriate for our purposes.  
Yes  No
4. We have provided you with access to all records that we believe are relevant to the C/C areas and the agreed-upon procedures.  
Yes  No
5. We have disclosed to you all known matters contradicting the results of the procedures performed in C/C areas.  
Yes  No

6. We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others affecting the C/C areas, including communications received between December 31, 2021, and June 24, 2022.
- Yes  No
7. We represent that the listing of bank accounts for the fiscal period that we provided to you is complete. We also represent that we have identified and disclosed to you our main operating account.
- Yes  No
8. We represent that the listing of deposit sites for the fiscal period that we provided to you is complete.
- Yes  No
9. We represent that the listing of collection locations for the fiscal period that we provided to you is complete.
- Yes  No
10. We represent that the listing of locations that process payments for the fiscal period that we provided to you is complete.
- Yes  No
11. We represent that the non-payroll disbursement transaction population for each location that processes payments for the fiscal period that we provided to you is complete.
- Yes  No
12. We represent that the listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards, that we provided to you is complete.
- Yes  No
13. We represent that the listing of all travel and travel-related expense reimbursements during the fiscal period that we provided to you is complete.
- Yes  No
14. We represent that the listing of all agreements/contracts (or active vendors) for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period that we provided to you is complete.
- Yes  No
15. We represent that the listing of employees/elected officials employed during the fiscal period that we provided to you is complete.
- Yes  No
16. We represent that the listing of employees/officials that received termination payments during the fiscal period that we provided to you is complete.
- Yes  No
17. We represent that the employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines during the fiscal period.
- Yes  No

18. We represent that the listing of bonds/notes issued during the fiscal period that we provided to you is complete.
- Yes  No
19. We represent that the listing of bonds/notes outstanding at the end of the fiscal period that we provided to you is complete.
- Yes  No
20. We represent that the listing of misappropriations of public funds and assets during the fiscal period that we provided to you is complete.
- Yes  No
21. We are not aware of any material misstatements in the C/C areas identified in the SAUPs.
- Yes  No
22. We have disclosed to you any other matters as we have deemed appropriate.
- Yes  No
23. We have responded fully to all inquiries made by you during the engagement.
- Yes  No
24. We have disclosed to you all known events that have occurred subsequent to December 31, 2021, that would have a material effect on the C/C areas identified in the SAUPs, or would require adjustment to or modification of the results of the agreed-upon procedures.
- Yes  No

**The previous responses have been made to the best of our belief and knowledge.**

Signature Penny Wise Dowd Date June 24, 2022

Title District Attorney