

# **INDIGENT DEFENDER FUND**

**ELEVENTH AND FORTY-SECOND JUDICIAL DISTRICTS**

**ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED JUNE 30, 2023**



# TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITORS' REPORT .....	1-3
REQUIRED SUPPLEMENTAL INFORMATION (PART I)	
Management's Discussion and Analysis .....	4-7
FINANCIAL STATEMENTS	
Governmental Fund Balance Sheet/Statement of Net Position .....	8
Reconciliation of Fund Balance on the Balance Sheet for Governmental Funds to Net Position of Governmental Activities on the Statement of Net Position .....	9
Governmental Fund Revenues, Expenditures, and Changes in Fund Balance/Statement of Activities .....	10
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of The Governmental Fund to the Statement of Activities .....	11
NOTES TO FINANCIAL STATEMENTS .....	12-21
REQUIRED SUPPLEMENTAL INFORMATION (PART II)	
Statement of Revenues, Expenditures and Changes in Fund Balances (Budget and Actual)	
General Fund .....	22-23
OTHER SUPPLEMENTAL INFORMATION	
Governmental Fund Balance Sheet by District .....	24
Governmental Fund Revenues, Expenditures, and Changes in Fund Balance by District .....	25
Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer .....	26
Justice System Reporting Schedule – Receiving Entity .....	27-28
Justice System Reporting Schedule – Collecting/Disbursing Entity .....	29-30
OTHER MATTERS	
Independent Auditors' Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	31-32
Schedule of Findings and Responses .....	33
Management's Corrective Action Plan .....	34
Schedule of Prior Year Findings and Responses .....	35
Statewide Agreed-Upon Procedures .....	Appendix



February 26, 2024

INDEPENDENT AUDITOR'S REPORT

To the Chief Defender  
Eleventh and Forty-Second Judicial Districts  
Indigent Defender Fund  
State of Louisiana

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

**Opinions**

We have audited the accompanying financial statements of the governmental activities and the major fund of the Indigent Defender Fund for the Eleventh and Forty-Second Judicial Districts (the Public Defender), a component unit of the Louisiana Public Defender Board, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Public Defender's basic financial statements as listed in the table of contents.

In our *opinion*, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Public Defender, as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Public Defender 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.

**MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; 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 Public Defender'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



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## ***Indigent Defender Fund Eleventh and Forty-Second Judicial Districts***

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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 Public Defender'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 Public Defender'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 the information listed below to supplement the basic financial statements.

- Management's discussion and analysis
- Budgetary Comparison Information

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.

### **Other Supplemental Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Public Defender's basic financial statements. The supplemental information listed below is

***Indigent Defender Fund  
Eleventh and Forty-Second Judicial Districts***

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presented for purposes of additional analysis and is not a required part of the Public Defender's financial statements.

- Governmental Fund Balance Sheet By District
- Governmental Fund Revenues, Expenditures, and Changes in Fund Balance by District
- The Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer
- Justice System Funding Schedules – Receiving Entity
- Justice System Funding Schedules – Collecting/Disbursing Entity

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

**Other Reporting Required by Government Auditing Standard**

In accordance with *Government Auditing Standards*, we have also issued our report dated February 26, 2024, on our consideration of the Public Defender'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 Court's internal control over financial reporting and compliance.



Rozier, McKay & Willis  
Certified Public Accountants

**ELEVENTH AND FORTY-SECOND JUDICIAL DISTRICTS INDIGENT DEFENDER FUND  
DeSoto and Sabine Parishes, Louisiana**

Management's Discussion and Analysis  
For the Year Ending June 30, 2023

This section of the Eleventh and Forty-second Judicial Districts Indigent Defender Fund's (Indigent Defender Fund) annual financial report presents our discussion and analysis of the Indigent Defender Fund's financial performance during the year ending June 30, 2023. We encourage readers to consider the information presented here in conjunction with the Indigent Defender Fund's basic financial statements and supplementary information in assessing the efficiency and effectiveness of our stewardship of public resources.

As noted in previous years' Management and Discussion, pursuant to Act No. 416 of the 2007 Regular Session of the Louisiana Legislature, the former 11<sup>th</sup> Judicial District, which was comprised of Sabine and DeSoto Parishes, was split along parish boundaries as of January 1, 2009. Sabine Parish became the "new" 11<sup>th</sup> Judicial District; and DeSoto Parish became the newly created 42<sup>nd</sup> Judicial District. One chief defender operates the two districts under a cooperative endeavor agreement as a single entity.

**FINANCIAL HIGHLIGHTS**

The Eleventh and Forty-second Judicial Districts Indigent Defender Fund experienced a decrease in its net position of \$37,752 (16.13%) during the year ended June 30, 2023. At June 30, 2023, the assets of the Fund exceeded its liabilities by \$196,334.

The Fund's total general and program revenues were \$731,102 during the year ended June 30, 2023, compared to \$582,167 during year ended June 30, 2022.

The Fund's governmental fund reported a total ending fund balance this year of \$183,033. This compares to the prior year ending fund balance of \$217,536, showing a decrease of \$34,503 (15.86%) for the current year.

**OVERVIEW OF FINANCIAL STATEMENTS**

This Management Discussion and Analysis document introduces the basic financial statements which include 1) governmental fund financial statements, 2) government-wide financial statements and 3) notes to the financial statements. The two types of financial statements present the Fund's financial position and results of operations from differing perspectives. A reconciliation is provided to facilitate the comparison between the governmental fund statements and the government-wide statements. The components of the financial statements are described below:

**Fund Financial Statements**

Fund financial statements provide detailed information regarding the Indigent Defender Fund's most significant activities and are not intended to provide information for the Indigent Defender Fund as a whole. Funds are accounting devices that are used to account for specific sources of revenues. All of the Indigent Defender Fund's funds are limited to its *general fund*, which is classified as a Governmental Fund. The *general fund* uses a modified accrual basis of accounting that focuses on near-term inflows, outflows, and balances of spendable resources. Assets reported by the *general fund* are limited to amounts that are available for current needs. In addition, liabilities are limited to amounts that are expected to be paid from currently available assets. Unassigned fund balance may serve as a useful measure of a government's net resources at the end of the fiscal year.

## Government-Wide Financial Statements

The *government-wide financial statements* report information about the Indigent Defender Fund as a whole using accounting methods similar to those used by private-sector companies. These report all revenues and expenses regardless of when cash is received or paid. The *statement of net position* presents information on all the Indigent Defender Fund's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Indigent Defender Fund is improving or deteriorating. The *statement of activities* presents information showing how the net position changed during the most recent period. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows.

## Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

## Other Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. The Indigent Defender Fund adopts an annual budget for the general fund. A budgetary comparison statement is provided to demonstrate budgetary compliance.

## Other Supplementary Information

A statement of activities by district is included for additional analysis purposes only and is not required for fair presentation in accordance with generally accepted accounting principles. The schedule of compensation, benefits and other payments to agency head or chief executive officer is presented to fulfill the requirements of Louisiana Revised Statute 24:513(A)(3). The justice system funding reporting schedules are presented to fulfill the requirements of Louisiana Revised Statute 24:515.2.

## FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE FINANCIAL STATEMENTS

A summary of the Statement of Net Position is below:

	June 30, 2023	June 30, 2022
<b>Assets</b>		
Cash	\$ 210,542	\$ 241,679
Accounts Receivables	31,726	31,913
Prepaid Expenses	8,378	6,458
Net Capital Assets	71,708	94,829
Total Assets	<u>322,354</u>	<u>374,879</u>
<b>Liabilities</b>		
Accounts Payable and Other Liabilities	59,235	56,056
Lease Obligations	66,785	84,737
Total Liabilities	<u>126,020</u>	<u>140,793</u>
<b>Net Position</b>		
Unrestricted	191,411	223,825
Net Investment in Capital Assets	4,923	10,261
Total Net Position	<u>\$ 196,334</u>	<u>\$ 234,086</u>

Net position may serve over time as a useful indicator of the Eleventh and Forty-second Judicial Districts Indigent Defender Fund's financial position. The Indigent Defender Fund's total net position changed from

a year ago, decreasing from \$234,086 to \$196,334. The largest portion of the Indigent Defender Fund's net position, \$191,411 (97.49%) as of June 30, 2023, is unrestricted and may be used to meet the ongoing obligations to the citizens of DeSoto and Sabine Parishes.

Accounts receivable decreased 0.59% from \$31,913 to \$31,726 and accounts payable increased 5.67% from \$56,056 to \$59,235. At June 30, 2023, \$4,923 (2.51%) of the Indigent Defender Fund's net position reflects its investment in capital assets such as equipment and right-of-use assets. These assets are not available for future spending. There is \$66,785 in outstanding debt (lease obligations) related to these assets.

An analysis of the government-wide Statement of Activities is presented as follows:

Revenues	Year Ended June 30, 2023	Year Ended June 30, 2022
Judiciary Program Revenue		
Charges for services	\$ 328,840	\$ 209,988
Operating grants & contributions	401,814	371,983
General Revenue		
Interest revenue	448	196
Total Revenue	<u>731,102</u>	<u>582,167</u>
Program Expenses		
Judiciary	<u>768,854</u>	<u>732,520</u>
Increase (Decrease) in Net Assets	(37,752)	(150,353)
Net Position, Beginning	234,086	384,439
Net Position Ending	<u>\$ 196,334</u>	<u>\$ 234,086</u>

As the accompanying presentation demonstrates, the Indigent Defender Fund has decreased its reserves by \$37,752 at June 30, 2023. Approximately 44.98% (\$328,840) of the Fund's total revenues were derived through charges for services (court, bond and other related fees) compared to 36.07% (\$209,988) for the year ended June 30, 2022.

The Indigent Defender Fund received \$401,814 (54.96%) and \$371,983 (63.90%) of its total revenues from Louisiana state appropriations during the years ended June 30, 2023, and June 30, 2022, respectively. State Defender Assistance to the 11<sup>th</sup> District increased \$7,088 or 2.13% from \$332,759 in the year ending June 30, 2022 to \$339,847 in the year ending June 30, 2023. State Defender Assistance to the 42<sup>nd</sup> District increased \$22,743 or 57.98% from \$39,224 in the year ending June 30, 2022 to \$61,967 in the year ending June 30, 2023.

## FINANCIAL ANALYSIS OF THE FUND'S FUND

For the year ended June 30, 2023, differences between the government-wide presentation and the fund financial statements were due to prepaid insurance, depreciation changes associated with capital assets, and amortization charges and principal payments on a lease of a right-of-use asset.

## BUDGETARY HIGHLIGHTS

Formal budgetary integration is employed as a management control device during the fiscal year. The budget policy of the Indigent Defender Fund complies with state law, as amended, and as set forth in Louisiana Revised Statutes Title 39, Chapter 9, Louisiana Local Government Budget Act (LSA-RS 39:1301 et seq.). The Indigent Defender Fund's budget was amended twice during the year ended June 30, 2023. The actual revenues were more than budgeted amounts. Actual expenditures were less than the budgeted amounts.



## **CAPITAL ASSET ADMINISTRATION**

The Fund made no capital asset purchases during the year ended June 30, 2023.

## **DEBT ADMINISTRATION**

For the year ended June 30, 2023, there was no debt activity and no debts are outstanding at year-end.

## **ECONOMIC FACTORS EXPECTED TO EFFECT FUTURE OPERATIONS**

For the fiscal year ending June 30, 2024, the following factors were considered when the budget was prepared:

- General and program revenues will remain consistent with the prior year.
- Other expenditures are expected to remain steady with the prior year.

## **REQUEST FOR INFORMATION**

This report is designed to provide a general overview of the Eleventh and Forty-second Judicial District Indigent Defender Fund, DeSoto and Sabine Parishes, Louisiana, and seeks to demonstrate the Indigent Defender Fund's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Brian McRae, Eleventh and Forty-second Judicial District Indigent Defender Fund, P. O. Box 1004, Mansfield, Louisiana, 71052.

**ELEVENTH AND FORTY-SECOND JUDICIAL DISTRICTS INDIGENT DEFENDER FUND**  
DeSoto and Sabine Parishes, Louisiana

**GOVERNMENTAL FUND BALANCE SHEET/ STATEMENT OF NET POSITION**

June 30, 2023

	Governmental Fund Statements		Government-Wide Statements	
	<u>General Fund Balance Sheet</u>		<u>Statement of Net Position</u>	
		<u>Adjustments</u>		
<b>ASSETS</b>				
Cash and cash equivalents	\$ 210,542	\$ -	\$	210,542
Accounts receivable	31,726	-		31,726
Prepaid expenses	-	8,378		8,378
Capital assets, net	-	71,708		71,708
Total Assets	<u>\$ 242,268</u>	<u>80,086</u>		<u>322,354</u>
<b>LIABILITIES</b>				
Current Liabilities				
Accounts payable	\$ 55,711	-		55,711
Accrued payroll	1,799	-		1,799
Payroll tax liabilities	1,725	-		1,725
Lease obligation, current	-	18,247		18,247
Long-term Liabilities				
Lease obligation, long-term	-	48,538		48,538
Total Liabilities	<u>59,235</u>	<u>66,785</u>		<u>126,020</u>
<b>FUND BALANCE / NET POSITION</b>				
Fund Balance				
Unassigned	183,033	(183,033)		-
Total Fund Balance	<u>183,033</u>	<u>(183,033)</u>		<u>-</u>
Total Liabilities and Fund Balance	\$ <u>242,268</u>	\$ <u>(116,248)</u>		
Net Position				
Net investment in capital assets		4,923		4,923
Unrestricted		191,411		191,411
Total Net Position		<u>\$ 196,334</u>		<u>\$ 196,334</u>

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

**ELEVENTH AND FORTY-SECOND JUDICIAL DISTRICTS INDIGENT DEFENDER FUND**  
DeSoto and Sabine Parishes, Louisiana

**Reconciliation of Fund Balance on the Balance Sheet for Governmental Funds to  
Net Position of Governmental Activities on the Statement of Net Position**

June 30, 2023

Total Fund Balance for the Governmental Fund		\$ 183,033
Total Net Position reported for Governmental Activities in the Statement of Net Position is different because:		
Prepaid expenses involve payment with current financial resources that are attributable to fiscal periods beyond the end of the current year.		8,378
Capital assets used in Governmental Activities are not financial resources and, therefore, are not reported in the funds. These assets consist of:		
Office equipment	\$ 51,624	
Less accumulated depreciation	<u>(46,033)</u>	5,591
Right-of-use assets for office space used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Present value of lease payments at inception	\$ 92,256	
Less accumulated amortization	<u>(26,139)</u>	66,117
Long -term lease obligations are not due and payable in the current period, and therefore, are not reported in the governmental fund.		<u>(66,785)</u>
Total Net Position of Governmental Activities		\$ <u><u>196,334</u></u>

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

## ELEVENTH AND FORTY-SECOND JUDICIAL DISTRICTS INDIGENT DEFENDER FUND

DeSoto and Sabine Parishes, Louisiana

GOVERNMENTAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE /  
STATEMENT OF ACTIVITIES

For the year ended June 30, 2023

	Governmental Fund Statements		Government- Wide Statements
	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
<b>EXPENDITURES/EXPENSES</b>			
Judiciary:			
Personnel services & benefits	\$ 75,207	\$ -	\$ 75,207
Operating costs	689,150	(19,871)	669,279
Interest	1,248		1,248
Depreciation	-	4,669	4,669
Amortization	-	18,451	18,451
Total Expenditures/Judiciary Program Expenses	<u>765,605</u>	<u>3,249</u>	<u>768,854</u>
<b>JUDICIARY PROGRAM REVENUES</b>			
Operating grants and contributions:			
State government appropriations- general	401,814	-	401,814
Charges for services:			
Local government fines, fees & court costs	<u>328,840</u>	<u>-</u>	<u>328,840</u>
Total Program Revenues	<u>730,654</u>	<u>-</u>	<u>730,654</u>
Net Program Expense	(34,951)	-	(38,200)
<b>GENERAL REVENUES</b>			
Investment earnings	<u>448</u>	<u>-</u>	<u>448</u>
Total General Revenues	<u>448</u>	<u>-</u>	<u>448</u>
<b>Excess (Deficiency) of Revenues Over Expenditures/ Change in Net Position</b>	(34,503)	(3,249)	(37,752)
<b>Fund Balance/ Net Position:</b>			
Beginning of the year	217,536		234,086
End of the year	<u>\$ 183,033</u>		<u>\$ 196,334</u>

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

**ELEVENTH AND FORTY-SECOND JUDICIAL DISTRICTS INDIGENT DEFENDER FUND**

DeSoto and Sabine Parishes, Louisiana

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of the Governmental Fund to the Statement of Activities**

For the year ended June 30, 2023

Total Net Change in Fund Balance per Statement of Revenues, Expenditures and Changes in Fund Balance	\$ (34,503)
 Governmental funds report expenses that involve payments with current financial resources, such as insurance and rent, in the year in which it is paid. In the Statement of Activities, payments that are attributable in current periods are recognized. This amount is the increase in prepaid expenses.	 1,919
 Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$0) exceed depreciation (\$4,669) in the current period.	 (4,669)
 Amortization expense on the Right of Use Assets is reported in the Government-wide financial statements, but does not require the use of current financial resources and is not reported in the fund financial statements.	 (18,451)
 Principal payments on capital leases are shown as expenditures in the Governmental Funds, but the payments reduce long term-liabilities in the Statement of Net Position.	 17,952
 Total Changes in Net Position per Statement of Activities	 \$ <u><u>(37,752)</u></u>

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

**ELEVENTH AND FORTY-SECOND JUDICIAL DISTRICTS INDIGENT DEFENDER FUND**  
**DeSoto and Sabine Parishes, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Year Ended June 30, 2023

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**INTRODUCTION**

The Eleventh and Forty-second Judicial Districts Indigent Defender Fund (Indigent Defender Fund) was established to provide and compensate counsel appointed to represent indigents in criminal and quasi-criminal cases on the district court level. The district fund is regulated by the Louisiana Public Defender Board established by Louisiana Revised Statute 15:141-184 to provide effective legal representation to criminal defendants who are unable to afford an attorney, consistent with the right to counsel in criminal courts, mindful of the need for law and order and an appreciation of victim's rights. The Indigent Defender Fund is administered by district public defenders who are contracted with the Louisiana Public Defender Board to provide for the delivery and management of public defender services within the judicial district. Offices for the Eleventh and Forty-second Indigent Defender Fund are maintained in Mansfield, Louisiana.

Pursuant to Act No. 416 of the 2007 Regular Session of the Louisiana Legislature, the former 11<sup>th</sup> Judicial District, which was comprised of Sabine and DeSoto Parishes, was split along parish boundaries as of January 1, 2009. Sabine Parish became the "new" Eleventh Judicial District; and DeSoto Parish became the newly created Forty-second Judicial District. Whereas Act No. 416 made provisions for judges, law clerks, court reporters, and the district attorney and assistants, it made no provisions for public defender services of the districts after the split. One Chief Defender operates the two districts under a cooperative endeavor agreement as one entity. The agreement expires June 30, 2027. The Louisiana State Attorney General issued an opinion (Opinion 09-0212) on December 22, 2009 concluding that the cooperative endeavor agreement is permissible under the Louisiana Constitution Article VII, Section 14(A) and (C).

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying basic financial statements of the Eleventh and Forty-second Judicial Districts Indigent Defender Fund have been prepared in conformity with governmental accounting principles generally accepted (GAAP) in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. 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. Such accounting and reporting policies also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the Louisiana Governmental Audit Guide.

The more significant accounting policies established in GAAP and used by the Eleventh and Forty-second Judicial Districts Indigent Defender Fund are discussed below.

**A. REPORTING ENTITY**

For financial reporting purposes, in conformity with Governmental Accounting Standards Board (GASB) Statement No. 14, the Eleventh and Forty-second Judicial Districts Indigent Defender Fund is a part of the operations of the district court system. However, the state statutes that create the indigent defender funds also gives the funds control over their operations including hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of monies. The Eleventh and Forty-second Judicial Districts Indigent Defender Fund is financially independent and operated autonomously from the State of Louisiana and independently from the district court system. Therefore, the Indigent Defender Fund reports as an independent reporting entity and the financial statements include only the transactions of the Eleventh and Forty-second Judicial Districts Indigent Defender Fund.

**ELEVENTH AND FORTY-SECOND JUDICIAL DISTRICTS INDIGENT DEFENDER FUND**  
**DeSoto and Sabine Parishes, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Year Ended June 30, 2023

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

**B. BASIS OF PRESENTATION – BASIC FINANCIAL STATEMENTS**

The Indigent Defender Fund's basic financial statements include both government-wide (reporting the Fund as a whole) and fund financial statements (reporting the Fund's major fund).

**Governmental Fund Statements**

The accounts of the Indigent Defender Fund are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained is consistent with legal and managerial requirements.

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income.

A fund is considered major if it is the primary operating fund of the entity. The Indigent Defender Fund maintains only one governmental fund.

General Fund. The General Fund is the primary operating fund of the Indigent Defender Fund. It is used to account for and report all financial resources except those required to be accounted for in another fund.

**Government-Wide Statements**

In the government-wide Statement of Net Position, the governmental activities column is presented on a consolidated basis, and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations, if appropriate.

The government-wide Statement of Activities reports both the gross and net cost of the Indigent Defender Fund's judicial function. This function is also supported by general government revenues (in this case interest revenue.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the judicial function. Operating grants include operating-specific and discretionary grants.

This government-wide focus is more on the sustainability of the Indigent Defender Fund as an entity and the change in the Indigent Defender Fund's net position resulting from the current year's activities.

**C. MEASUREMENT FOCUS / BASIS OF ACCOUNTING**

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" revenues or expenditures, expenses, and transfers—and assets, deferred outflows of resources, liabilities, and deferred inflows of resources—are recognized in the accounts and reported in the financial statements.

**ELEVENTH AND FORTY-SECOND JUDICIAL DISTRICTS INDIGENT DEFENDER FUND**  
**DeSoto and Sabine Parishes, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Year Ended June 30, 2023

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

**C. MEASUREMENT FOCUS / BASIS OF ACCOUNTING (continued)**

**Accrual Basis—Government-Wide Financial Statements**

The Statement of Net Position and the Statement of Activities have been prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed).

**Modified Accrual Basis—Governmental Fund Financial Statements**

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Intergovernmental revenues and grants are recognized when all eligibility requirements are met and the revenues are available. State government appropriations and revenue collected on the Fund's behalf by other local governments are recorded in the year the Fund is entitled to the funds. Fees collected by the Fund are recognized in the period in which they are received. Interest income on demand deposits is recorded monthly when the interest is earned and credited to the Fund's account. Interest income on time deposits is accrued at year end. Salaries and related benefits are recorded when employee services are provided. Purchases of various operating supplies are recorded as expenditures in the accounting period in which they are purchased. Substantially all other expenditures are recognized when the related fund liability is incurred.

**D. ASSETS, LIABILITIES, AND EQUITY**

**Cash and Interest-bearing deposits**

Cash includes amounts in interest-bearing demand deposits and certificates of deposit. Under state law, the Fund may deposit funds with a fiscal agent organized under the laws of Louisiana, the laws of any other state in the union, or the laws of the United States. The Fund may invest in United States bonds, treasury notes and bills, government-backed agency securities, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

**Accounts Receivable**

Substantially all receivables are considered to be fully collectible, and no allowance for uncollectibles is used.

**Prepaid Expenses**

Payments made to vendors for insurance that will benefit periods beyond June 30, 2023 are recorded as prepaid expenses.

**Capital Assets**

Capital assets purchased or acquired with an original cost of \$1,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance that do not add to the value of that asset or materially extend the life of that asset are expensed as incurred.



**ELEVENTH AND FORTY-SECOND JUDICIAL DISTRICTS INDIGENT DEFENDER FUND**  
**DeSoto and Sabine Parishes, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Year Ended June 30, 2023

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

**D. ASSETS, LIABILITIES, AND EQUITY (continued)**

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

<u>Description</u>	<u>Lives</u>
Office Equipment	5 years

**Equity Classifications**

Net Position

The Fund classifies net position in the government-wide financial statements, as follows:

- Net investment in capital assets – consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increase by balances of deferred outflows of resources related to those assets.
- Restricted net position – net position is considered restricted if their use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws or buyers of the Fund’s bonds. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.
- Unrestricted net position – consists of all other net resources that do not meet the definition of the above two components and is available for general use by the Fund.

When an expense is incurred for the purposes for which both restricted and unrestricted net position is available, management applies unrestricted net position first, unless a determination is made to use restricted net position. The policy concerning which to apply first varies with the intended use and legal requirements. This decision is typically made by management at incurrence of the expense.

Fund Balances

In the governmental fund statements, fund equity is classified as fund balance and displayed in five components. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used. In accordance with GASB 54, the Fund classifies fund balances in governmental funds as follows:

- Nonspendable--Amounts that are not in spendable form (such as prepaid expenses) or because they are legally or contractually required to be maintained intact.
- Restricted--Amounts constrained to specific purposes by their providers (such as grantors or higher levels of government), through constitutional provisions, or by enabling legislation.

**ELEVENTH AND FORTY-SECOND JUDICIAL DISTRICTS INDIGENT DEFENDER FUND**  
**DeSoto and Sabine Parishes, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Year Ended June 30, 2023

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

**D. ASSETS, LIABILITIES, AND EQUITY (continued)**

- Committed--Amounts constrained by the Fund itself. To be reported as committed, amounts cannot be used for any other purpose unless the Fund takes the action to remove or change the constraint.
- Assigned--Amounts the Fund intends to use for a specific purpose.
- Unassigned--All amounts not included in other spendable classifications.

The Fund would typically apply an expenditure toward restricted fund balance and then to the other, less restrictive classifications – committed and then assigned fund balances before using unassigned fund balances.

**E. COMPENSATED ABSENCES**

The Indigent Defender Fund has the following policy relating to vacation and sick leave:

Employees of the Indigent Defender Fund, at the beginning of each calendar year, are allowed twenty days of non-cumulative paid time off, which encompasses both vacation and sick leave. There is no accumulation of vested benefits relating to any paid time off.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as current-year expenditures when leave is actually taken.

**F. ESTIMATES**

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

**2. CASH AND CASH EQUIVALENTS**

At June 30, 2023, the Eleventh and Forty-second Judicial Districts Indigent Defender Fund has cash and cash equivalents (book balances) totaling \$210,542 as follows:

Demand deposits	\$ 210,342
Petty cash	200
Total	<u>\$ 210,542</u>

The cash and cash equivalents are subject to the following risks:

*Custodial Credit Risk:* Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Louisiana

**ELEVENTH AND FORTY-SECOND JUDICIAL DISTRICTS INDIGENT DEFENDER FUND**  
**DeSoto and Sabine Parishes, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Year Ended June 30, 2023

**2. CASH AND CASH EQUIVALENTS (continued)**

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 Indigent Defender Fund that the fiscal agent bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Indigent Defender Fund's name.

At June 30, 2023, the Indigent Defender Fund has \$216,732 in deposits (collected bank balances). These deposits are secured from risk by \$250,000 of federal deposit insurance.

**3. RECEIVABLES**

The General Fund receivables of \$31,726 at June 30, 2023, are as follows:

Statutory fines, forfeitures, fees, court costs and other:	
Court costs	\$ 23,152
Bond fees and forfeitures	4,468
Defender Assistance Fund	2,558
Application fees	280
Other fees and costs	1,268
Total	\$ 31,726

**4. PREPAID EXPENSES**

Prepaid expenses of \$8,378 at June 30, 2023, consist of prepaid insurance.

**5. CAPITAL ASSETS**

Capital assets and depreciation activity as of and for the year ended June 30, 2023, is as follows:

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Office Equipment	\$ 51,624	\$ -	\$ -	\$ 51,624
Total	51,624	-	-	51,624
Less Accumulated Depreciation				
Office Equipment	41,364	4,669	-	46,033
Total	41,363	4,669	-	46,033
Capital Assets, Net	\$ 10,261	\$ (4,669)	\$ -	\$ 5,591

Depreciation expense of \$4,669 was charged to the judiciary function of the governmental activities.

**ELEVENTH AND FORTY-SECOND JUDICIAL DISTRICTS INDIGENT DEFENDER FUND**  
**DeSoto and Sabine Parishes, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Year Ended June 30, 2023

**6. LEASES**

Under GASB 87 the Eleventh and Forty-second Judicial Districts Indigent Defender Fund recognizes all leases over one year as right-of-use assets at the present value of future lease payments, amortized over the term of the leases. The Eleventh and Forty-second Judicial Districts Indigent Defender Fund has a right-of-use asset lease of the following nature:

On February 1, 2022, the Eleventh and Forty-second Judicial Districts Indigent Defender Fund entered a lease with Citizen's National Bank for the right-of-use of two office suites inside the Citizens National Bank location at 94 Polk Street in Mansfield, Louisiana for a 5-year term, with monthly payments of \$1,600, at a rate of 1.63% or the Treasury Par Yield Curve Rate for 5 years on the date of inception.

Right-of-use assets and amortization activity as of and for the year ended June 30, 2023, is as follows:

<u>Governmental Activities</u>	Beginning Balance June 30, 2022	Additions	Deletions	Ending Balance June 30, 2022
Right-of-Use Asset	\$ 92,256	\$ -	\$ -	\$ 92,256
Total	<u>92,256</u>	<u>-</u>	<u>-</u>	<u>92,256</u>
Less Accumulated Amortization				
Right-of-Use Asset	7,688	18,451	-	26,139
Total	<u>7,688</u>	<u>18,451</u>	<u>-</u>	<u>26,139</u>
Right-of-Use Asset, Net	<u>\$ 84,568</u>	<u>\$ (18,451)</u>	<u>\$ -</u>	<u>\$ 66,117</u>

At June 30, 2023, amortization expense of \$18,451 was charged to the judiciary function.

The changes in lease liabilities for June 30, 2023, are as follows:

Beginning Lease Liabilities	\$ 84,737
Additions	-
Deductions	(17,952)
Ending Lease Liabilities	<u>\$ 66,785</u>

Total interest expense on leases for the year ended June 30, 2023, was \$1,248.

The future minimum lease payments and interest required under the leases are as follows:

Year Ending June 30,	Principal	Interest	Total
2024	18,247	953	19,200
2025	18,547	653	19,200
2026	18,852	348	19,200
2027	11,139	62	11,201
Total	<u>\$ 66,785</u>	<u>\$ 2,016</u>	<u>\$ 68,801</u>

**ELEVENTH AND FORTY-SECOND JUDICIAL DISTRICTS INDIGENT DEFENDER FUND  
DeSoto and Sabine Parishes, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Year Ended June 30, 2023

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**7. COOPERATIVE ENDEAVOR AGREEMENTS**

In addition to the cooperative endeavor agreement discussed in the introduction, the Forty-second Indigent Defender Fund has also entered into an agreement with the Thirty-ninth Judicial District Indigent Defender Fund on June 30, 2022. The current agreement expires June 30, 2027. It is agreed that the office manager of the Thirty-ninth Indigent Defender Fund shall be allowed use, for ten hours per week, a computer and other office equipment belonging to the Forty-second Judicial District Indigent Defender Fund.

**8. COMMITMENTS AND CONTINGENCIES**

The Eleventh and Forty-second Judicial Districts Indigent Defender Fund is not currently named as defendant in any current or pending litigation.

The Indigent Defender Fund participates in certain state-assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Any liability for reimbursement that may arise as the result of these audits is not believed to be material.

**ELEVENTH AND FORTY-SECOND JUDICIAL DISTRICTS INDIGENT DEFENDER FUND**  
**DeSoto and Sabine Parishes, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Year Ended June 30, 2023

**9. GOVERNMENTAL FUND REVENUES AND EXPENDITURES**

For the year ended June 30, 2023, the major sources of governmental fund revenues and expenditures were as follows:

**REVENUES:**

	11th	42nd	Combined
<b>State Government</b>			
Appropriations - general	\$ 339,847	\$ 61,967	\$ 401,814
Appropriations - special	-	-	-
Revenue sharing	-	-	-
Grants	-	-	-
On-behalf payments	-	-	-
Other	-	-	-
Total	339,847	61,967	401,814
<b>Local Government</b>			
Appropriations - general	-	-	-
Appropriations - special	-	-	-
Grants	-	-	-
Statutory fines, forfeitures, fees, court costs, and other	77,343	251,497	328,840
Taxes - millages, sales, special, and other	-	-	-
Criminal court fund	-	-	-
On-behalf payments	-	-	-
Other	-	-	-
Total	77,343	251,497	328,840
<b>Federal Government</b>			
Grants - direct	-	-	-
Grants - indirect (passed-through state)	-	-	-
Total	-	-	-
<b>Other Grants and Contributions</b>			
Non-profit organizations	-	-	-
Private organizations	-	-	-
Corporate	-	-	-
Other	-	-	-
Total	-	-	-
<b>Charges for Services</b>	-	-	-
<b>Investment earnings</b>	211	237	448
<b>Miscellaneous</b>	-	-	-
<b>Total Revenues</b>	\$ 417,401	\$ 313,701	\$ 731,102

**ELEVENTH AND FORTY-SECOND JUDICIAL DISTRICTS INDIGENT DEFENDER FUND**  
**DeSoto and Sabine Parishes, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Year Ended June 30, 2023

**9. GOVERNMENTAL FUND REVENUES AND EXPENDITURES (continued)**

**EXPENDITURES:**

<b>Personnel Services and Benefits</b>	11th	42nd	Combined
Salaries	\$ 34,941	\$ 34,942	\$ 69,883
On-behalf payments - salaries	-	-	-
Retirement contributions	-	-	-
On-behalf payments - retirement	-	-	-
Insurance	-	-	-
On-behalf payments - insurance	-	-	-
Payroll taxes	2,662	2,662	5,324
Other	-	-	-
Total	<u>37,603</u>	<u>37,604</u>	<u>75,207</u>
<b>Professional Development</b>			
Dues, licenses, and registrations	-	-	-
Travel	-	-	-
Other	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>
<b>Operating Costs</b>			
Library and research	-	-	-
Contract services - attorney/legal	298,850	317,850	616,700
Contract services - other	10,285	21,930	32,215
Lease - office	9,600	9,600	19,200
Lease - autos and other	-	-	-
Travel - transportation	-	-	-
Travel - other	-	-	-
Insurance	5,185	5,185	10,370
Supplies	3,980	3,815	7,795
Repairs and maintenance	-	-	-
Utilities and telephone	1,798	1,198	2,996
Other	561	561	1,122
Total	<u>330,259</u>	<u>360,139</u>	<u>690,398</u>
<b>Debt Service</b>			
	-	-	-
<b>Capital outlay</b>			
	-	-	-
<b>Total Expenditures</b>	<u>\$ 367,862</u>	<u>\$ 397,743</u>	<u>\$ 765,605</u>

**10. SUBSEQUENT EVENTS**

Management has performed an evaluation of the Indigent Defender Fund's activities through \_\_\_\_\_, which is the date the financial statements were available to be issued and determined that no events occurred that require disclosure. No events occurring after this date have been evaluated for inclusion in these financial statements.

**ELEVENTH AND FORTY-SECOND JUDICIAL DISTRICTS INDIGENT DEFENDER FUND**  
DeSoto and Sabine Parishes, Louisiana

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

For the year ended June 30, 2023

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget Positive (Negative)
<b>Revenues</b>				
State government appropriations- general	\$ 396,236	\$ 392,041	\$ 401,814	\$ 9,773
Local government fines, fees & court costs	181,000	266,900	328,840	61,940
Investment earnings	175	140	448	308
<b>Total Revenues</b>	<u>577,411</u>	<u>659,081</u>	<u>731,102</u>	<u>72,021</u>
<b>Expenditures</b>				
Judiciary:				
Contract services - attorney/ legal	586,200	613,700	616,700	(3,000)
Contract services - other	15,400	15,400	13,465	1,935
Support staff salaries	66,000	68,084	69,883	(1,799)
Payroll taxes	5,050	5,324	5,324	-
Professional development	2,030	1,500	-	1,500
Professional services - accounting/audit	16,100	18,250	18,750	(500)
Office expenses	32,900	34,150	31,763	2,387
Travel	1,000	750	-	750
Capital outlays	2,000	2,000.00	-	2,000
Other	7,590	9,500	9,720	(220)
<b>Total Expenditures</b>	<u>734,270</u>	<u>768,658</u>	<u>765,605</u>	<u>3,053</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(156,859)	(109,577)	(34,503)	68,968
Fund Balance, beginning of the year	217,536	217,536	217,536	
Fund Balance, end of the year	<u>\$ 60,677</u>	<u>\$ 107,959</u>	<u>\$ 183,033</u>	

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



**ELEVENTH AND FORTY-SECOND JUDICIAL DISTRICTS INDIGENT DEFENDER FUND  
DeSoto and Sabine Parishes, Louisiana**

**NOTES TO BUDGETARY COMPARISON SCHEDULE  
As of and for the Year ended June 30, 2023**

**Budgetary Information**

The District's Chief Public Defender directs the preparation of a proposed budget and submits it to the Louisiana Public Defender Board for approval by a specified date. The budget is then legally adopted by the Fund and amended during the year, as necessary. The budget is established and controlled by the Chief Defender at the objective level of expenditure. Amounts are available for expenditure only to the extent included within the budget. All appropriations lapse at year-end. The budget comparison schedule presents the original adopted budget and the final amended budget.

Formal budgetary integration is employed as a management control device during the year, and encumbrance accounting is not used by the Fund. Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts. The Indigent Defender Fund amended the budget twice during the year.

The Eleventh and Forty-second Judicial District Indigent Defender Fund's budget is prepared in accordance with accounting principles accepted in the United States of America. The Eleventh and Forty-second Judicial District Indigent Defender Fund's budget is adopted annually on the modified accrual basis of accounting.

The Louisiana Local Government Budget Act provides that "the total proposed expenditures shall not exceed the total of estimated funds available for the ensuing year." The "total estimated funds available" is the sum of the respective estimated fund balances at the beginning of the year and the anticipated revenues for the current year. Amendments to the adopted budget are required if total revenues fail to meet budgeted revenues by 5% or more, and/or total actual expenditures exceed total budgeted expenditures by 5% or more. Total revenues were more than budgeted revenues. Actual expenditures were less than budgeted amounts.

The Eleventh and Forty-Second Judicial Districts Indigent Defender Fund is in compliance with the Louisiana Local Budget Act.

**ELEVENTH AND FORTY-SECOND JUDICIAL DISTRICTS INDIGENT DEFENDER FUND**  
DeSoto and Sabine Parishes, Louisiana

**GOVERNMENTAL FUND BALANCE SHEET BY DISTRICT**

June 30, 2023

	<u>Eleventh District</u>	<u>Forty-second District</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 72,245	\$ 138,297	\$ 210,542
Accounts receivable	5,511	26,215	31,726
Due to/from other district	(51)	51	-
Total Assets	<u>77,705</u>	<u>164,563</u>	<u>242,268</u>
<b>LIABILITIES</b>			
Current Liabilities			
Accounts payable	28,481	27,231	55,712
Accrued payroll	899	899	1,798
Payroll tax liabilities	-	1,725	1,725
Total Liabilities	<u>29,380</u>	<u>29,855</u>	<u>59,235</u>
<b>NET POSITION</b>			
Net Position			
Unrestricted	48,325	134,708	183,033
Total Net Position	<u>\$ 48,325</u>	<u>\$ 134,708</u>	<u>\$ 183,033</u>

**ELEVENTH AND FORTY-SECOND JUDICIAL DISTRICTS INDIGENT DEFENDER FUND**

DeSoto and Sabine Parishes, Louisiana

**GOVERNMENTAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BY DISTRICT**

For the year ended June 30, 2023

	<u>Eleventh District</u>	<u>Forty-second District</u>	<u>Total</u>
Program Revenues			
Operating grants and contributions:			
State government appropriations- general	\$ 339,847	\$ 61,967	\$ 401,814
Charges for services:			
Local government fines, fees & court costs	<u>77,343</u>	<u>251,497</u>	<u>328,840</u>
Total Program Revenues	<u>417,190</u>	<u>313,464</u>	<u>730,654</u>
General Revenues			
Investment earnings	<u>211</u>	<u>237</u>	<u>448</u>
Total General Revenues	<u>211</u>	<u>237</u>	<u>448</u>
			-
<b>TOTAL REVENUES</b>	<u>417,401</u>	<u>313,701</u>	<u>731,102</u>
Expenditures/ Program Expenses			
Judiciary:			
Personnel services & benefits	37,603	37,604	75,207
Operating costs	329,635	359,515	689,150
Interest	<u>624</u>	<u>624</u>	<u>1,248</u>
Total Expenditures/ Judiciary Program Expenses	<u>367,862</u>	<u>397,743</u>	<u>765,605</u>
Change in Net Position	49,539	(84,042)	(34,503)
Net Position			
Beginning of the year	<u>(1,214)</u>	<u>218,750</u>	<u>217,536</u>
End of the year	<u>\$ 48,325</u>	<u>\$ 134,708</u>	<u>\$ 183,033</u>

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

**ELEVENTH AND FORTY-SECOND JUDICIAL DISTRICTS INDIGENT DEFENDER FUND**  
 DeSoto and Sabine Parishes, Louisiana

**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS  
 TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER**

For the year ended June 30, 2023

	Brian McRae	
Purpose:		
Salary - contracted	\$	88,200
Benefits- Insurance		-
Benefits- retirement		-
Benefits- other		-
Car Allowance		-
Vehicle provided by government		-
Cell Phone		-
Per diem		-
Reimbursements		471
Registration fees		-
Meeting travel, meals and lodging		-
Continuing professional education fees		-
Professional dues		-
Unvouchered expenses		-
Special meals		-
Total	\$	<u><u>88,671</u></u>

The accompanying notes are an integral part of this statement.

**ELEVENTH AND FORTY-SECOND JUDICIAL DISTRICTS INDIGENT DEFENDER FUND**  
DeSoto and Sabine Parishes, Louisiana

**Justice System Funding Schedule - Receiving Entity**  
**As Required by Act 87 of the 2020 Regular Legislative Session**  
For the year ended June 30, 2023

**ELEVENTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND:**

<b>Cash Basis Presentation</b>	<b>First Six Month Period Ended 12/31/22</b>	<b>Second Six Month Period Ended 6/30/23</b>
	\$ <u>                    </u>	\$ <u>                    </u>
<b>Receipts From:</b>		
Sabine Parish Sheriff, Criminal Court Costs/Fees	16,390	17,745
Village of Converse, Criminal Court Costs/Fees	-	1,440
Village of Florien, Criminal Court Costs/Fees	-	5,388
Sabine Parish Sheriff, Bond Fees	6,974	11,642
Sabine Parish Sheriff, Criminal Court Costs/Fees (Partial Reimbursements)	6,322	6,917
Louisiana DPS&C Probation & Parole Crime Victim Restitutiton Account (Partial Reimbursements)	-	200
Louisiana Fee Collection, Criminal Court Costs/Fees (Partial Reimbursements)	<u>248</u>	<u>1,071</u>
<b>Total Receipts</b>	<b>\$ <u>29,934</u></b>	<b>\$ <u>44,403</u></b>

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

**ELEVENTH AND FORTY-SECOND JUDICIAL DISTRICTS INDIGENT DEFENDER FUND**  
DeSoto and Sabine Parishes, Louisiana

**Justice System Funding Schedule - Receiving Entity**  
**As Required by Act 87 of the 2020 Regular Legislative Session**  
For the year ended June 30, 2023

**FORTY-SECOND JUDICIAL DISTRICT INDIGENT DEFENDER FUND:**

<b>Cash Basis Presentation</b>	<b>First Six Month Period Ended 12/31/22</b>	<b>Second Six Month Period Ended 6/30/23</b>
<b>Receipts From:</b>		
DeSoto Parish Sheriff, Criminal Court Costs/Fees	\$ 47,279	118,409
City of Mansfield, Criminal Court Costs/Fees	6,079	4,068
Town of Stonewall, Criminal Court Costs/Fees	23	30
Louisiana Fee Collection, Criminal Court Costs/Fees (Partial Reimbursements)	2,076	2,153
DeSoto Parish Sheriff, Bond Fees	19,994	16,114
42nd Judicial District Attorney, Bond Forfeitures	-	800
42nd Judicial District Court Probation Fund, Probation/Parole/Supervision Fees	<u>4,292</u>	<u>8,592</u>
<b>Total Receipts</b>	<b>\$ <u>79,743</u></b>	<b>\$ <u>150,166</u></b>

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

**ELEVENTH AND FORTY-SECOND JUDICIAL DISTRICTS INDIGENT DEFENDER FUND**  
DeSoto and Sabine Parishes, Louisiana

**Justice System Funding Schedule - Collecting/Disbursing Entity**  
**As Required by Act 87 of the 2020 Regular Legislative Session**  
For the year ended June 30, 2023

**ELEVENTH JUDICIAL DISTRICT INDIGENT DEFENDER FUND:**

<b>Cash Basis Presentation</b>	<b>First Six Month Period Ended 12/31/22</b>	<b>Second Six Month Period Ended 6/30/23</b>
<b>Beginning Balance of Amounts Collected</b>	\$ -	\$ -
<b>Add: Collections</b>		
Other (Application Fees)	1,400	2,400
<b>Subtotal Collections</b>	<b>1,400</b>	<b>2,400</b>
<b>Less: Disbursements To Governments &amp; Nonprofits:</b>		
None	-	-
<b>Less: Amounts Retained by Collecting Agency</b>		
Amounts "Self-Disbursed" to Collecting Agency	1,400	2,400
<b>Subtotal Disbursements/Retainage</b>	<b>1,400</b>	<b>2,400</b>
<b>Total: Ending Balance of Amounts Collected but not Disbursed/Retained</b>	<b>\$ -</b>	<b>\$ -</b>

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

**ELEVENTH AND FORTY-SECOND JUDICIAL DISTRICTS INDIGENT DEFENDER FUND**  
DeSoto and Sabine Parishes, Louisiana

**Justice System Funding Schedule - Collecting/Disbursing Entity**  
**As Required by Act 87 of the 2020 Regular Legislative Session**  
For the year ended June 30, 2023

**FORTY-SECOND JUDICIAL DISTRICT INDIGENT DEFENDER FUND:**

<b>Cash Basis Presentation</b>	<b>First Six Month Period Ended 12/31/22</b>	<b>Second Six Month Period Ended 6/30/23</b>
<b>Beginning Balance of Amounts Collected</b>	\$ -	\$ -
<b>Add: Collections</b>		
Other (Application Fees)	2,920	4,520
<b>Subtotal Collections</b>	<u>2,920</u>	<u>4,520</u>
<b>Less: Disbursements To Governments &amp; Nonprofits:</b>		
None	-	-
<b>Less: Amounts Retained by Collecting Agency</b>		
Amounts "Self-Disbursed" to Collecting Agency	2,920	4,520
<b>Subtotal Disbursements/Retainage</b>	<u>2,920</u>	<u>4,520</u>
<b>Total: Ending Balance of Amounts Collected but not Disbursed/Retained</b>	\$ -	\$ -

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





February 26, 2024

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

To the Chief Defender  
Eleventh and Forty-Second Judicial Districts  
Indigent Defender Fund  
State of Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, and the major fund of the Indigent Defender Fund for the Eleventh and Forty-Second Judicial Districts, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Fund's basic financial statements, and have issued our report thereon dated February 26, 2024.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING**

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

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

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



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## ***Indigent Defender Fund***

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### **REPORT ON COMPLIANCE AND OTHER MATTERS**

As part of obtaining reasonable assurance about whether Fund's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings as item 2023-001.

### **MANAGEMENT'S RESPONSE TO FINDINGS**

The Public Defender's response to the findings identified in our audit is described in the accompanying Schedule of Findings. The Public Defender's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **PURPOSE OF THIS REPORT**

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



Rozier, McKay & Willis  
Certified Public Accountants

***INDIGENT DEFENDER FUND  
ELEVENTH AND FORTY-SECOND JUDICIAL DISTRICTS***

***SCHEDULE OF FINDINGS AND RESPONSES  
For the Year Ended June 30, 2023***

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**PART I - SUMMARY OF AUDITOR'S RESULTS:**

- The Independent Auditors' Report on the basic financial statements of the Indigent Defender Fund as of June 30, 2023 and for the year then ended expressed an unmodified opinion.
- The audit did not disclose any audit findings which are considered to be significant control deficiencies or material weaknesses.
- The results of the audit did disclose an instance of noncompliance (2023-001) required to be reported in the Schedule of Findings and Responses.

**PART II - FINDINGS RELATING TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENTAL AUDITING STANDARDS:**

<b>2023-001</b>	<b>Financial Reporting (Late Audit Submission)</b>
Condition	The audit was not completed by the initial due date.
Criteria	State Law requires audits to be completed within six months of year end.
Cause	The originally intended auditor was too ill to complete the engagement.
Effect	Non compliance with State Law.
Recommendations	The client should remit financial information to the auditor earlier in the year to ensure the report is completed in a timely manner.

**INDIGENT DEFENDER FUND**  
**ELEVENTH AND FORTY-SECOND JUDICIAL DISTRICTS**

**MANAGEMENT'S CORRECTIVE ACTION PLAN**  
**For the Year Ended June 30, 2023**

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<p><b>SECTION I</b>  <b>Internal Control and Compliance Material</b>  <b>To The Financial Statements</b></p>	
<p><b><u>2023-001: Financial Reporting (Late Audit Submission)</u></b>                  The audit was not completed by the initial due date. See the Schedule of Findings for further details.</p>	<p><b><u>2023-001: Response</u></b>                  Our previous auditor experienced health issues near year end. We hired a new auditor as soon as we could. The future audits will be timely.</p>
<p><b>SECTION II</b>  <b>Management Letter</b></p>	
<p>No management letter was issued with this report</p>	<p>No management letter was issued with this report.</p>

**INDIGENT DEFENDER FUND**  
**ELEVENTH AND FORTY-SECOND JUDICIAL DISTRICTS**

**SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES**  
**For the Year Ended June 30, 2023**

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<b>SECTION I</b> <b>Internal Control and Compliance Material</b> <b>To The Financial Statements</b>	
No findings of this nature were reported	No findings of this nature were reported
<b>SECTION II</b> <b>Management Letter</b>	
No management letter was issued with this report.	No management letter was issued with this report.

**APPENDIX A**  
**Statewide Agreed-Upon Procedures**



Independent Accountant's Report  
On Applying Agreed-Upon Procedures

To the Public Defender and  
the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Eleventh and Forty-Second Judicial Districts Indigent Defender Fund (the Entity) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 01, 2022 through June 30, 2023. The Entity's management is responsible for those C/C areas identified in the SAUPs.

The entity 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 described above. 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.

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

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

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

Rozier, McKay & Willis  
Certified Public Accountants  
Alexandria, Louisiana  
February 26, 2024



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# **11<sup>th</sup> and 42<sup>nd</sup> JDC Public Defender**

## **Statewide Agreed-Upon Procedures**

### **Schedule of Procedures, Results and Managements' Response (Continued)**

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<b>Written Policies and Procedures</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
1 Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories.  <ul style="list-style-type: none"><li>• Budgeting</li><li>• Purchasing</li><li>• Disbursements</li><li>• Receipts</li><li>• Payroll/Personnel</li><li>• Contracting</li><li>• Credit Cards</li><li>• Travel and expense reimbursements</li><li>• Ethics</li><li>• Debt Service</li><li>• Disaster Recovery / Business Continuity</li><li>• Sexual Harassment</li></ul>	The Indigent Defender Fund has adopted the appropriate policies and procedures.	No findings or criticisms were reported.



**11<sup>th</sup> and 42<sup>nd</sup> JDC Public Defender**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

Board (or Finance Committee)		
Agreed-Upon Procedure	Results	Managements' Response
<p>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:</p> <p>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.</p> <p>b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. <i>Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.</i></p> <p>c) For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes</p>	<p>Procedures related to board and committee activities were not applicable.</p>	<p>N/A – The results did not included any findings requiring a response.</p>

**11<sup>th</sup> and 42<sup>nd</sup> JDC Public Defender**

***Statewide Agreed-Upon Procedures***

***Schedule of Procedures, Results and Managements' Response (Continued)***

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<b>Board (or Finance Committee)</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.  d) Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.		

**11<sup>th</sup> and 42<sup>nd</sup> JDC Public Defender**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Bank Reconciliations</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>3 Obtain a listing of client 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 selected each account, and observe that:</p> <p>a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);</p> <p>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</p> <p>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.</p>	<p>Reconciliations were completed within a 2-month period by an outside CPA firm.</p> <p>Evidence of review by an appropriate party was present.</p> <p>No items were outstanding for more than 12 months.</p>	<p>No findings or criticisms reported.</p> <p>No findings or criticisms reported.</p> <p>No findings or criticisms reported.</p>

**11<sup>th</sup> and 42<sup>nd</sup> JDC Public Defender**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

Collections (excluding EFTs)		
Agreed-Upon Procedure	Results	Managements' Response
<p>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).</p>	<p>The list was provided and deposits were selected.</p>	<p>No findings or criticisms reported.</p>
<p>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:</p> <p>a) Employees that are responsible for cash collections do not share cash drawers/registers.</p>	<p>Drawers are used exclusively by a single person.</p>	<p>No findings or criticisms reported.</p>

**11<sup>th</sup> and 42<sup>nd</sup> JDC Public Defender**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Collections (excluding EFTs)</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
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.	The Office uses an outside CPA firm for many functions; therefore, duties are appropriately segregated.	No findings or criticisms reported.
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.	The Office uses an outside CPA firm for many functions; therefore, duties are appropriately segregated.	No findings or criticisms reported.
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 verifies the reconciliation.	The Office uses an outside CPA firm for many functions; therefore, duties are appropriately segregated.	No findings or criticisms reported.
6 Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.	Appropriate coverage has been maintained.	No findings or criticisms reported.
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		

**11<sup>th</sup> and 42<sup>nd</sup> JDC Public Defender**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Collections (excluding EFTs)</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>a cash collection log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the 10 deposits and:</p> <p>a. Observe that receipts are sequentially pre-numbered.</p> <p>b. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.</p> <p>c. Trace the deposit slip total to the actual deposit per the bank statement.</p> <p>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).</p> <p>e. Trace the actual deposit per the bank statement to the general ledger.</p>	<p>Receipts issued are sequentially prenumbered.</p> <p>Collection documentation agrees to the deposit slip.</p> <p>Deposit slips agree with the bank statement.</p> <p>Deposits were not remitted with in a single day.</p> <p>Deposits appearing on the bank statement agree with the general ledger.</p>	<p>No findings or criticisms reported.</p> <p>No findings or criticisms reported.</p> <p>No findings or criticisms reported.</p> <p>We have changed our procedures to ensure deposits are remitted within a single day.</p> <p>No findings or criticisms reported.</p>

# **11<sup>th</sup> and 42<sup>nd</sup> JDC Public Defender**

## **Statewide Agreed-Upon Procedures**

### **Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Non-Payroll Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
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).	All transactions are processed at the third party CPA firm.	No findings or criticisms reported.
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.	The Indigent Defender Fund and an outside CPA firm are used in purchase requests.	No findings or criticisms reported.
b) At least two employees are involved in processing and approving payments to vendors.	The Indigent Defender Fund and an outside CPA firm are used in processing and approving payments.	No findings or criticisms reported.
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.	An outside CPA firm maintains the vendor files.	No findings or criticisms reported.
d) Either the employee/official responsible for signing checks mails the payment or gives	Substantially all payments are electronic and facilitated by a third party CPA firm.	No findings or criticisms reported.

**11<sup>th</sup> and 42<sup>nd</sup> JDC Public Defender**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Non-Payroll Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>the signed checks to an employee to mail who is not responsible for processing payments.</p> <p>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:</p> <p style="padding-left: 20px;">a. Observe that the disbursement matched the related original invoice/billing statement.</p> <p style="padding-left: 20px;">b. Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.</p> <p>11 Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no</p>	<p>Disbursements selected were supported by documentation.</p> <p>Evidence of segregation of duties was present.</p> <p>Electronic disbursements are approved and authorized by the necessary number of signers.</p>	<p>No findings or criticisms reported.</p> <p>No findings or criticisms reported.</p> <p>No findings or criticisms reported.</p>



**11<sup>th</sup> and 42<sup>nd</sup> JDC Public Defender**

***Statewide Agreed-Upon Procedures***

***Schedule of Procedures, Results and Managements' Response (Continued)***

---

<b>Non-Payroll Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.		

# **11<sup>th</sup> and 42<sup>nd</sup> JDC Public Defender**

## **Statewide Agreed-Upon Procedures**

### **Schedule of Procedures, Results and Managements' Response (Continued)**

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<b>Credit Cards/Debit Cards/Fuel Cards/P-Cards</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>12 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.</p> <p>13 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:</p> <p>a. Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder.</p> <p>b. Observe that finance charges and late fees were not assessed on the selected statements.</p>	<p>The Indigent Defender Fund does not own any credit, debit or Fuel cards.</p>	<p>N/A – The results did not included any findings requiring a response.</p>

**11<sup>th</sup> and 42<sup>nd</sup> JDC Public Defender**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

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<b>Credit Cards/Debit Cards/Fuel Cards/P-Cards</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
14 Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).		

**11<sup>th</sup> and 42<sup>nd</sup> JDC Public Defender**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Travel and Expense Reimbursement</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>15 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:</p> <p>a. If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (<a href="http://www.gsa.gov">www.gsa.gov</a>).</p> <p>b. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.</p> <p>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).</p> <p>d. Observe that each reimbursement was reviewed and approved, in writing, by</p>	<p>There are no travel and expense reimbursements paid by the Indigent Defender Fund.</p>	<p>N/A – The results did not included any findings requiring a response.</p>

**11<sup>th</sup> and 42<sup>nd</sup> JDC Public Defender**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Travel and Expense Reimbursement</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
someone other than the person receiving reimbursement.		

<b>Contracts</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
16 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:	Management has asserted that the only contracts initiated during the current year were for professional services of contract attorneys, a local CPA firm, and an office lease.	No findings or criticisms reported.
a. Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.	Not applicable	No findings or criticisms reported.
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).	The contracts are approved by the Chief Defender	No findings or criticisms reported.

**11<sup>th</sup> and 42<sup>nd</sup> JDC Public Defender**

***Statewide Agreed-Upon Procedures***

***Schedule of Procedures, Results and Managements' Response (Continued)***

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<b>Contracts</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
c. If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.	No contracts were amended.	No findings or criticisms reported.
d. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.	Payments under the contract agree with its terms and conditions.	No findings or criticisms reported.

**11<sup>th</sup> and 42<sup>nd</sup> JDC Public Defender**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Payroll and Personnel</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
17 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.	The list was provided and selection was performed.	No findings or criticisms reported.
18 Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:		
a. Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).	Attendance was properly documented.	No findings or criticisms reported.
b. Observe that supervisors approved the attendance and leave of the selected employees/officials.	Approval was documented.	No findings or criticisms reported.
c. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.	No leave was taken during the period.	No findings or criticisms reported.
19 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	There were no termination payments.	No findings or criticisms reported.

**11<sup>th</sup> and 42<sup>nd</sup> JDC Public Defender**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

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<b>Payroll and Personnel</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
20 Obtain management's representation that 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.	Management has asserted that all relevant payments have been made. Furthermore, the Office used the assistance of an outside CPA firm to ensure premiums are paid and forms are timely filed.	No findings or criticisms reported.



**11<sup>th</sup> and 42<sup>nd</sup> JDC Public Defender**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Ethics</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>21 Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:</p> <p>a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.</p> <p>b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.</p> <p>22 Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.</p>	<p>Evidence of ethics training was present for each employee</p> <p>There is no evidence that the employees/official attested through signature verification that the ethics policy has been read.</p> <p>The Chief Public Defender is the ethics designee.</p>	<p>No findings or criticisms reported.</p> <p>We will have our employees sign the ethics statement annually.</p> <p>No findings or criticisms reported.</p>

**11<sup>th</sup> and 42<sup>nd</sup> JDC Public Defender**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

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<b>Debt Service</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
23 Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.	Not applicable	No findings or criticisms reported.
25 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.	Not applicable.	No findings or criticisms reported.

**11<sup>th</sup> and 42<sup>nd</sup> JDC Public Defender**

***Statewide Agreed-Upon Procedures***

***Schedule of Procedures, Results and Managements' Response (Continued)***

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<b>Fraud Notice</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
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.	No misappropriations were reported.	No findings or criticisms reported.
26 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.	Due to the nature of the audit procedures, the notice could not be observed.	The notice is posted in our offices.

**11<sup>th</sup> and 42<sup>nd</sup> JDC Public Defender**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

Information Technology Disaster Recovery /Business Continuity		
Agreed-Upon Procedure	Results	Managements' Response
<p>27 Perform the following procedures, <b>verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."</b></p> <p>a. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.</p> <p>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.</p> <p>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.</p>	<p>We performed the procedure and discussed the results with management.</p> <p>We performed the procedure and discussed the results with management.</p> <p>We performed the procedure and discussed the results with management.</p>	<p>No findings or criticisms reported.</p> <p>No findings or criticisms reported.</p> <p>No findings or criticisms reported.</p>
<p>28 Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in</p>	<p>We performed the procedure and discussed the results with management.</p>	<p>No findings or criticisms reported.</p>

**11<sup>th</sup> and 42<sup>nd</sup> JDC Public Defender**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

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<b>Information Technology Disaster Recovery /Business Continuity</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.		

**11<sup>th</sup> and 42<sup>nd</sup> JDC Public Defender**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response (Continued)**

<b>Sexual Harassment</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>29 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.</p>	<p>Documentation that each employee selected completed the required training.</p>	<p>No findings or criticisms reported.</p>
<p>30 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).</p>	<p>Due to the nature of the audit procedures, the policy could not be observed.</p>	<p>We are required by the State to maintain sexual harassment policy and complaint procedures.</p>
<p>31 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:</p> <ul style="list-style-type: none"> <li>a. Number and percentage of public servants in the agency who have completed the training requirements;</li> <li>b. Number of sexual harassment complaints received by the agency;</li> <li>c. Number of complaints which resulted in a finding that sexual harassment occurred;</li> <li>d. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and</li> <li>e. Amount of time it took to resolve each complaint.</li> </ul>	<p>A report was produced with the required content and the report was completed by February 1<sup>st</sup>.</p>	<p>No findings or criticisms reported.</p>