District Attorney of the
Forty-Second Judicial District
(a component unit of the DeSoto Parish Police Jury)

DeSoto Parish, Louisiana

December 31, 2016
# District Attorney of the Forty-Second Judicial District
## DeSoto Parish, Louisiana

**December 31, 2016**

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Independent Auditors’ Reports
INDEPENDENT AUDITORS’ REPORT

Honorable Gary Evans
District Attorney of the Forty-Second Judicial District
DeSoto Parish, Louisiana

Report on the Financial Statements
We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District Attorney of the Forty-Second Judicial District (District Attorney), a component unit of the DeSoto Parish Police Jury, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the District Attorney’s basic financial statements as listed in the table of contents.

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

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

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

**Opinions**
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District Attorney as of December 31, 2016, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

**Other Matters**

**Required Supplementary Information**
Accounting principles generally accepted in the United States of America require that the Management’s Discussion and Analysis, the General Fund Budgetary Comparison Schedule, the Schedule of the District Attorney’s Proportionate Share of the Net Pension Liability and the Schedule of Contributions to the Funds, on pages 6 through 11, and 41 through 43 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Information**
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District Attorney’s basic financial statements. The Schedule of Compensation, Benefits and Other Payments to Agency Head, presented in accordance with Louisiana Revised Statues (LRS) 24:513(A)(3), is on page 46. This schedule is presented for purposes of additional analysis and is not a required part of the financial statements.
The Schedule of Compensation, Benefits, and Other Payments to Agency Head 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Compensation, Benefits and Other Payments to Agency Head is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards
In accordance with Government Auditing Standards, we have also issued our report dated June 23, 2017, on our consideration of the District Attorney's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District Attorney's internal control over financial reporting and compliance.

CARR, RIGGS, & INGRAM, LLC

Shreveport, Louisiana
June 23, 2017
INDEPENDENT AUDITORS’ REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Gary Evans
District Attorney of the Forty-Second Judicial District
DeSoto Parish, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District Attorney of the Forty-Second Judicial District (District Attorney,) a component unit of the DeSoto Parish Police Jury, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the District Attorney’s basic financial statements, and have issued our report thereon dated June 23, 2017.

Internal Control Over Financial Reporting
In planning and performing our audit of the financial statements, we considered the District Attorney’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District Attorney’s internal control. Accordingly, we do not express an opinion on the effectiveness of the District Attorney’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as 2016-01.

Compliance and Other Matters
As part of obtaining reasonable assurance about whether the District Attorney’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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

District Attorney of the 42nd Judicial District’s Response to Findings
The District Attorney’s response to the findings identified in our audit is described in the accompanying schedule of audit findings. The District Attorney’s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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

CARR, RIGGS, & INGRAM, LLC

Shreveport, Louisiana
June 23, 2017
Required Supplemental Information

Management’s Discussion and Analysis (unaudited)
This section of the District Attorney of the Forty-Second Judicial District’s (District Attorney) annual financial report presents our discussion and analysis of the District Attorney’s financial performance during the fiscal year that ended on December 31, 2016. This document focuses on the current year’s activities, resulting changes, and currently known facts. Please read it in conjunction with the District Attorney’s financial statements, which follow this section.

Financial Highlights –
The following exhibits some of the more important highlights of the financial results for the government-wide financial statements for the year ended December 31, 2016.

- The District Attorney’s total net position from governmental activities decreased $61,442 from the beginning of the fiscal year as a result of operations;

- During the year ended December 31, 2016, the District Attorney’s expenses were $73,979 more than the $1,444,256 recognized as revenue from charges for services and operating grants and contributions;

- The cost of operating the programs of the District Attorney $1,558,487 which represents an increase in the costs of operations from the prior year of $47,482 or a 3.14% (percent) increase, and

- The District Attorney reported unrestricted net position of $880,789 a decrease of $56,077 from the prior year.

Overview of the Financial Statements
This annual report consists of three parts – management’s discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District Attorney:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the District Attorney’s overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District Attorney’s governmental operations, reporting the District Attorney’s operations in more detail than the government-wide statements.
  - The governmental funds statements illustrate how general government services, like public safety, were financed in the short-term as well as what remains for future spending.
Fiduciary fund statements provide information about the financial relationships in which the District Attorney acts solely as agent for the benefit of others, to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Exhibit 1 shows how the required parts of this annual report are arranged and relate to one another.

The following Exhibit summarizes the major features of the District Attorney’s financial statements, including the portion of the District Attorney’s government they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis explains the structure of contents of each of the statements.

| Major Features of District Attorney’s Government and Fund Financial Statements | Fund Statements |
| --- | --- | --- |
|  | Government-wide Statements | Governmental Funds | Fiduciary Funds |
| **Scope** | The entire District Attorney governmental unit (excluding fiduciary funds). | The activities of the District Attorney that are not proprietary or fiduciary, such as public safety and the IV-D program. | Instances in which the District Attorney is the trustee or agent for someone else’s resources, such as seized drug assets awaiting forfeiture. |
| **Required financial statements** | • Statement of Net Position. • Statement of activities. | • Balance sheet. • Statement of revenue, expenditures, and changes in fund balances. | • Statements of fiduciary net position. • Statements of changes in fiduciary net position is not presented because the District Attorney has agency funds only. |
| **Accounting basis and measurements focus** | Accrual accounting and economic resources focus. | Modified accrual accounting and current financial resources focus. | Accrual accounting and economic resource focus. |
| **Type of asset/liability** | All assets and liabilities, both financial and capital, and short-term and long-term. | Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets are included. | All assets and liabilities, both short-term and long-term; the District Attorney’s funds do not currently contain capital assets, although they can. |
| **Type of inflow/outflow information** | All revenues and expenses during the year, regardless of when cash is paid or received. | Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payments are due during the year or soon thereafter. | All revenues and expenses during the year, regardless of when cash is received or paid. |
Government-Wide Statements
The government-wide statements report information about the District Attorney as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the District Attorney’s assets, deferred outflows or resources, liabilities, deferred inflows of resources, and net position. All of the current year’s revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two government-wide statements report the District Attorney’s net position and how they have changed. Net position (the difference between the District Attorney’s total assets and total liabilities) is one way to measure the District Attorney’s financial health, or position.

For instance:
- Over time, increases or decreases in the District Attorney’s net position is an indicator of whether its financial health is improving or deteriorating.
- To assess the overall health of the District Attorney, you need to consider additional financial factors, such as changes in the finances of the State of Louisiana and the DeSoto Parish Police Jury.

The government-wide financial statements of the District Attorney consist of:
- Governmental activities - all of the District Attorney’s basic services are included here, such as public safety, the IV-D program and general administration.

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

- Some funds are required by State law or by bond covenants.

The District Attorney has two kinds of funds:
- Governmental funds – Most of the District Attorney’s basic services are included in governmental funds which focus on (1) how cash and other financial assets that can be readily converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the District Attorney’s programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statements, or on the subsequent page, that explains the relationships between the two types of financial statements.

- Fiduciary funds – We exclude the activity in these funds from the District Attorney’s government-wide financial statements because the District Attorney cannot use these assets to finance its operations.
Financial Analysis of the District Attorney as a Whole

**Net Position**  The District Attorney’s combined net position decreased during 2016 by $61,442 or 6.27% (percent), from $979,837, at December 31, 2015, as shown in the following table.

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
<th>Change</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current and other assets</td>
<td>$977,751</td>
<td>$1,037,359</td>
<td>($59,608)</td>
<td>-5.75%</td>
</tr>
<tr>
<td>Capital assets, net</td>
<td>37,606</td>
<td>42,971</td>
<td>(5,365)</td>
<td>-12.49%</td>
</tr>
<tr>
<td>Total Assets</td>
<td>1,015,357</td>
<td>1,080,330</td>
<td>(64,973)</td>
<td>-6.01%</td>
</tr>
<tr>
<td>Deferred outflows of resources</td>
<td>162,608</td>
<td>17,574</td>
<td>145,034</td>
<td>na</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>46,136</td>
<td>40,258</td>
<td>5,878</td>
<td>14.60%</td>
</tr>
<tr>
<td>Noncurrent liabilities</td>
<td>120,421</td>
<td>18,198</td>
<td>102,223</td>
<td>na</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>166,557</td>
<td>58,456</td>
<td>108,101</td>
<td>184.93%</td>
</tr>
<tr>
<td>Deferred inflows of resources</td>
<td>93,013</td>
<td>59,611</td>
<td>33,402</td>
<td>na</td>
</tr>
<tr>
<td>Net Position Invested in capital assets</td>
<td>37,606</td>
<td>42,971</td>
<td>(5,365)</td>
<td>-12.49%</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>880,789</td>
<td>936,866</td>
<td>(56,077)</td>
<td>-5.99%</td>
</tr>
<tr>
<td>Total Net Position</td>
<td>$918,395</td>
<td>$979,837</td>
<td>($61,442)</td>
<td>-6.27%</td>
</tr>
</tbody>
</table>

**Changes in Net Position**  The following condensed government-wide governmental activity statement illustrates the major changes in operations for the District Attorney in 2016 as compared to 2015:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
<th>Increase (Decrease)</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$1,497,045</td>
<td>$1,376,816</td>
<td>$120,229</td>
<td>8.73%</td>
</tr>
<tr>
<td>Expenses</td>
<td>1,558,487</td>
<td>1,511,005</td>
<td>47,482</td>
<td>3.14%</td>
</tr>
<tr>
<td>Change in net position</td>
<td>($61,442)</td>
<td>($134,189)</td>
<td>$72,747</td>
<td>-54.21%</td>
</tr>
</tbody>
</table>
**Governmental Activities**

The District Attorney’s total governmental revenue increased from 2016 by $109,140, or 8.10% (percent), while expenses increased by $28,609 or 1.92% (percent), as compared to 2015. Revenue increased from 2016 due to increases in collections of fines and fees by the DeSoto Parish Sheriff. The increases in expenses occurred primarily in personnel services.

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
<th>Increase (Decrease)</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charges for services</td>
<td>$ 551,963</td>
<td>$ 402,850</td>
<td>$ 149,113</td>
<td>37.01%</td>
</tr>
<tr>
<td>Grants and contributions and parish support</td>
<td>892,293</td>
<td>943,406</td>
<td>(51,113)</td>
<td>-5.42%</td>
</tr>
<tr>
<td>Other</td>
<td>12,537</td>
<td>1,397</td>
<td>11,140</td>
<td>797.42%</td>
</tr>
<tr>
<td>Total revenues</td>
<td>1,456,793</td>
<td>1,347,653</td>
<td>109,140</td>
<td>8.10%</td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personnel services</td>
<td>1,223,758</td>
<td>1,172,173</td>
<td>51,585</td>
<td>4.40%</td>
</tr>
<tr>
<td>Other costs to deliver governmental programs</td>
<td>298,521</td>
<td>318,073</td>
<td>(19,552)</td>
<td>-6.15%</td>
</tr>
<tr>
<td>Capital outlay</td>
<td>-</td>
<td>3,423</td>
<td>(3,423)</td>
<td>-100.00%</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>1,522,279</td>
<td>1,493,669</td>
<td>28,610</td>
<td>1.92%</td>
</tr>
<tr>
<td>Excess of revenue over expenditures</td>
<td>$ (65,486)</td>
<td>$ (146,016)</td>
<td>$ 80,530</td>
<td>-55.15%</td>
</tr>
</tbody>
</table>

**Financial Analysis of the District Attorney’s Funds**

At the end of 2016, the District Attorney’s governmental funds reported a combined fund balance, of $931,616, which included a decrease of $65,485 from prior year fund balance of $997,101.

**Economic Factors and Next Year’s Budget**

The District Attorney relies on the State of Louisiana and the DeSoto Parish Police Jury for approximately $892,293 or 61% of its total funding. How the current recession and economic climate will affect that funding remains to be seen. What is known is that when both of these sources become stagnant for a period of time it dramatically affects the ability of this office to provide the expected services required.

The cost to operate this office for 2016 was $1,522,278, including State Assistant District Attorney (ADA) pay of $236,997 and $391,444 in direct payments by the DeSoto Parish Police Jury.
General Fund Budgetary Highlights
The District Attorney has prepared budgets that cover its governmental activities in the General Fund. Included in this financial report are comparison schedules that illustrate the actual results of these funds compared to the original and revised budgets. The budgets did not contain the on-behalf payments received from the State of Louisiana and the DeSoto Parish Police Jury, which are included in the actual amounts reported and evaluated for variances.

Capital Assets
At the end of 2016, the District Attorney had $37,606, net of depreciation, invested in a broad range of capital assets. This amount represents a net decrease (including depreciation, additions and retirements) of $5,365 or 12.49% from the previous year.

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
<th>Increase (Decrease)</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>$7,875</td>
<td>$7,875</td>
<td>$ -</td>
<td>0.00%</td>
</tr>
<tr>
<td>Buildings and buildings improvements</td>
<td>50,042</td>
<td>50,042</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td>Automobiles</td>
<td>12,816</td>
<td>37,792</td>
<td>(24,976)</td>
<td>-66.09%</td>
</tr>
<tr>
<td>Equipment, furniture and fixtures</td>
<td>152,840</td>
<td>152,840</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td>Total assets at cost</td>
<td>223,573</td>
<td>248,549</td>
<td>(24,976)</td>
<td>-10.05%</td>
</tr>
<tr>
<td>Less: accumulated depreciation</td>
<td>(185,967)</td>
<td>(205,578)</td>
<td>19,611</td>
<td>-9.54%</td>
</tr>
<tr>
<td>Total capital assets</td>
<td>$37,606</td>
<td>$42,971</td>
<td>$(5,365)</td>
<td>-12.49%</td>
</tr>
</tbody>
</table>

Contacting the District Attorney’s Financial Management
This financial report is designed to provide the citizens, taxpayers, and creditors with a general overview of the District Attorney’s finances and to demonstrate the District Attorney’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mr. Gary Evans, District Attorney, 206 Adams St. Mansfield, LA 71052.
Basic Financial Statements
District Attorney of the Forty-Second Judicial District  
DeSoto Parish, Louisiana  

Statement of Net Position  
December 31, 2016

<table>
<thead>
<tr>
<th>Assets</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$ 408,873</td>
</tr>
<tr>
<td>Receivables</td>
<td>76,822</td>
</tr>
<tr>
<td>Other assets</td>
<td>3,215</td>
</tr>
<tr>
<td>Due from other funds</td>
<td>25,533</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>514,443</td>
</tr>
<tr>
<td><strong>Noncurrent Assets</strong></td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td>463,308</td>
</tr>
<tr>
<td>Capital assets, net of depreciation</td>
<td>37,606</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>1,015,357</td>
</tr>
</tbody>
</table>

| Deferred Outflows of Resources             |       |
| Deferred pensions                          | 162,608 |
| **Total deferred outflows of resources**   | 162,608 |

| Liabilities                                |       |
| **Current Liabilities**                    |       |
| Accounts payable and accruals              | 46,136 |
| **Total current liabilities**              | 46,136 |
| **Long-term liabilities**                  |       |
| Net pension liability                      | 120,421 |
| **Total liabilities**                      | 166,557 |

| Deferred Inflows of Resources              |       |
| Deferred pensions                          | 93,013 |
| **Total deferred inflows of resources**    | 93,013 |

| Net Position                               |       |
| Invested in capital assets                 | 37,606 |
| Unrestricted                               | 880,789 |
| **Total Net Position**                     | $ 918,395 |

See accompanying notes to financial statements  
12
<table>
<thead>
<tr>
<th>Program Revenues</th>
<th>Expenses</th>
<th>Operating Grants and Contributions</th>
<th>Net Revenue and Changes in Net Position</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Fees, Fines, and Charges for Services</td>
<td>Operating Grants and Contributions</td>
<td>Net Revenue and Changes in Net Position</td>
</tr>
<tr>
<td>Governmental activities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Safety and Judicial Prosecution</td>
<td>$ 1,558,487</td>
<td>$ 551,963</td>
<td>$ 892,293</td>
</tr>
<tr>
<td>Total government activities</td>
<td>$ 1,558,487</td>
<td>$ 551,963</td>
<td>$ 892,293</td>
</tr>
<tr>
<td>General Revenues</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest income</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Miscellaneous</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total general revenues</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in net position</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net position, beginning of year</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net position, end of year</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

District Attorney of the Forty-Second Judicial District
DeSoto Parish, Louisiana

Statement of Activities
for the year ended December 31, 2016

See accompanying notes to financial statements
# District Attorney of the Forty-Second Judicial District
**DeSoto Parish, Louisiana**

**Balance Sheet - Governmental Funds**
**December 31, 2016**

<table>
<thead>
<tr>
<th>General Fund</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$408,873</td>
</tr>
<tr>
<td>Receivables</td>
<td></td>
</tr>
<tr>
<td>Fines, fees, forfeitures and costs</td>
<td></td>
</tr>
<tr>
<td>Due from DeSoto Parish Sheriff</td>
<td>$37,525</td>
</tr>
<tr>
<td>Due from State of Louisiana</td>
<td></td>
</tr>
<tr>
<td>Title IV-D reimbursement</td>
<td>$39,297</td>
</tr>
<tr>
<td>Other funds</td>
<td>$25,533</td>
</tr>
<tr>
<td>Investments</td>
<td>$463,308</td>
</tr>
<tr>
<td>Other assets</td>
<td>$3,214</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$977,750</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities and Fund Balances</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>$2,401</td>
</tr>
<tr>
<td>Due to Desoto Parish Police Jury</td>
<td>$10,584</td>
</tr>
<tr>
<td>Accrued payroll and retirement expenses</td>
<td>$33,150</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>$46,135</strong></td>
</tr>
</tbody>
</table>

| Fund balances                  |        |
| Restricted                     |        |
| Non-spendable                  | $3,214 |
| Unassigned                     | $928,401|
| **Total Fund Balances**        | **$931,615** |

<table>
<thead>
<tr>
<th>Total Liabilities and Fund Balances</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Liabilities and Fund Balances</strong></td>
<td><strong>$977,750</strong></td>
</tr>
</tbody>
</table>

See accompanying notes to financial statements
### Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position
#### December 31, 2016

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total fund balances - Governmental Funds</td>
<td>$ 931,615</td>
</tr>
<tr>
<td>Amounts reported for governmental activities in the statement of net position are different because:</td>
<td></td>
</tr>
<tr>
<td>Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and therefore are not reported in the funds. This is the amount of capital assets, net of accumulated depreciation ($185,967) in the current period.</td>
<td>37,606</td>
</tr>
<tr>
<td>Deferred outflows of resources reported in the Statement of Net Position</td>
<td>162,608</td>
</tr>
<tr>
<td>Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds</td>
<td></td>
</tr>
<tr>
<td>Net pension liability</td>
<td>(120,421)</td>
</tr>
<tr>
<td>Deferred inflows of resources reported in the Statement of Net Position</td>
<td>(93,013)</td>
</tr>
<tr>
<td>Total net position - Governmental Activities</td>
<td>$ 918,395</td>
</tr>
</tbody>
</table>
Governmental Funds - Statement of Revenues, Expenditures, and Changes in Fund Balances
for the Year ended December 31, 2016

<table>
<thead>
<tr>
<th>General Fund</th>
</tr>
</thead>
</table>

### Revenues

- Fee, fines and changes for services $551,963
- Intergovernmental revenues
  - DeSoto Parish Police Jury 391,444
  - State of Louisiana on behalf payments 236,997
  - State of Louisiana Title IVD Program 233,852
  - State of Louisiana Victim Assistance 30,000
- Interest Income 3,782
- Miscellaneous 8,755
- Total revenues 1,456,793

### Expenditures

- General Governmental
  - Personnel Services 1,223,758
  - Travel 17,354
  - Operating services 208,663
  - Supplies 5,237
  - Professional services 67,267
  - Total expenditures 1,522,279

### Net change in fund balance

(65,486)

### Fund balances - beginning of year

997,101

### Fund balance - end of year

$931,615

See accompanying notes to financial statements
Net change in fund balances-total governmental funds $ (65,486)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

<table>
<thead>
<tr>
<th>Capital outlay</th>
<th>Depreciation expense</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(5,365)</td>
</tr>
</tbody>
</table>

The net pension liability is not susceptible to accrual and therefore is not reported in the funds. This amount represents the change in the net pension liability. 9,409

Change in Net Position-Governmental Activities $ (61,442)
District Attorney of the Forty-Second Judicial District  
DeSoto Parish, Louisiana

Statement of Fiduciary Net Position  
December 31, 2016

<table>
<thead>
<tr>
<th>Account</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets</td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$ 126,013</td>
</tr>
<tr>
<td>Liabilities</td>
<td></td>
</tr>
<tr>
<td>Due to other governments</td>
<td>$ 126,013</td>
</tr>
</tbody>
</table>

See accompanying notes to financial statements  
18
District Attorney of the Forty-Second Judicial District
DeSoto Parish, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 2016

Introduction
The Louisiana Constitution of 1974, Article V, Section 14 created the Judicial Districts of the State, among them the Forty-Second Judicial District. Article V, Section 26 created the Office of the District Attorney for each of the Judicial Districts and sets forth the duties of the office. Louisiana Revised Statute 16:1 establishes a District Attorney for each of the Judicial District Attorney's offices. The Forty-Second Judicial District Attorney exists and operates in accordance with the authorities cited.

As provided by Article V, Section 26 of the Louisiana Constitution of 1974, the District Attorney has charge of every criminal prosecution by the State in his district, is the representative of the State before the grand jury in his district, and is the legal advisor to the grand jury. He performs other duties as provided by law. The District Attorney is elected by the qualified electors of the judicial district for a term of six years. DeSoto Parish comprises the Forty-Second Judicial District, and the Forty-Second Judicial District Attorney's office is located in Mansfield, Louisiana.

At December 31, 2016, the Forty-Second Judicial District Attorney's office employed 16 persons. Five (5) of these employees are attorneys, including the district attorney himself. One (1) of these employees is an investigator, and the other six (10) are administrative and clerical personnel.

Note 1 Summary of Significant Accounting Policies
This financial report has been prepared in conformity with GASB Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments, issued in June 1999. Component units are required to initially adopt GASB Statement No. 34 for the same reporting period as the primary government. The District Attorney's primary government, the DeSoto Parish Police Jury, has adopted the provisions of GASB 34.

The government-wide financial statements (GWFS) include the Statement of Net Position and the Statement of Activities. These statements report information on all of the governmental activities of the District Attorney. Fiduciary activities of the District Attorney are not included in these statements.

A. Basis of Presentation
The accompanying basic financial statements of the District Attorney of the Forty-Second Judicial District (District Attorney) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as applied to governmental units.
B. Reporting Entity
The basic criterion for determining whether a governmental organization should be included in a primary government’s basic financial statements is financial accountability. The financial reporting entity consists of the primary government, the DeSoto Parish Police Jury, (b) organizations for which the primary government is financial accountable, and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

Because the DeSoto Parish Police Jury has (a) a fiscal responsibility to the District Attorney, and (b) the potential for the District Attorney to provide specific financial benefits to, or impose specific financial burdens on, the DeSoto Parish Police Jury, the District Attorney was determined to be a component unit of the DeSoto Parish Police Jury, the financial reporting entity.

The accompanying basic financial statements present information only on the funds maintained by the District Attorney and do not present information on the DeSoto Parish Police Jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

The District Attorney is an independently elected official; however, the District Attorney is fiscally dependent on the DeSoto Parish Police Jury. The Police Jury maintains and operates the parish courthouse and the office building in which the district attorney’s office is located and provides funds for other expenses of the district attorney's office, as necessary. In addition, the Police Jury’s financial statements would be incomplete or misleading without inclusion of the district attorney. For these reasons, the District Attorney was determined to be a component unit of the DeSoto Parish Police Jury, the financial reporting entity.

C. Fund Accounting
The District Attorney organizes its accounts on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues, and expenditures. The District Attorney uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

Funds of the District Attorney are classified as governmental funds. Governmental funds account for the District Attorney’s general activities, including the collection and disbursement of specific or legally restricted monies, and the acquisition of general fixed assets. Governmental funds of the District Attorney include:

Governmental Fund Type

General Fund
The General Fund was established in compliance with Louisiana Revised Statute 15:571.11, which provides that twelve percent (12%) of the fines collected and bonds forfeited be transmitted to the District Attorney to defray the necessary expenses of that office. Louisiana Revised Statute 16:16, which became effective August 30, 1986, provides that a court cost of $10.00 be collected to defray expenses of the District Attorney, in addition to all other fines, costs or forfeitures lawfully imposed. Louisiana Revised Statute 16:16.1, which became effective in 1997, provides that an additional court
cost of $10.00 be collected to defray expenses of the District Attorney, in addition to all other fines, costs or forfeitures lawfully imposed.

As of September 1, 1994, the Louisiana Revised Statute 15:571.11 provided that all judgments of bond forfeiture will be paid to the District Attorney. The District Attorney will distribute these funds, thirty percent (30%) of which the District Attorney will retain, to be used in the general operating account.

As of August 15, 2003, the Louisiana Revised Statute 15:85.1 provided for a $15.00 fee to be assessed in connection with every criminal bond posted within each parish. Of this $15.00 fee, the District Attorney receives $7.00.

As of June 22, 1993, the Louisiana Revised Statute 22:1065.1 provided that there shall be a premium on all commercial surety underwriters who write criminal bail bonds in the State of Louisiana. The District Attorney receives twenty-five percent (25%) of the amounts collected, to be used in the general operating account.

As of August 15, 2003, the Louisiana Revised Statute 32:57.2 provided that each person seeking renewal or reissuance of a suspended driver’s license pay an additional fee of $25 to the office of the prosecuting authority for purposes of defraying the administrative cost for renewal or reissuance of the suspended driver’s license.

The District Attorney also has the following programs, which are included in the General Fund:

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

**Hot Checks**
Hot Checks consists of fees collected in accordance with Louisiana Revised Statute 16:15, which provides for a specific fee whenever the District Attorney’s office collects and processes a worthless check. Expenditures for this program are at the sole discretion of the District Attorney and may be used to defray the salaries and the expenses of the office of the District Attorney, but may not be used to supplement the salary of the district attorney himself.

**Fiduciary Fund Type**

**Asset and Bond Forfeiture - Agency Fund**
Fiduciary fund reporting focuses on net position and changes in net position. The only funds accounted for in this category by the District Attorney are the agency funds. The agency funds account for assets held by the District Attorney as an agent for other governmental entities. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the agency funds have no measurement focus, but do use the full accrual basis of accounting.
The Asset and Bond Forfeitures Fund is used as a depository for assets seized by local law enforcement agencies. Upon order of the district court, these funds are either refunded to the litigants or distributed to the appropriate recipient, in accordance with applicable laws. It is also used as a depository for bonds forfeited to rural District Attorney offices. Upon order of the district court, these funds are either refunded to the litigants or distributed to the appropriate recipient, in accordance with applicable laws.

D. Basis of Accounting/Measurement Focus
The government-wide financial statements were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, Accounting and Financial Reporting for Non-exchange transactions.

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

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

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

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

Governmental and agency funds are accounted for on the modified accrual basis of accounting. Under this basis of accounting, revenues are recognized in the accounting period in which they become susceptible to accrual – that is, when they become measurable and available to pay current liabilities. Commissions on fines and bonds forfeitures are reported in the year they are collected by the tax collector. Grants and state appropriations are recorded when the District Attorney is entitled to the funds. Interest income on investments is recorded when earned. Substantially all other revenues are recorded when received.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Costs of accumulated unpaid vacation, sick leave and other employee benefits are reported in the period due and payable rather than the period earned by the employees, and general long-term obligations principal and interest payments are recognized only when due.
Operating transfers between funds - Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses). These transactions are recorded as they occur. In those cases where repayment is expected, the transfers are accounted for through the various due from and due to accounts. Generally, these transfers are to pay operating costs of the District Attorney borne by one or the other of the District Attorney’s funds.

E. Capital Assets

All capital assets are capitalized at historical cost, or estimated historical cost for assets where actual cost is not available. Donated assets, if any, are recorded as capital assets at their estimated fair market value at the date of donation. The District Attorney maintains a threshold level of $1,000 or greater for capitalizing capital assets.

Capital assets are recorded in the government-wide financial statements but are not recorded in the fund financial statements. All capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed by the District Attorney, no salvage value is taken into consideration for depreciation purposes. Useful lives vary from 10 to 40 years for buildings and improvements and 5 to 10 years for moveable property.

F. Budgetary Practices

The District Attorney’s budgetary process is governed by, but did not conform to the Louisiana Budget Act in Louisiana Revised Statute 39:1308. The District Attorney normally utilizes the following budgetary practices:

The budgetary process begins with the administrator estimating the revenues expected to be received during the fiscal year. These revenue estimates are then used by the District Attorney and administrator to set budgetary guidelines in preparing appropriations. Proposed budgets are then prepared for publication and eventual adoption.

The current administration adopted a 2017 budget, after public notice on December 5, 2016 and public inspection on December 9, 2016.

Once the budgets are approved, they can only be amended by the District Attorney. The District Attorney's administrator is authorized to make minor changes within line items. All budget appropriations lapse at year-end. The expenses of the District Attorney's office paid directly by the State of Louisiana and the DeSoto Parish Police Jury are not included in the budgets.

Budgets are adopted on a modified accrual basis, which is consistent with U.S. generally accepted accounting principles. Annual appropriated budgets are adopted for the general fund. All annual appropriations lapse at fiscal year-end.

G. Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the District Attorney may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.
Under state law, the District Attorney may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

**H. Investments**
Investments are reported at fair value based on quoted market prices. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

State statutes generally authorize the District Attorney to invest in direct United States Treasury obligations; indebtedness issued or guaranteed by federal governmental agencies (provided such obligations are backed by the full faith and credit of the U.S. government); indebtedness issued or guaranteed by federally sponsored U.S. government agencies; time certificates of deposit of state banks organized under the laws of Louisiana and national banks having their principal office in the State of Louisiana; or mutual fund or trust fund institutions which are registered with the Securities and Exchange Commission.

**I. Receivables**
All receivables are reported at their gross value and, where applicable, are reduced by the estimated portion that is expected to be uncollectible.

**J. Bad Debts**
Uncollectible accounts receivable are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. At December 31, 2016, $0 was considered to be uncollectible.

**K. Compensated Absences**
Full-time employees of the District Attorney of the Forty-Second Judicial District earn ten days of vacation and sick leave each year. Leave does not carryover or accumulated from one year to the next, and there are no vesting privileges. Therefore, no liability for compensated absences has been recorded in the accompanying financial statements.

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

**M. Net Position Classifications**
In the government-wide statements, net position are classified and displayed in three components:

- Invested in capital assets – Consists of capital assets, net of accumulated depreciation.
- Restricted net position – Consists of components of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- Unrestricted net position – Consists of all other components of net position that do not meet the
definition of “restricted” or “invested in capital assets”.
The District Attorney applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

N. Fund Balance Classification
Fund balance classifications make the nature and extent of the constraints placed on a government’s fund balances more transparent. The following classifications describe the relative strength of the spending restraints:

Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.

Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the District Attorney. These amounts cannot be used for any other purpose unless the District Attorney removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned: This classification includes amounts that are constrained by the District Attorney’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the District Attorney or by an official or body to which the District Attorney delegates the authority. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.

Unassigned: This classification includes the residual fund balance for the General Fund and also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

The District Attorney would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources Forty-Second to defer the use of these other classified funds.

O. Deferred Outflows and Inflows of Resources
In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, Deferred Outflows of Resources, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The District Attorney has one item that meets this criterion, contributions made to the pension plan in the 2016 fiscal year. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, Deferred Inflows of Resources, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The District Attorney has one item that meets the criterion for this category, a deferral of pension expense.
P. Adoption of New Financial Standards
The District Attorney adopted GASB Statement No 72, *Fair Value Measurement and Application*, during the current fiscal year ended December 31, 2016. This statement establishes a hierarchy of inputs to valuation techniques used to measure fair value. The District Attorney’s financial statements and note disclosures reflect any required changes.

**Note 2  Financial Reporting**
During the year ended December 31, 2002, the District Attorney implemented GASB Statement No. 34, *Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments*. GASB Statement No. 34 created new basic financial statements for reporting on the District Attorney’s financial activities. The financial statements now include government-wide financial statements prepared on the accrual basis of accounting and fund financial statements, which present information for individual major funds rather than by fund type, which had been the method of presentation in previously issued financial statements.

**Note 3  Cash and Cash Equivalents**
At December 31, 2016, the District Attorney had cash accounts (book balances), of $408,873 in its governmental funds and $126,013 of cash balances in the Forfeiture account awaiting disbursement.

At December 31, 2016, the District Attorney had $534,573 of deposits (collected bank balances) with local depositories. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or 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. These deposits were secured from risk by $250,000 of federal deposit insurance at each of two financial institutions and $500,000 of pledged securities held by the custodial banks in the name of the fiscal agent banks (GASB Category 3). The District Attorney had no uninsured balances as of December 31, 2016.

**Note 4  Investments and Fair Value Measurements**

*Investments*

The District Attorney held $463,308 in certificate of deposit with a maturity date in April 2018.

*Fair Value Measurements*

GASB Statement No. 72, establishes a hierarchy of inputs to valuation techniques used to measure fair value. The District Attorney categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The implementation of this new statement did not change the method of measuring the fair value of the District Attorney’s assets. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1—Investments reflect prices quoted in active markets.
- Level 2—Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active.
• Level 3—Investments reflect prices based upon unobservable sources.

The District Attorney’s total investments consist of a certificate of deposit. The certificates of deposit are time deposits with a specific maturity in excess of 90 days. At December 31, 2016, the value of the certificates of deposit is $463,308. Valuation is determined using a market value pricing model (Level 2 inputs).

**Note 5  Retirement Plans**

The District Attorney and assistant district attorneys are members of the Louisiana District Attorney’s Retirement System (LDARS), a cost-sharing, multiple employer defined benefit pension plan administered and controlled by a separate board of trustees.

Substantially all employees of the District Attorney are members of the Parochial Employees’ Retirement System of Louisiana (PERSLA), a cost-sharing, multiple-employer, defined benefit pension plan. PERSLA was originally established by Act #205 of the 1952 regular session of the Legislature of the State of Louisiana to provide retirement benefits to all employees of any parish in the state of Louisiana or any governing body or a parish which employees and pays persons serving the parish. PERSLA is operated by a board of Trustees (seven trustees), an Administrative Director, an Actuary, and Legal Counsel.

Each plan issues a separate financial report that includes financial statements and required supplementary information. Those reports may be obtained by writing or calling the plan.

**Louisiana District Attorney’s Retirement System (LDARS)**

1645 Nicholson Drive  
Baton Rouge, LA 70802-8143  
(225) 267-4824

**Parochial Employees’ Retirement System of Louisiana (PERSLA)**

7905 Wrenwood Boulevard  
Baton Rouge, LA 70809  
(225) 928-1361

Disclosures relating to these plans are as follows:

**Louisiana District Attorneys’ Retirement System (LDARS)**

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

**Benefits Provided** - The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.
Members who joined the System before July 1, 1990, and who have elected not to be covered by the new provisions, are eligible to receive a normal retirement benefit if they have 10 or more years of creditable service and are at least age 62, or if they have 18 or more years of service and are at least age 60, or if they have 23 or more years of service and are at least age 55, or if they have 30 years of service regardless of age. The normal retirement benefit is equal to 3% of the member's average final compensation for each year of creditable service. Members are eligible for early retirement at age 60 if they have at least 10 years of creditable service or at age 55 with at least 18 years of creditable service. Members who retire prior to age 60 with less than 23 years of service credit, receive a retirement benefit reduced 3% for each year of age below 60. Members who retire prior to age 62 who have less than 18 years of service receive a retirement benefit reduced 3% for each year of age below 62. Retirement benefits may not exceed 100% of final average compensation.

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

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

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

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

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

The Back-DROP benefit is based upon the Back-DROP period selected and the final average compensation prior to the period selected. The Back-DROP period is the lesser of three years or the service accrued between the time a member first becomes eligible for retirement and his actual date of retirement. At retirement, the member's maximum monthly retirement benefit is based upon his service, final average compensation, and plan provisions in effect on the last day of creditable service immediately prior to the commencement of the Back-DROP period. In addition to the monthly benefit at retirement, the member receives a lump-sum payment equal to the maximum monthly benefit as calculated above multiplied by the number of months in the Back-DROP period. In lieu of receiving the lump-sum payment, the member may leave the funds on deposit with the system in an interest bearing account.

Prior to January 1, 2009, eligible members could elect to participate in the Deferred Retirement Option Program (DROP) for up to three years in lieu of terminating employment and accepting a service benefit. During participation in the DROP, employer contributions were payable and employee contributions were reduced to 1/2 of one percent. The monthly retirement benefits that would have been payable to the member were paid into a DROP account, which did not earn interest while the member was participating in the DROP. Upon termination of participation, the participant in the plan received, at his option, a lump sum from the account equal to the payments into the account or systematic disbursements from his account in any manner approved by the board of trustees. The monthly benefits that were being paid into the DROP would then be paid to the retiree. All amounts which remain credited to the individual's sub-account after termination of participation in the plan were invested in liquid money market funds. Interest was credited thereon as actually earned.

Contributions:
According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ended June 30, 2016, the actual employer contribution rate was 3.5%. For the year ended June 30, 2016, the actuarially determined employer contribution rate was 0%. The actual rate differs from the actuarially required rate due to state statutes that require the contribution rate be calculated and set two years prior to the year effective. In accordance with state statute, DARS receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities. Non-employer contributions are recognized as revenue and excluded from pension expense for the year ended June 30, 2016. Contributions to the pension plan from the District Attorney were $8,329 for the year ended December 31, 2016.
Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At December 31, 2016, the District Attorney reported a liability of $83,513 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2016 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The District Attorney’s proportion of the Net Pension Liability was based on a projection of the District Attorney’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2016 and 2015, the District Attorney’s proportion was .43631% and .329932%, respectively.

For the year ended December 31, 2016, the District Attorney recognized pension expense of $22,625.

At December 31, 2016, the District Attorney reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<table>
<thead>
<tr>
<th>Differences between expected and actual experience</th>
<th>Deferred Outflows of Resources</th>
<th>Deferred Inflows of Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net difference between projected and actual earnings on pension plan investments</td>
<td>64,030</td>
<td>-</td>
</tr>
<tr>
<td>Change in assumptions</td>
<td>15,752</td>
<td>(18,517)</td>
</tr>
<tr>
<td>Changes in proportion and differences between employer contributions and proportion of shared contributions</td>
<td>21,582</td>
<td>(25,545)</td>
</tr>
<tr>
<td>Employer contributions subsequent to the measurement date</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>$ 101,364</td>
<td>$(77,704)</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Year ended December 31:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$(2,202)</td>
</tr>
<tr>
<td>2018</td>
<td>$(2,202)</td>
</tr>
<tr>
<td>2019</td>
<td>$21,045</td>
</tr>
<tr>
<td>2020</td>
<td>$5,215</td>
</tr>
<tr>
<td>2021</td>
<td>$903</td>
</tr>
<tr>
<td>2022</td>
<td>$901</td>
</tr>
</tbody>
</table>

Actuarial Assumptions:
A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2016, are as follows:

<table>
<thead>
<tr>
<th>Valuation Date</th>
<th>June 30, 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actuarial Cost Method</td>
<td>Aggregate Actuarial Cost Method with allocation based on earnings</td>
</tr>
<tr>
<td>Investment Rate of Return</td>
<td>7.00% (Net of investment expense)</td>
</tr>
<tr>
<td>Expected remaining service lives</td>
<td>7 years</td>
</tr>
</tbody>
</table>
Projected salary increases  5.50% (2.50% Inflation, 3.00% Merit)

Cost of Living adjustments  The present value of future retirement benefits is based on benefits currently being paid by LDARS and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.

Mortality rates  The RP 2000 Combined Healthy with White Collar Adjustment Sex Distinct Tables (set back 1 year for females) projected to 2032 using Scale AA were selected for employee, annuitant and beneficial mortality. The RP 2000 Disabled Lives Mortality Table set back 5 years for males and set back 3 years for females was selected for disable annuitants. Setbacks in these tables were used to approximate mortality improvements.

The estimated long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are development for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The long term geometric expected rate of return was 9.04% as of June 30, 2016. Best estimates of real rates of return for each major asset class included in LDARS’s target asset allocation as of June 30, 2016, are summarized in the following table:

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Target Asset Allocation</th>
<th>Long-Term Expected Rate of Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equities</td>
<td>57.70%</td>
<td>3.56%</td>
</tr>
<tr>
<td>Fixed Income</td>
<td>33.00%</td>
<td>2.26%</td>
</tr>
<tr>
<td>Alternatives</td>
<td>4.80%</td>
<td>0.50%</td>
</tr>
<tr>
<td>Real assets</td>
<td>4.50%</td>
<td>0.02%</td>
</tr>
<tr>
<td>Totals</td>
<td>100.00%</td>
<td>6.34%</td>
</tr>
</tbody>
</table>

Inflation  2.70%

Expected Real Rate of Return  9.04%
The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates approved by PERSAC taking into consideration the recommendation of LDARS’s actuary. Based on those assumptions, LDARS’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the District Attorney’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** - The following presents the District Attorney’s proportionate share of the Net Pension Liability using the discount rate of 7.00%, as well as what the District Attorney’s proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (6.00%) or one percentage-point higher (8.00%) than the current rate:

<table>
<thead>
<tr>
<th></th>
<th>1.0% Decrease (6.00%)</th>
<th>Current Discount Rate (7.00%)</th>
<th>1.0% Increase (8.00%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>District Attorney’s proportionate share of the net pension liability</td>
<td>$315,131</td>
<td>$83,513</td>
<td>$(56,316)</td>
</tr>
</tbody>
</table>

**Support of Non-employer Contributing Entities:**
Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. The District Attorney recognizes revenue in an amount equal to their proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the year ended December 31, 2016, the District Attorney recognized revenue as a result of support received from non-employer contributing entities of $37,775 for its participation in LDARS.

**Pension Plan Fiduciary Net Position:**
Plan fiduciary net position is a significant component of LDARS’s collective net pension liability. The System’s plan fiduciary net position was determined using the accrual basis of accounting. The System’s assets, liabilities, revenues, and expenses were recorded with the use of estimates and assumptions in conformity with accounting principles generally accepted in the United States of America. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements and estimates over the determination of the fair market value of the System's investments. Accordingly, actual results may differ from estimated amounts.

**Payables to LDARS’s Pension Plan:**
Payables to LDARS’s pension plan for contractually required contributions related to the payroll accrual were $2,283 as of December 31, 2016.

**Parochial Employees’ Retirement System of Louisiana (PERSLA)**
Parochial Employees’ Retirement System of Louisiana is the administrator of a cost sharing multiple employer defined benefit pension plan. PERSLA was established and provided for by R.S.11:1901 of the Louisiana Revised Statute (LRS).
PERSLA provides retirement benefits to employees of taxing districts of a parish or any branch or section of a parish within the State which does not have their own retirement system and which elects to become members of PERSLA.

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

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

**Eligibility Requirements:**
All permanent parish government employees (except those employed by Orleans, Lafourche and East Baton Rouge Parishes) who work at least 28 hours a week shall become members on the date of employment. New employees meeting the age and Social Security criteria have up to 90 days from the date of hire to elect to participate.

As of January 1997, elected officials, except coroners, justices of the peace, and parish presidents may no longer join PERSLA.

The District Attorney participates in Plan B of PERSLA.

**Retirement Benefits:**
Any member of Plan B can retire providing he/she meets one of the following criteria:

- For employees hired prior to January 1, 2007:
  1. Age 55 with thirty (30) years of creditable service.
  2. Age 60 with a minimum of ten (10) years of creditable service.
  3. Age 65 with a minimum of seven (7) years of creditable service.

- For employees hired after January 1, 2007:
  1. Age 55 with 30 years of service.
  2. Age 62 with 10 years of service.
  3. Age 67 with 7 years of service.

Generally, the monthly amount of the retirement allowance for any member of Plan B shall consist of an amount equal to two percent of the members’ final average compensation multiplied by his years of creditable service. However, under certain conditions, as outlined in the statutes, the benefits are limited to specified amounts.

**Survivor Benefits:**
Plan B members need ten (10) years of service credit to be eligible for survivor benefits. Upon the death of any member of Plan B with twenty (20) or more years of creditable service who is not eligible for normal retirement, the plan provides for an automatic Option 2 benefit for the surviving spouse when he/she reaches age 50 and until remarriage, if the remarriage occurs before age 55.

A surviving spouse who is not eligible for Social Security survivorship or retirement benefits, and married not less than twelve (12) months immediately preceding death of the member, shall be paid an Option 2 benefit beginning at age 50.
Deferred Retirement Option Plan:
Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for the Retirement System. DROP is an option for that member who is eligible for normal retirement.

In lieu of terminating employment and accepting a service retirement, any member of Plan B who is eligible to retire may elect to participate in the Deferred Retirement Option Plan (DROP) in which they are enrolled for three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or roll over the fund to an Individual Retirement Account.

Interest is accrued on the DROP benefits for the period between the end of DROP participation and the member’s retirement date.

For individuals who become eligible to participate in the Deferred Retirement Option Plan on or after January 1, 2004, all amounts which remain credited to the individual’s subaccount after termination in the Plan will be placed in liquid asset money market investments at the discretion of the board of trustees. These subaccounts may be credited with interest based on money market rates of return or, at the option of PERSLA, the funds may be credited to self-directed subaccounts.

The participant in the self-directed portion of this Plan must agree that the benefits payable to the participant are not the obligations of the state or PERSLA, and that any returns and other rights of the Plan are the sole liability and responsibility of the participant and the designated provider to which contributions have been made.

Disability Benefits:
For Plan B, a member shall be eligible to retire and receive a disability benefit if he/she was hired prior to January 1, 2007, and has at least five years of creditable service or if hired after January 1, 2007, has seven years of creditable service, and is not eligible for normal retirement, and has been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of Plan B shall be paid a disability benefit equal to the lesser of an amount equal to two percent of the member’s final average compensation multiplied by his years of service, not to be less than fifteen, or an amount equal to what the member’s normal benefit would be based on the member’s current final compensation but assuming the member remained in continuous service until his earliest normal retirement age.

Contributions:
According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2015, the actuarially determined contribution rate was 6.91% of member’s compensation for Plan B. However, the actual rate for the fiscal year ending December 31, 2015 9.00% for Plan B.
According to state statute, PERSLA also receives ¾ of 1% of ad valorem taxes collected within the respective parishes, except for Orleans and East Baton Rouge parishes. PERSLA also receives revenue sharing funds each year as appropriated by the Legislature. Tax monies and revenue sharing monies are apportioned between Plan A and Plan B in proportion to the member’s compensation. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** - At December 31, 2016, the District Attorney reported a liability of $36,908 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of December 31, 2015 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The District Attorney’s proportion of the Net Pension Liability was based on a projection of the District Attorney’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2016 and 2015, the District Attorney’s proportion was .207297% and .153501%, respectively.

For the year ended December 31, 2016, the District Attorney recognized pension expense of $22,025 less the District Attorney’s amortization of change in proportionate share and difference between employer contributions and proportionate share of contributions of $13,043.

At December 31, 2016, the District Attorney reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<table>
<thead>
<tr>
<th>Differences between expected and actual experience</th>
<th>Deferred Outflows of Resources</th>
<th>Deferred Inflows of Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net difference between projected and actual earnings on pension plan investments</td>
<td>$ -</td>
<td>$ (6,967)</td>
</tr>
<tr>
<td>Change in assumptions</td>
<td>40,665</td>
<td>-</td>
</tr>
<tr>
<td>Changes in proportion and differences between employer contributions and proportion of shared contributions</td>
<td>4,818</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>734</td>
<td>(8,342)</td>
</tr>
<tr>
<td>Employer contributions subsequent to the measurement date</td>
<td>15,027</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>$ 61,244</td>
<td>$ (15,309)</td>
</tr>
</tbody>
</table>

Deferred outflows of resources of $15,027 related to pensions resulting from the District Attorney’s contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the year ended December 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<table>
<thead>
<tr>
<th>Year ended December 31:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$ 5,930</td>
</tr>
<tr>
<td>2018</td>
<td>$ 7,388</td>
</tr>
<tr>
<td>2019</td>
<td>$ 9,174</td>
</tr>
<tr>
<td>2020</td>
<td>$ 8,416</td>
</tr>
<tr>
<td>2021</td>
<td>$ -</td>
</tr>
</tbody>
</table>
**Actuarial Assumptions:**
A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2015, are as follows:

<table>
<thead>
<tr>
<th>Valuation Date</th>
<th>December 31, 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actuarial Cost Method</td>
<td>Plan B – Entry Age Normal</td>
</tr>
<tr>
<td>Investment Rate of Return</td>
<td>7.00% (Net of investment expense)</td>
</tr>
<tr>
<td>Expected remaining service lives</td>
<td>4 years</td>
</tr>
<tr>
<td>Projected salary increases</td>
<td>Plan B – 5.25% (2.75% Merit/2.50% Inflation)</td>
</tr>
<tr>
<td>Cost of Living adjustments</td>
<td>The present value of future retirement benefits is based on benefits currently being paid by PERSLA and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.</td>
</tr>
<tr>
<td>Mortality rates</td>
<td>RP-2000 Employee Mortality Table was selected for active members. RP-2000 Healthy Annuitant Mortality Table was selected for healthy annuitants and beneficiaries. RP-2000 Disabled Lives Mortality Table was selected for disabled annuitants.</td>
</tr>
</tbody>
</table>

The discount rate used to measure the total pension liability was 7.00% for Plan B. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems’ Actuarial Committee. Based on those assumptions, PERSLA’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.00% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.55% for the year ended December 31, 2015.
Best estimates of arithmetic real rates of return for each major asset class included in PERSLA’s target asset allocation as of December 31, 2015, are summarized in the following table:

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Target Asset Allocation</th>
<th>Long-Term Expected Rate of Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed Income</td>
<td>34.00%</td>
<td>1.06%</td>
</tr>
<tr>
<td>Equities</td>
<td>51.00%</td>
<td>3.56%</td>
</tr>
<tr>
<td>Alternatives</td>
<td>12.00%</td>
<td>0.74%</td>
</tr>
<tr>
<td>Real assets</td>
<td>3.00%</td>
<td>0.19%</td>
</tr>
<tr>
<td>Totals</td>
<td>100.00%</td>
<td>5.55%</td>
</tr>
</tbody>
</table>

|                  |                          |                                  |
| Inflation       |                          | 2.00%                            |
| Expected Real Rate of Return | | 7.55%                           |

The mortality rate assumption used was set based upon an experience study performed on plan data for the period January 1, 2004 through December 31, 2009. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of PERSLA’s liabilities. Annuity values calculated based on this mortality were compared to those produced by using a set-back of standard tables. The result of the procedure indicated that the tables used would produce liability values approximating the appropriate generational mortality tables.

**Sensitivity of the District Attorney’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** - The following presents the District Attorney’s proportionate share of the Net Pension Liability using the discount rate of 7.25%, as well as what the District Attorney’s proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (6.25%) or one percentage-point higher (8.25%) than the current rate:

<table>
<thead>
<tr>
<th></th>
<th>1.0% Decrease (6.25%)</th>
<th>Current Discount Rate (7.25%)</th>
<th>1.0% Increase (8.25%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>District Attorney’s proportionate share of the net pension liability</td>
<td>$109,003</td>
<td>$36,908</td>
<td>$(23,895)</td>
</tr>
</tbody>
</table>

**Support of Non-employer Contributing Entities:**
Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. The District Attorney recognizes revenue in an amount equal to their proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the year ended December 31, 2016, the District Attorney recognized revenue as a result of support received from non-employer contributing entities of $2,477 for its participation in the District Attorney’s Plan.
Pension Plan Fiduciary Net Position:
Plan fiduciary net position is a significant component of PERSLA’s collective net pension liability. PERSLA’s plan fiduciary net position was determined using the accrual basis of accounting. PERSLA’s assets, liabilities, revenues and expenses were recorded with the use of estimates and assumptions in conformity with accounting principles generally accepted in the United States of America. Such estimates primarily related to unsettled transactions and events as of the date of the financial statements and estimates over the determination of the fair market value of PERSLA’s investments. Accordingly, actual results may differ from estimated amounts.

Detailed information about the pension plan’s fiduciary net position is available in the separately issued audit report at www.persla.org. The Parochial Employees’ Retirement System of Louisiana issues a publicly available audit report that includes financial statements and required supplementary information.

Payables to PERSLA’s Pension Plan:
Payables to PERSLA’s pension plan for contractually required contributions related to the payroll accrual were $6,550 as of December 31, 2016.

Note 6 Capital Assets
A summary of changes in general fixed assets is as follows:

<table>
<thead>
<tr>
<th></th>
<th>Balance 1/1/2016</th>
<th>Additions</th>
<th>Retirements</th>
<th>Balance 12/31/2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Assets, not being depreciated</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land</td>
<td>$ 7,875</td>
<td>$</td>
<td>$</td>
<td>$ 7,875</td>
</tr>
<tr>
<td>Total capital assets, not being depreciated</td>
<td>7,875</td>
<td></td>
<td>$</td>
<td>7,875</td>
</tr>
<tr>
<td>Capital Assets, being depreciated</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings and building improvements</td>
<td>50,042</td>
<td></td>
<td></td>
<td>50,042</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>(23,842)</td>
<td>(3,405)</td>
<td></td>
<td>(27,247)</td>
</tr>
<tr>
<td>Total building and building improvements, net</td>
<td>26,200</td>
<td>(3,405)</td>
<td></td>
<td>22,795</td>
</tr>
<tr>
<td>Automobiles</td>
<td>37,792</td>
<td></td>
<td>(24,976)</td>
<td>12,816</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>(37,792)</td>
<td></td>
<td>24,976</td>
<td>(12,816)</td>
</tr>
<tr>
<td>Total automobiles, net</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equipment, furniture and fixtures</td>
<td>152,840</td>
<td></td>
<td></td>
<td>152,840</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>(143,944)</td>
<td>(1,960)</td>
<td></td>
<td>(145,904)</td>
</tr>
<tr>
<td>Total equipment, furniture and fixtures, net</td>
<td>8,896</td>
<td>(1,960)</td>
<td></td>
<td>6,936</td>
</tr>
<tr>
<td>Total capital assets, being depreciated</td>
<td>35,096</td>
<td>(5,365)</td>
<td></td>
<td>29,731</td>
</tr>
<tr>
<td>Total capital assets, net</td>
<td>$ 42,971</td>
<td>(5,365)</td>
<td></td>
<td>$ 37,606</td>
</tr>
</tbody>
</table>
Note 7  Leases
The District Attorney entered into a new lease in May 2015 for an office copier that will expire in May 2020. The lease requires minimum monthly payments of $177.

Future minimum lease payments are shown in the table below:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$2,124</td>
</tr>
<tr>
<td>2018</td>
<td>2,124</td>
</tr>
<tr>
<td>2019</td>
<td>2,124</td>
</tr>
<tr>
<td>2020</td>
<td>708</td>
</tr>
<tr>
<td>2021 and thereafter</td>
<td>-</td>
</tr>
</tbody>
</table>

Total minimum required payments $7,080

Total rental expense of leased equipment was $2,183 for the year ended December 31, 2016.

Note 8  On-behalf Payments
For the year ended December 31, 2016, the District Attorney recorded on-behalf payments totaling $236,997 from the State of Louisiana for salaries. These payments were directly from the State to the District Attorney and four (4) assistant district attorneys. The District Attorney also recorded on-behalf payments from the DeSoto Parish Police Jury totaling $391,444 for staff salaries, benefits and operating costs of the District Attorney’s office. On-behalf payments from these sources total $628,441. A breakdown of the payments by source:

- **DeSoto Parish Police Jury**
  - Payroll and payroll taxes $235,164
  - Pension 15,027
  - Insurance 90,433
  - Other 50,820
  - Total $391,444

- **State of Louisiana**
  - Payroll $232,984
  - Pension 4,013
  - Total $236,997

Note 9  Expenditures of the District Attorney not Included in the Financial Statements
The accompanying financial statements do not include certain expenditures of the District Attorney paid out of the criminal court funds. Those expenditures are summarized as follows: The Criminal Court Fund is controlled and expended jointly between the District Attorney and the Forty-Second Judicial Court. The District Attorney normally expends funds for transcripts, witness fees and expert witness fees; the balance is utilized by the Forty-Second Judicial Court.
Note 10  Federal Financial Assistance Program  
The District Attorney of the Forty-Second Judicial District participates in federal and state programs that are fully or partially funded by grants received from other governmental units including the United States Department of Health and Human Services Support Enforcement, Title IV-D Program, Catalog of Federal Domestic Assistance Number 93.563. This program is funded by indirect assistance payments in the form of reimbursements for related expenditures, received from the Louisiana Department of Social Services. For the year ended December 31, 2016, the District Attorney for the Forty-Second Judicial District expended $238,126 for the program. 

The reimbursement payments are restricted by a formal agreement between the District Attorney and the Department of Social Services and includes a budget of expected expenditures for each fiscal year ending June 30. The District Attorney submits reimbursement requests to the Department of Social Services on a monthly basis. The reimbursements may be subjected to further review and audit by the federal grantor agency. No provision has been made in the financial statements for the reimbursement of any expenditure that may be disallowed as a result of such a review or audit. Based on prior experience, the District Attorney feels such disallowances, if any, will be immaterial.

Note 11  Contingencies  
Litigation - The District Attorney is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District Attorney maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District Attorney.

Grant Disallowances - The District Attorney participates in one federally assisted grant program. The program is subject to various compliance audits. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under the terms of the grant. The District Attorney management believes that the amount of disallowances, if any, which may arise from future audits will not be material.
Required Supplementary Information
District Attorney of the Forty-Second Judicial District  
DeSoto Parish

General Fund Budgetary Comparison Schedule  
for the Year ended December 31, 2016

<table>
<thead>
<tr>
<th>Budget</th>
<th>Original</th>
<th>Final</th>
<th>Actual</th>
<th>Variance with Final Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Positive (Negative)</td>
</tr>
<tr>
<td>Revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fines, fees &amp; bond forfeitures</td>
<td>$440,000</td>
<td>$579,152</td>
<td>$551,963</td>
<td>$(27,189)</td>
</tr>
<tr>
<td>Intergovernmental revenue</td>
<td>230,000</td>
<td>235,175</td>
<td>892,293</td>
<td>657,118</td>
</tr>
<tr>
<td>Interest income</td>
<td>1,000</td>
<td>1,834</td>
<td>3,782</td>
<td>1,948</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>-</td>
<td>-</td>
<td>8,755</td>
<td>8,755</td>
</tr>
<tr>
<td>Total revenue</td>
<td>671,000</td>
<td>816,161</td>
<td>1,456,793</td>
<td>640,632</td>
</tr>
<tr>
<td>Expenditures</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General government</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personnel services</td>
<td>699,000</td>
<td>708,792</td>
<td>1,223,758</td>
<td>514,966</td>
</tr>
<tr>
<td>Travel</td>
<td>-</td>
<td>-</td>
<td>17,354</td>
<td>(17,354)</td>
</tr>
<tr>
<td>Operating services</td>
<td>130,000</td>
<td>107,092</td>
<td>208,663</td>
<td>101,571</td>
</tr>
<tr>
<td>Supplies</td>
<td>11,000</td>
<td>26,321</td>
<td>5,237</td>
<td>21,084</td>
</tr>
<tr>
<td>Professional services</td>
<td>34,000</td>
<td>48,861</td>
<td>67,267</td>
<td>(18,406)</td>
</tr>
<tr>
<td>Capital outlay</td>
<td>5,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total expenditures</td>
<td>879,000</td>
<td>891,066</td>
<td>1,522,279</td>
<td>(631,213)</td>
</tr>
<tr>
<td>Excess (deficiency) of revenue over expenditures</td>
<td>(208,000)</td>
<td>(74,905)</td>
<td>(65,486)</td>
<td>9,419</td>
</tr>
<tr>
<td>Other financing sources (uses)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>operating transfers in (out)</td>
<td>200</td>
<td>200</td>
<td>-</td>
<td>(200)</td>
</tr>
<tr>
<td>Excess (deficiency) of revenues and other sources (uses) over expenditures and other uses</td>
<td>(207,800)</td>
<td>(74,705)</td>
<td>(65,486)</td>
<td>9,219</td>
</tr>
<tr>
<td>Beginning fund balance</td>
<td>945,110</td>
<td>945,110</td>
<td>945,110</td>
<td>-</td>
</tr>
<tr>
<td>Ending fund balance</td>
<td>$737,310</td>
<td>$870,405</td>
<td>$879,624</td>
<td>$9,219</td>
</tr>
</tbody>
</table>

* Actual amounts include on-behalf payments not budgeted

See Independent Auditors’ Report
District Attorney of the First Judicial District  
Caddo Parish, Louisiana

Schedule of the District Attorney's Proportionate Share of the Net Pension Liability  
December 31, 2016

<table>
<thead>
<tr>
<th>Fiscal Year Ended</th>
<th>Agency's proportion of the net pension liability (asset)</th>
<th>Agency's proportionate share of the net pension liability (asset)</th>
<th>Agency's covered-employee payroll</th>
<th>Agency's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll</th>
<th>Plan fiduciary net position as a percentage of the total pension liability</th>
</tr>
</thead>
<tbody>
<tr>
<td>** 2016**</td>
<td>0.43631%</td>
<td>$ 83,513</td>
<td>$ 246,810</td>
<td>34%</td>
<td>95.1%</td>
</tr>
<tr>
<td>** 2015**</td>
<td>0.32993%</td>
<td>$ 17,772</td>
<td>$ 205,911</td>
<td>9%</td>
<td>98.6%</td>
</tr>
<tr>
<td>** 2014**</td>
<td>0.46100%</td>
<td>$ 9,194</td>
<td>$ 193,486</td>
<td>5%</td>
<td>99.5%</td>
</tr>
</tbody>
</table>

**Louisiana District Attorneys’ Retirement System (LDARS)**

**Parochial Employees’ Retirement System (PERSLA)**

| * 2015            | 0.20730%                                               | $ 36,908                                                     | $ 217,484                        | 17%                                                                                             | 92.2%                                                             |
| * 2014            | 0.15350%                                               | $ 426                                                        | $ 140,755                        | 0%                                                                                                | 99.1%                                                             |
| * 2013            | 0.14698%                                               | $ 250                                                        | $ 69,379                         | 0%                                                                                                | 99.8%                                                             |

* Amounts presented were determined as of the measurement date (fiscal year ended December 31).
** Amounts presented were determined as of the measurement date (fiscal year ended June 30).

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

See Independent Auditors’ Report  
42
### Louisiana District Attorney’s Retirement System (LDARS)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Contractually Required Contribution</th>
<th>Contractually Required Contribution</th>
<th>Contribution in Relation to Contractually Required Contribution</th>
<th>Contribution as a % of Covered Employee Payroll</th>
<th>Contributions as a % of Required Contributions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>$8,329</td>
<td>$8,329</td>
<td>$</td>
<td>$247,349</td>
<td>3.37%</td>
</tr>
<tr>
<td>2015</td>
<td>$13,287</td>
<td>$13,287</td>
<td>$</td>
<td>$235,605</td>
<td>5.64%</td>
</tr>
<tr>
<td>2014</td>
<td>$13,544</td>
<td>$13,544</td>
<td>$</td>
<td>$193,486</td>
<td>7.00%</td>
</tr>
</tbody>
</table>

### Parochial Employees’ Retirement System of Louisiana (PERSLA)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Contractually Required Contribution</th>
<th>Contractually Required Contribution</th>
<th>Contribution in Relation to Contractually Required Contribution</th>
<th>Contribution as a % of Covered Employee Payroll</th>
<th>Contributions as a % of Required Contributions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>$15,027</td>
<td>$15,027</td>
<td>$</td>
<td>$221,041</td>
<td>6.80%</td>
</tr>
<tr>
<td>2015</td>
<td>$10,656</td>
<td>$10,656</td>
<td>$</td>
<td>$217,484</td>
<td>4.90%</td>
</tr>
<tr>
<td>2014</td>
<td>$9,966</td>
<td>$9,966</td>
<td>$</td>
<td>$140,755</td>
<td>7.08%</td>
</tr>
</tbody>
</table>

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

### Notes to Required Supplementary Information

**Changes of Benefit Terms**
There were no changes of benefit terms for the year ended December 31, 2016.

**Changes of Assumptions**
For District Attorneys' Retirement System, the expected remaining service lives were increased from 6 years to 7.
Supplementary Information
Section I - Summary of Auditors’ Results

A. Financial Statements

1. We have issued an unmodified opinion on the financial statements of the District Attorney of the Forty-Second Judicial District, DeSoto Parish, Louisiana, as of and for the year ended December 31, 2016.

2. The audit disclosed one significant deficiency in internal control, this deficiency was not determined to be a material weakness.

3. The audit disclosed no instances of noncompliance material to the financial statements reported during the audit.

Section II – Financial Statement Findings

A. Current Year Findings and Responses

2016-01 Segregation of Duties

Criteria The District Attorney's office should have an adequate number of employees available to execute the ongoing duties related to financial matters and allow for proper segregation of duties.

Condition - Our evaluation of the internal control structure revealed an absence of appropriate segregation of duties due to a lack of personnel available to prepare financial statements including the related note disclosures.

Effect - Intentional or unintentional errors could be made and not detected within the accounting system.

Cause - The District Attorney's office does not have a sufficient number of employees to adequately separate accounting duties or to prepare the District Attorney's annual financial statements with related note disclosures.

Recommendation - Since the costs associated with establishing an appropriate system of internal control should not outweigh the benefits derived from it, we recommend that the District Attorney explore alternative methods to mitigate these segregation issues.
Management's Response and Corrective Plan - It is not economically feasible to add a sufficient number of employees to adequately segregate all accounting duties. We are constantly evaluating the opportunities to introduce mitigating controls and have employed an external CPA to assist in our financial recordkeeping, thereby introducing additional safeguards to minimize threats to our financial accounting. In addition, we have evaluated the cost/benefit of establishing a system to prepare our annual financial statements and have determined that it is in the best interest of the District Attorney to have our independent auditors prepare our financial statements. We understand that we should review the financial statements and notes and accept responsibility for their contents and presentation.

B. Prior Year Findings and Responses

2015-01 Child Support Reimbursements

Criteria – All expenditures of the District Attorney’s office should clearly demonstrate that the expense is a valid expense of the office and is an allowable expense under OMB Circular A-87

Condition – During the testing of expenditures supporting the IVD requests for reimbursements, we identified that the District Attorney requested reimbursement for office building rent at a rate of $1,000 per month. The District Attorney’s office owns the building in which the Child Support (IVD) program is housed. The rent or use allowance that is being charged would be based on the costs of the building; however, the District Attorney does not have documentation that supports this usage allowance (rent).

Status – Resolved

2015-02 Budgets

Criteria – Louisiana budget laws require the DA develop, publish and provide for the public to view and question the General Fund budget then approve the budget in accordance with LA RS 39:1308

Condition – During the testwork over the District Attorney’s compliance with the State of Louisiana’s budget laws, we discovered no evidence exists that the 2015 budget of the General Fund was published, made available to public inspection or approved as required under LA RS 39:1308

Status – Resolved

2015-03 Segregation of Duties

Criteria – The District Attorney’s office should have an adequate number of employees available to execute the ongoing duties related to financial matters and allow for proper segregation of duties.

Condition – Our evaluation of the internal control structure revealed an absence of appropriate segregation of duties and the lack of personnel available to prepare financial statements including the related note disclosures.

Status – Repeated in Finding 2016-01
Agency Head Name: Honorable Gary V. Evans

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary</td>
<td>$143,625</td>
</tr>
<tr>
<td>Payroll taxes</td>
<td>$2,083</td>
</tr>
<tr>
<td>Benefits-retirement</td>
<td>$2,387</td>
</tr>
<tr>
<td>Dues</td>
<td>$1,800</td>
</tr>
<tr>
<td>Special meals</td>
<td>$200</td>
</tr>
</tbody>
</table>