

FIFTEENTH JUDICIAL DISTRICT COURT
Lafayette, Louisiana

FINANCIAL REPORT

Year Ended June 30, 2023

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1231 East Laurel Avenue
Eunice, LA 70535

P 337-457-4146
F 337-457-5060

DSFCPAS.COM

OTHER LOCATIONS:
Lafayette Morgan City Abbeville

INDEPENDENT AUDITOR'S REPORT

To the Honorable Laurie Hulin
Fifteenth Judicial District Court
Lafayette, Louisiana

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Fifteenth Judicial District Court, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Fifteenth Judicial District Court's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Fifteenth Judicial District Court, as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, schedule of proportionate share of net pension liability, and schedule of contributions on pages 35-41 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the

information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2023, on our consideration of the Fifteenth Judicial District Court'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 Fifteenth Judicial District Court's internal control over financial reporting and compliance.

Darnall, Sikes & Frederick

A Corporation of Certified Public Accountants

Eunice, Louisiana
November 21, 2023

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements (GWFS)

FIFTEENTH JUDICIAL DISTRICT COURT

Statement of Net Position
 June 30, 2023
 (With Comparative Totals as of June 30, 2022)

	<u>Governmental Activities</u>	
	<u>2023</u>	<u>2022</u>
ASSETS		
Current assets:		
Cash	\$ 1,759,191	\$ 1,877,224
Certificates of deposit	3,601,825	3,801,825
Due from other governmental entities	93,013	45,361
Prepaid expenses	10,473	14,698
Accrued income	<u>389,037</u>	<u>245,685</u>
Total current assets	<u>5,853,538</u>	<u>5,984,793</u>
Noncurrent assets:		
Security deposits	3,300	-
Capital assets, net of accumulated depreciation	124,121	128,676
Net pension asset	<u>-</u>	<u>1,286,005</u>
Total noncurrent assets	<u>127,421</u>	<u>1,414,681</u>
Total assets	<u>5,980,959</u>	<u>7,399,474</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	<u>1,304,527</u>	<u>172,957</u>
LIABILITIES		
Accrued expenses	200,252	240,022
Long-term liabilities:		
Net pension liability	<u>1,090,520</u>	<u>-</u>
Total liabilities	<u>1,290,772</u>	<u>240,022</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pensions	<u>266,881</u>	<u>1,305,956</u>
NET POSITION		
Invested in capital assets, net of related debt	124,121	128,676
Restricted	408,936	474,951
Unrestricted	<u>5,194,775</u>	<u>5,422,827</u>
Total net position	<u>\$ 5,727,832</u>	<u>\$ 6,026,454</u>

The accompanying notes are an integral part of this statement.

FIFTEENTH JUDICIAL DISTRICT COURT

Statement of Activities
Year Ended June 30, 2023

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Change in Net Position</u>
		<u>Charges for Services, Fines and Forfeitures</u>	<u>Operating Grants and Contributions</u>	
Governmental Activities				
District Court	\$3,049,467	\$ 822,233	\$ 1,433,059	\$ (794,176)
Child Support	1,043,085	876,042	-	(167,043)
Misdemeanor Probation	403,903	306,656	-	(97,247)
Drug Court	<u>40,416</u>	<u>84,622</u>	<u>-</u>	<u>44,206</u>
Total governmental activities	<u>\$4,536,871</u>	<u>\$ 2,089,553</u>	<u>\$ 1,433,059</u>	<u>(1,014,259)</u>
General revenues:				
				57,453
				59,242
				(530)
				<u>599,473</u>
				<u>715,638</u>
				(298,622)
				<u>6,026,454</u>
				<u>\$ 5,727,832</u>

The accompanying notes are an integral part of this statement.

BASIC FINANCIAL STATEMENTS

Fund Financial Statements (FFS)

FIFTEENTH JUDICIAL DISTRICT COURT

Balance Sheet
Government Funds
June 30, 2023

(With Comparative Totals as of June 30, 2022)

	General Fund	Child Support Fund	Misdemeanor Probation Fund
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash	\$ 1,180,585	\$ 91,980	\$ 107,093
Certificates of deposit	1,800,000	1,301,825	300,000
Due from other funds	8,312	-	-
Due from other governmental entities	93,013	-	-
Prepaid expenses	3,346	1,672	5,455
Accrued income	285,617	75,555	4,848
Security deposits	<u>-</u>	<u>-</u>	<u>3,300</u>
Total assets	<u>3,370,872</u>	<u>1,471,031</u>	<u>420,697</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Due to other funds	1,238	3,891	2,617
Accrued expenses	<u>196,764</u>	<u>3,101</u>	<u>388</u>
Total liabilities	<u>198,002</u>	<u>6,992</u>	<u>3,005</u>
FUND BALANCES			
Nonspendable:			
Prepaid expenditures	3,346	1,672	5,455
Security deposits	-	-	3,300
Restricted for:			
Fund/program administration	-	-	408,936
Assigned	-	1,462,368	-
Unassigned	<u>3,169,525</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>3,172,870</u>	<u>1,464,040</u>	<u>417,691</u>
Total liabilities and fund balances	<u>\$ 3,370,872</u>	<u>1,471,031</u>	<u>\$ 420,697</u>

Drug Court Enhancement Fund	Totals	
	(Memorandum Only)	
	2023	2022
\$ 379,533	\$ 1,759,191	\$ 1,877,224
200,000	3,601,825	3,801,825
1,238	9,550	95,634
-	93,013	45,361
-	10,473	14,698
23,017	389,037	245,685
<u>-</u>	<u>3,300</u>	<u>-</u>
<u>603,788</u>	<u>5,866,388</u>	<u>6,080,427</u>
1,804	9,550	95,634
<u>-</u>	<u>200,252</u>	<u>240,021</u>
<u>1,804</u>	<u>209,803</u>	<u>335,655</u>
-	10,473	14,698
-	3,300	-
-	408,936	474,951
601,984	2,064,352	2,200,670
<u>-</u>	<u>3,169,525</u>	<u>3,054,453</u>
<u>601,984</u>	<u>5,656,585</u>	<u>5,744,772</u>
<u>\$ 603,788</u>	<u>\$ 5,866,388</u>	<u>\$ 6,080,427</u>

The accompanying notes are an integral part of this statement.

FIFTEENTH JUDICIAL DISTRICT COURT

Reconciliation of the Governmental Funds Balance
Sheet to the Statement of Net Position
June 30, 2023

Total fund balances - governmental funds \$ 5,656,585

The cost of capital assets (furniture and equipment) purchased is reported as an expenditure in the governmental funds. The Statement of Net Position includes these capital assets among the assets of the Court as a whole. The cost of these capital assets is allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.

Cost of capital assets	\$ 600,917	
Accumulated depreciation	<u>(476,796)</u>	
Net capital assets		124,121

Net pension liability does not require the use of current financial resources and, therefore, is not reported in the governmental funds financial statements. (1,090,520)

The net effect of deferred outflows of resources and deferred inflows of resources related to pensions does not provide current financial resources and therefore is not reported in governmental funds. 1,037,646

Net position of governmental activities \$ 5,727,832

The accompanying notes are an integral part of this statement.

FIFTEENTH JUDICIAL DISTRICT COURT

Statement of Revenues, Expenditures, and Changes

In Fund Balances – All Governmental Funds

Year Ended June 30, 2023

(With Comparative Totals for the Year Ended June 30, 2022)

	General Fund	Child Support Fund	Misdemeanor Probation Fund
Revenues			
Intergovernmental			
Court Fees	\$ 172,272	\$ -	\$ -
Bond Premiums	319,313	-	-
Families in Need of Services Grant	77,328	-	-
Drug Court Grants	473,649	-	-
Sobriety Court Grant	251,351	-	-
Family Preservation Court Grants	484,957	-	-
Administrative Collection Fees	32,308	876,042	306,656
Drug Court Fee Income	120,865	-	-
Commissioner Income	298,340	-	-
Families in Need of Service Supplement	17,525	-	-
Reimbursements - law clerks	599,473	-	-
Reimbursements - CCF	7,384	-	-
Reimbursements - CMIS covid	-	-	-
Reimbursements - LWCC	-	-	-
Reimbursements - other	-	4,076	28,764
Investment Income	44,278	10,847	1,294
Total Revenues	<u>2,899,042</u>	<u>890,965</u>	<u>336,714</u>
Expenditures			
Accounting	58,371	7,536	2,607
Commissioner expenses	296,328	-	-
Compensation, supplements, and benefits	1,370,855	787,135	289,174
Computer expenses	233	8,909	6,105
Contractual service	239,703	86,963	-
Cooperative endeavor - IDO	1,328	-	-
Court administration and reporters	11,154	180	-
Dues and subscriptions	7,922	21,856	-
FINS excess expense	8,763	-	-
Incentives	-	-	-
Insurance	40,164	22,892	957
Internet provider charges	483	5,930	4,262
Judges' allowances (including prior banked)	157,677	37,557	-
Judges' meeting expenses and ad hoc	6,152	-	-
Mileage in dist.-Acadia/Vermilion hearing officers	-	6,651	-
Miscellaneous\other	105,769	5,523	-
Office expenses, services, and small equipment	74,482	37,807	88,252
Parking fees	15,215	-	3,000
Postage	-	2,576	2,176
Subawards	10,134	-	-
Security expense	-	612	870
Telephone - cellular	6,665	3,789	6,086
Testing and lab	145,582	-	-
Travel and seminars	37,237	-	2,995
Treatment	214,550	-	-
Total expenditures	<u>2,808,767</u>	<u>1,035,916</u>	<u>406,485</u>
Excess (deficiency) of revenues over expenditures	<u>90,275</u>	<u>(144,951)</u>	<u>(69,771)</u>
Other financing sources (uses):			
Operating transfers in (out)	<u>27,263</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>117,538</u>	<u>(144,951)</u>	<u>(69,771)</u>
Fund balance, beginning	<u>3,055,332</u>	<u>1,608,991</u>	<u>487,462</u>
Fund balance, ending	<u>\$ 3,172,870</u>	<u>\$ 1,464,040</u>	<u>\$ 417,691</u>

Drug Court Enhancement Fund	Totals (Memorandum Only)	
	2023	2022
\$ -	\$ 172,272	\$ 167,012
-	319,313	304,439
-	77,328	70,884
-	473,649	405,335
-	251,351	170,612
-	484,957	403,907
-	1,215,006	1,140,931
84,622	205,487	137,475
-	298,340	290,306
-	17,525	-
-	599,473	596,160
-	7,384	66,511
-	-	30,000
-	-	907
	32,840	-
1,034	57,453	21,610
<u>85,656</u>	<u>4,212,377</u>	<u>3,806,090</u>
-	68,514	69,674
-	296,328	280,114
14,070	2,461,234	2,287,114
1,043	16,290	16,127
13,500	340,166	285,170
-	1,328	3,115
-	11,334	12,351
-	29,778	23,422
-	8,763	-
4,285	4,285	2,836
-	64,013	69,691
-	10,675	9,462
-	195,234	175,720
-	6,152	9,247
-	6,651	3,420
237	111,529	66,672
10,646	211,187	158,819
-	18,215	11,448
-	4,753	5,498
-	10,134	-
-	1,482	1,145
-	16,540	12,892
-	145,582	120,354
5,615	45,847	38,117
-	214,550	148,936
<u>49,396</u>	<u>4,300,564</u>	<u>3,811,343</u>
<u>36,260</u>	<u>(88,187)</u>	<u>(5,253)</u>
<u>(27,263)</u>	<u>-</u>	<u>-</u>
8,997	(88,187)	(5,253)
<u>592,987</u>	<u>5,744,772</u>	<u>5,750,025</u>
<u>\$ 601,984</u>	<u>\$ 5,656,585</u>	<u>\$ 5,744,772</u>

The accompanying notes are an integral part of this statement.

FIFTEENTH JUDICIAL DISTRICT COURT

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended June 30, 2023

Net change in fund balances - total governmental funds \$ (88,187)

Governmental funds report capital outlays as expenditures.

However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay expenditures exceeded depreciation expense in the current period.

Loss on disposal of assets		(530)
Capital outlay expenditures	\$ 40,795	
Depreciation expense	<u>(44,820)</u>	
Excess of capital outlays over depreciation		(4,025)

Governmental funds report current year pension contributions as expenditures. However, in the statement of activities, these contributions are reported as deferred inflows of resources and the Court's proportionate share of the plan's pension expense is reported as pension expense.

Pension contributions subsequent to the measurement date	118,485	
Cost of benefits earned net of employee contributions	(464,951)	
Amortization of excess contributions during the measurement period	<u>114,184</u>	
		(232,282)

The Court's proportionate share of non-employer contributions to the pension plans do not provide current financial resources and are not reported as revenue in the governmental funds.

26,402

Change in net position of governmental activities \$ (298,622)

The accompanying notes are an integral part of this statement.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Fifteenth Judicial District Court (the “Court”) is comprised of three parishes within the State of Louisiana: Acadia, Lafayette, and Vermilion. The courthouses of the Fifteenth Judicial District are located in the three parish seats of Crowley (Acadia Parish), Lafayette (Lafayette Parish), and Abbeville (Vermilion Parish). The caseload of the Fifteenth Judicial District Court is handled by thirteen judges that are elected from sub-districts within the entire district. These judges all have general trial jurisdiction throughout the district and preside over individual divisions designated by the letters A through M as follows:

Division A	Judge Scott Privat
Division B	Judge Valerie Gotch Garrett
Division C	Judge Thomas Frederick
Division D	Judge Royale Colbert
Division E	Judge Michelle M. Breaux
Division F	Judge David M. Smith
Division G	Judge Laurie A. Hulin
Division H	Judge David A. Blanchet
Division I	Judge Thomas R. Duplantier
Division J	Judge Kristian Earles
Division K	Judge Michele Billeaud
Division L	Judge Marilyn C. Castle
Division M	Judge Susan Theall

The accompanying financial statements of the Court have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the Court are described below:

Basis of Presentation

The Court 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. The minimum number of funds maintained by the Court is consistent with legal and managerial requirements.

A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the restrictions, if any, on the spending activities.

The Court’s basic financial statements include both government-wide (reporting the Court as a whole) and fund financial statements (reporting the Court’s major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. All of the Court’s activities are classified as governmental activities.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basic Financial Statements - Government-Wide Financial Statements

The government-wide financial statements include a *Statement of Net Position* and *Statement of Activities*. These statements report financial information about the Court. In the process of aggregating data for the *Statement of Net Position* and *Statement of Activities* some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the “grossing up” effect on assets and liabilities within the governmental activities column.

In the *Statement of Net Position* the governmental type activities column (1) is presented on a consolidated basis by column, and (2) is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Court’s net position is reported in three parts: (1) *invested in capital assets, net of related debt* – consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets; (2) *restricted net position* – consists of net position with constraints placed on the use either by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or (b) law through constitutional provisions or enabling legislation; and (3) *unrestricted net position* – all other net assets that do not meet the definition of *restricted* or *invested in capital assets, net of related debt*. The Court first utilizes restricted resources to finance qualifying activities.

The *Statement of Activities* reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses associated with a distinct functional activity. Program revenues includes: (1) charges for services which report fees, fines, and forfeitures, and other charges to users of the Court’s services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets and include fees to developers. Other revenue sources not properly included with program revenues are reported as general revenues.

The Court reports all direct expenses by function in the *Statement of Activities*. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included as a direct expense of each function.

This government-wide focus is more on the sustainability of the Court as an entity and the change in the Court’s net assets resulting from the current year’s activities.

Basic Financial Statements - Fund Financial Statements

Fund financial statements are provided for governmental funds. The emphasis of fund financial statements is on major individual governmental funds, each reported in a separate column. All remaining governmental fund(s) are aggregated and reported as nonmajor fund(s).

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The following is a description of the governmental funds of the Court:

General Fund – To account for all financial resources traditionally associated with governments which are not required to be accounted for in another fund.

Special Revenues Funds – To account for the proceeds of specific revenue sources legally restricted to expenditures for specific purposes.

The Court has established several special revenue funds. The following is a brief description of each special revenue fund's purpose:

Child Support Fund - The Child Support Fund was established by Louisiana Revised Statute 46:236.5. It collects support payments on behalf of guardians who are being assisted by State aid. The Child Support Fund is authorized to receive payment of nonsupport funds on behalf of the State of Louisiana. It is also authorized to collect an administrative fee of .0395 cents of the transaction fee on payments. The fees are used to fund the administrative costs of the expedited processing system associated with a segregated family court within the Fifteenth Judicial District Court.

Misdemeanor Probation Fund - The Misdemeanor Probation Fund collects a \$35 per month supervision fee for misdemeanor cases and \$50 per month for felony cases pled down to a misdemeanor case. The fees are used to fund the administrative and personnel costs of the Misdemeanor Probation Program within the Fifteenth Judicial District Court.

Drug Court Enhancement Fund – The Drug Court Enhancement Fund was established by way of an ordinance that allows specific distribution of Lafayette Parish contempt fines charged for failure to appear. The Drug Court Enhancement Fund amounts that are distributed to Juvenile and Adult Drug Court programs are used to supplement grant monies that primarily fund these programs. The Enhancement Fund monies are used for training, additional staffing, materials, or any other "enhancements" to the programs that would not be possible due to lack of funding.

The emphasis in the fund financial statements is on the major funds in either the governmental or business-type activities categories. GASB Statement No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues, or expenditures/expenses of either fund category or the governmental and enterprise funds combined) for the determination of major funds. In addition, management may include a fund as a major fund that does not meet the minimum criteria established by GASB if management believes the fund is important to present as such for the financial statement users.

Measurement Focus and Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements; measurement focus refers to what is being measured. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accrual Basis - Government-Wide Financial Statements (GWFS)

The government-wide financial statements report using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants are recognized when grantor eligibility requirements are met.

Modified Accrual Basis - Governmental Fund Financial Statements (FFS)

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Their reported fund balance (net current assets) is considered a measure of “available spending resources.” Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spending resources” during a period. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they become measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditure-driven grant revenues are recorded when the qualifying expenditures have been incurred and all other grant requirements have been met. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, if measurable. Exceptions to this general rule include: (1) accumulated unpaid vacation, sick pay, and other employee amounts which are not accrued because they do not vest or accumulate; and (2) principal and interest on general long-term debt which is recognized when due. General capital asset acquisitions are reported as expenditures in governmental funds.

Major revenue sources susceptible to accrual include intergovernmental revenues and investment income. In general, other revenues are recognized when cash is received.

Budgets and Budgetary Accounting

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. The budget is employed as a management control device during the year that assists its users in financial activity analysis. All budget appropriations lapse at year-end. The budgets presented are the originally adopted budget and the final amended budget.

Use of Estimates

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

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Certificates of Deposit

The Fifteenth Judicial District Court has certificates of deposit as of June 30, 2023 which are not subject to GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, and are therefore stated at cost, which approximates market.

Short-Term Interfund Receivables/Payables

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

Prepaid Expenses

Advance payments made that will benefit periods beyond the current fiscal year are recorded as prepaid expenses.

Compensated Absences

Employees earn a set amount of annual vacation leave depending on years of service. Vacation cannot be accumulated and compensation in lieu of vacation is not paid. Therefore, no provision for compensated absences has been made in the financial statements.

Capital Assets and Depreciation

The accounting treatment over property and equipment (fixed assets) depends on whether the assets are reported in the government-wide or fund financial statements.

Government-Wide Financial Statements:

The Court's property and equipment with useful lives of more than one year are stated at historical costs and comprehensively reported in the government-wide financial statements. The Court maintains a threshold level of \$250, or more for capitalizing capital assets. Donated assets are stated at fair value at the date donated. The Court has no donated assets. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations. Estimated useful lives, in years, for depreciable assets are as follows:

Machinery and equipment	5 – 15 years
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FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements:

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

Fund Equity

Government-Wide Financial Statements:

The Fifteenth Judicial District Court's net position is reported in three parts: (1) *invested in capital assets, net of related debt* – consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets; (2) *restricted net position* – consists of net position with constraints place on the use either by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or (b) law through constitutional provisions or enabling legislation; and (3) *unrestricted net position* – all other net position that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

Fund Financial Statements:

Governmental fund equity is classified as fund balance in accordance with GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- **Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Management has classified prepaid expenditures and security deposits as being nonspendable as these items are not expected to be converted to cash.
- **Restricted:** This classification includes amounts for which constraints have been placed on the use of resources are either:
 - Externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments: or
 - Imposed by law through constitutional provisions or enabling legislation.

Management has classified fund balance for program administration as being restricted due to the constraints placed on the use of the money contributed by its grantor agencies.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- **Committed:** This classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (resolution) of the Fifteenth Judicial District Court's board of directors, which is the Court's highest level of decision-making authority. These amounts cannot be used for any other purpose unless the Judges en banc remove or change the specified use by taking the same type of action 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. The Judges en banc did not have any committed resources as of year-end.
- **Assigned:** This classification includes amounts that are constrained by the Judges en banc's intent to be used for a specific purpose but are neither restricted nor committed. This intent should be expressed by the Fifteenth Judicial District Court's (1) Judges en banc, (2) its finance committee, or (3) an official, such as the Administrator, to which the Judges en banc has delegated the authority to assign amounts to be used for a specific purpose.
- **Unassigned:** This classification is the residual fund balance for the General Fund. It also represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

When fund balance resources are available for a specific purpose in multiple classifications, the Fifteenth Judicial District Court will generally use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed. However, the Fifteenth Judicial District Court's management reserves the right to selectively spend unassigned resources first and to defer the use of the other classified funds.

Interfund Transfers

Quasi-external transactions are accounted for as revenues and expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. Legally authorized interfund transactions, except quasi-external transactions and reimbursements, are treated as operating transfers and are included in the results of operations. For purposes of the *Statement of Activities*, all interfund transfers between individual governmental funds have been eliminated.

Pensions

In government-wide financial statements, pensions are required to be recognized and disclosed using the accrual basis of accounting (see Note 16 and the required supplementary information immediately following the notes to the financial statements for more information), regardless of the amount recognized as pension expenditures on the modified accrual basis of accounting.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pensions (Continued)

The Fifteenth Judicial District Court recognizes a net pension liability for its participation in the Parochial Employee Retirement System, which represents the Fifteenth Judicial District Court's proportionate share of the excess of the total pension liability over the fiduciary net position of the cost – sharing multiple employer pension plan, measured as of the District Court's fiscal year – end. Changes in the net pension liability during the period are recorded as pension expense, or as deferred outflows or inflows of resources depending on the nature of the change, in the period incurred. Those that arise from changes in actuarial assumptions or other inputs and differences between expected or actual experience are amortized over the weighted average remaining service life of all participants in the pension plan and recorded as a component of pension expense beginning with the period in which they are incurred. Projected earnings on pension plan investments are recognized as a component of pension expense. Differences between projected and actual investment earnings are reported as deferred outflows or inflows of resources and amortized as a component of pension expense on a closed basis over a five – year period beginning with the period in which the difference occurred.

Change in Accounting Principle

In June 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87, *Leases*. This statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the foundational principle that leases are financings of the right to use an underlying asset. The provisions of GASB Statement No. 87 have been implemented by the Fifteenth Judicial District Court during 2023.

The adoption of GASB Statement No. 87 did not result in the recognition of right-of-use assets or operating lease liabilities due to the absence of lease contracts of material significance with the Court.

NOTE 2 CASH

For reporting purposes, cash includes demand deposits and interest-bearing demand deposits. Under State law, the Court may invest in United States bonds, treasury notes or certificates, or time certificates of deposit of State banks having their principal office in the State of Louisiana, or any other federally insured investment. The Court may also invest in shares of any homestead and building and loan association in any amount not exceeding the federally insured amount.

The amount of total bank balances is classified into three categories of credit risk:

1. Insured or collateralized with securities held by the government or by the government's agent in the government's name.
2. Collateralized with securities held by the pledging financial institution's trust department or government's agent in the government's name.
3. Uncollateralized, including amounts collateralized with securities held by the pledging institution or the pledging institution's trust department or agent, but not in the government's name.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 2 CASH (Continued)

At June 30, 2023, the carrying value of the Court's cash deposits, including demand deposits and time certificates of deposit, totaled \$5,361,016, and the bank balances totaled \$5,437,039. Of the bank balances, \$4,211,194 was covered by Federal Deposit Insurance Corporation (FDIC) and \$3,501,687 was covered by collateral held by the custodial bank in the bank's name (Category III).

NOTE 3 CERTIFICATES OF DEPOSIT

The District has certificates of deposit for the following funds as of June 30, 2023:

<u>Fund</u>	<u>Amount</u>	<u>Interest Rates</u>
General	\$ 1,800,000	.30% - 4.18%
Child Support	1,301,825	.20% - 4.41%
Misdemeanor Probation	300,000	.30% - 4.35%
Drug Court Enhancement	200,000	.30% - 4.35%
Totals	<u>\$ 3,601,825</u>	

NOTE 4 DUE FROM OTHER GOVERNMENTAL ENTITIES

The following is a summary of due from other governmental entities at June 30, 2023:

<u>Due From</u>	
Lafayette Parish	\$ 27,471
Vermilion Parish	9,904
Acadia Parish	13,307
Criminal Court	972
Department of Justice	<u>41,359</u>
Total due from other governmental entities	<u>\$ 93,013</u>

NOTE 5 CAPITAL ASSETS

A summary of changes in capital assets reported in the government-wide financial statements for the year ended June 30, 2023, is as follows:

<u>Governmental activities</u>	<u>Balance</u> <u>June 30, 2022</u>	<u>Acquisitions</u>	<u>Dispositions</u>	<u>Balance</u> <u>June 30, 2023</u>
Capital assets being depreciated				
Machinery and equipment	\$ 564,822	\$ 40,795	\$ (4,700)	\$ 600,917
Less accumulated depreciation for				
Machinery and equipment	<u>(436,146)</u>	<u>(44,820)</u>	<u>4,170</u>	<u>(476,796)</u>
Governmental activities capital assets, net	<u>\$ 128,676</u>	<u>\$ (4,025)</u>	<u>\$ (530)</u>	<u>\$ 124,121</u>

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 5 CAPITAL ASSETS (Continued)

Depreciation expense for the year ended June 30, 2023, was charged to governmental activities of the Court as follows:

District Court	\$ 26,249
Child Support	11,616
Misdemeanor Probation	3,509
Drug Court	<u>3,446</u>
Total depreciation expense	<u>\$ 44,820</u>

NOTE 6 COURT FEES REVENUE

The Fifteenth Judicial District Court collected court fees during the fiscal year ended June 30, 2023 as follows:

Lafayette	\$ 122,710
Acadia	25,383
Vermilion	<u>24,179</u>
Total	<u>\$ 172,272</u>

NOTE 7 BOND PREMIUMS

This source of funds was instituted by Louisiana Revised Statute 22:1065.1. The statute provides that 2% of all judgments of bond forfeiture collected by the Sheriff’s Department shall be paid to the court fund of the parish where the bond was posted. Bond premiums for the fiscal year ended June 30, 2023, totaled \$319,313.

NOTE 8 FAMILIES IN NEED OF SERVICES (FINS) ASSISTANCE PROGRAM

The Fifteenth Judicial District Court entered into a contract with the State of Louisiana, Department of Public Safety and Corrections Youth Services under the Families in Need of Services (FINS) Assistance Program. The Court has agreed to furnish the administration and implementation of the Families in Need of Services, Title VII of the Louisiana Children’s Code, within the Fifteenth Judicial District, State of Louisiana. The Fifteenth Judicial District Court’s General (Judicial Expense) Fund is the appointed administrator of the FINS Assistance Program. FINS is a pre-delinquency intervention program that provides interagency social work services to assist children with disciplinary problems from entering the juvenile court system by counseling with parents or other agencies to correct behavioral problems. Additional funding is received from the State of Louisiana Judicial Branch with costs in excess of funding being covered by the Judicial Expense Fund and surplus FINS funds from previous years. Total funding received or accrued, as necessary, from the Department of Public Safety and Corrections Youth Services and the State of Louisiana Judicial Branch for the year ended June 30, 2023, totaled \$77,328. Expenditures of the Fifteenth Judicial District Court General (Judicial Expense) Fund related to the FINS Program for the year ended June 30, 2023, totaled \$77,328

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 9 FAMILY PRESERVATION COURT (FPC) PROGRAM

The Fifteenth Judicial District Court participates in a contract with the state of Louisiana Department of Children and Family Services. FPC is a program helping to rehabilitate parents who are in danger of losing their children due to substance abuse related issues with the courts. There are two funding sources for this program as follows: Supreme Court Grant and Children's Justice Act. Funding received or accrued, as necessary, from all FPC sources for the year ended June 30, 2023, totaled \$484,957. Expenditures of the Fifteenth Judicial District Court General (Judicial Expense) Fund related to the FPC program for the year ended June 30, 2023, totaled \$484,957.

NOTE 10 DRUG COURT (GRANT) PROGRAMS

The Fifteenth Judicial District Court entered into a contract with the Louisiana Supreme Court, Office of the Judicial Administrator, Supreme Court Drug Court Office under the Drug Court Program. The Court has agreed to provide assistance to adults and juveniles and their families to reduce dependency by promoting job preparation, work, and marriage; to reduce and prevent out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families. The Supreme Court Drug Court Office reimburses drug courts for services to Temporary Assistance for Needy Families (TANF) Eligible Drug Court Program clients to help these families understand the health risks associated with substance abuse and to assist them in becoming better able to successfully function in the family setting. The Fifteenth Judicial District Court's General Fund is the appointed administrator of the Drug Court Programs.

Funding received or accrued, as necessary, from the Supreme Court Drug Court Office for the year ended June 30, 2023, totaled \$323,885 for Adult Drug Court (ADC) and \$270,629 for Juvenile Drug Court (JDC). Expenditures of the Fifteenth Judicial District Court General (Judicial Expense) Fund related to the ADC and JDC Programs for the year ended June 30, 2023, totaled \$323,885 and \$270,629, respectively.

NOTE 11 SOBRIETY COURT GRANT

The Fifteenth Judicial District Court entered into a contract with the Louisiana Supreme Court, Office of the Judicial Administrator, Supreme Court Drug Court Office under the Louisiana Highway Safety Commission (LHSC) statewide Fatal and Injury Crash Reduction Effort. The first project goal is to identify and enroll participants into the Fifteenth Judicial District Court DWI Program, identified as Sobriety Court. The objectives defined to meet this goal are to develop a target population and receive referrals, conduct validated screenings and assessments on potential participants, and enroll twenty eligible non-violent substance-dependent DWI offenders in the DWI court program and graduate a minimum of seven participants within the program year. The next goal of the program is to reduce alcohol and substance abuse and recidivism among non-violent offenders by providing daily and weekly drug screenings to enrolled clients. Funding for this program is provided by the Louisiana Supreme Court Drug Court Office. For the year ended June 30, 2023, funding received or accrued, as necessary, totaled \$251,351, while related expenses totaled \$201,549. The program was supplemented by a transfer from the Drug Court Enhancement fund of \$27,263.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 12 INTERFUND TRANSFERS

Interfund transfers reported in the fund financial statements during the year ended June 30, 2023, were as follows:

	Transfers In	Transfers Out
General Fund	\$ 27,263	\$ -
Special Revenue		
Drug Court Enhancement	<u>-</u>	<u>27,263</u>
Total operating transfers	<u>\$ 27,263</u>	<u>\$ 27,263</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; (2) move receipts restricted to debt service from funds collecting the receipts to the debt service fund as debt service payments become due; and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 13 FEES, COMPENSATION SUPPLEMENTS, AND REIMBURSEMENTS

Personnel assigned to the judiciary include secretaries, receptionists, and court reporters. These personnel are paid by the three respective parishes of the Fifteenth Judicial District (Acadia, Lafayette, and Vermilion parishes). Some supplements and reimbursements are funded by the Court via payment to the respective parish governments. These reimbursements include wages, insurance, and retirement benefit costs. Compensation paid to law clerks assigned to the judiciary is established by the Court and funded by parishes. The Court pays health insurance premiums for the law clerks of the judiciary.

NOTE 14 CONTINGENCIES

Secretarial and clerical support staff of the District Court are paid by the respective parish police juries or consolidated governments. The judges of the district en banc are working to provide parity and uniformity in compensation and benefits. To date, it is uncertain if compensation has been provided in accordance with established policy. Also, it is uncertain which agency would be responsible if a liability exists. The amount of any potential liability has not been determined.

NOTE 15 RISK MANAGEMENT

The Fifteenth Judicial District Court is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Court has decided to retain the risk of liability exposure and presently, does not have any funds appropriated for the potential liability exposure.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 16 PENSION PLAN

Plan Description

Substantially all employees of the Fifteenth Judicial District Court are members of the Parochial Employees' Retirement System of Louisiana (the "System"), a cost-sharing, multiple-employer, defined benefit public employee retirement system (PERS), controlled and administered by a separate Board of Trustees and was established and provided for by R.S.11:1901 of the Louisiana Revised Statute (LRS). Contributions of participating agencies are pooled within the system to fund accrued benefits, with contribution rates approved by the Louisiana legislature. The Court does not guarantee the benefits granted by the retirement system. The Court's payroll qualified to be covered by the system for the year ended June 30, 2023 was approximately \$2,031,672.

The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. Employees of the Court are members of Plan A. Under Plan A, employees hired prior to January 1, 2007 who retire (1) at or after age 65 with at least 7 years of creditable service, (2) at or after age 60 with at least 10 years of creditable service, (3) at or after age 55 with at least 25 years of creditable service, or (4) at any age with at least 30 years of creditable service are entitled to a retirement benefit payable monthly for life. Annual maximum benefit for employees hired prior to January 1, 2007, equals 3% multiplied by creditable years of service, multiplied by the average of the employee's highest consecutive 36 months' salary. Employees hired on or after January 1, 2007, who retire (1) at or after age 67 with at least 7 years of creditable service, (2) at or after age 62 with at least 10 years of creditable service, or (3) at or after age 55 with at least 30 years of creditable service are entitled to a retirement benefit payable monthly for life. Annual maximum benefit for employees hired on or after January 1, 2007, equals 3% multiplied by creditable years of service, multiplied by the average of the employee's highest consecutive 60 months' salary. Employees who terminate with at least the amount of creditable service stated previously and who do not withdraw their employee contributions, may retire at the ages specified previously and receive the benefit accrued to their date of termination.

The System also provides death and disability benefits. Benefits are established by state statute (LSA R.S. 11:1901, last modified by Act 584 of 2006).

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 who is eligible to retire may elect to participate in the (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.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 16 PENSION PLAN (Continued)

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 the System, 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 the System, 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.

A plan member shall be eligible to retire and receive a disability benefit if they were 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 shall be paid a disability benefit equal to the lesser of an amount equal to three percent of the member's final average compensation multiplied by his years of service, not to be less than fifteen, or three percent multiplied by years of service assuming continued service to age sixty.

The Board of Trustees is authorized to provide a cost of living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age sixty-five equal to 2% of the member's benefit paid on October 1, 1977, (or member's retirement date, if later). Also, the Board may provide a cost of living increase up to 2.5% for retirees 62 and older. (R.S. 11:1937). Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost of living adjustment commencing at age 55.

Funding Policy

According to state statute, contributions for all employers are actuarially determined each year. Under Plan A, members are required by State statute to contribute 9.50% of their annual covered salary and the Court is required to contribute at an actuarially determined rate. The employer contribution rate for the fiscal year ended June 30, 2023 was 11.50% of annual covered payroll. The contribution requirements of Plan members and the Court are established and may be amended by the System's Board of Trustees. The Court's contributions to the System under Plan A for the years ended June 30, 2023, 2022, and 2021, were \$233,642, \$219,918 and \$222,557, respectively, equal to the required contributions for each year.

According to state statute, the System also receives $\frac{1}{4}$ of 1% of ad valorem taxes collected within the respective parish. The System also receives revenue sharing funds each year as appropriated by the Legislature. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 16 PENSION PLAN (Continued)

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

At June 30, 2023, Court reported a liability of \$1,090,520 for its proportionate share of the net pension asset. The net pension liability was measured as of December 31, 2022, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of that date. The Court’s proportion of the net pension asset was based on a projection of the Court’s long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At December 31, 2022, the Court’s proportion was 0.283341%, which was an increase of .010329% from its proportion measured as of December 31, 2021.

For the year ended June 30, 2023, the Court recognized pension expense of \$346,211. The Court recognized revenue of \$26,402 as its proportionate share of non-employer contributions for the year ended June 30, 2023.

At June 30, 2023, the Court reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 79,830
Net difference between projected and actual investment earnings on pension plan investments	1,151,239	-
Changes of assumptions	34,803	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	187,051
Employer contributions subsequent to the measurement date	<u>118,485</u>	<u>-</u>
Total	<u>\$ 1,304,527</u>	<u>\$ 266,881</u>

Court contributions subsequent to the measurement date in the amount of \$118,485 reported as deferred outflows of resources related to pensions will be recognized as a reduction of the net pension liability in the year ending June 30, 2023.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 16 PENSION PLAN (Continued)

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

Year ending June 30,	
2024	\$ (58,719)
2025	125,188
2026	336,599
2027	<u>516,093</u>
Total	<u>\$ 919,161</u>

Actuarial Assumptions

The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation date	December 31, 2022
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Investment rate of return	6.40% (Net of investment expense, including inflation)
Projected salary increases	4.75% (2.45% Merit/2.30% Inflation)
Mortality rates	Pub-2010 Public Retirement Plans Mortality Table was selected for employees. Pub-2010 Public Retirement Plans Mortality Table for Health Retirees was selected for annuitants and beneficiaries. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees selected for disabled annuitants.
Expected remaining service lives	4 years
Cost of living adjustments	The present value of future benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.

The mortality rate assumption used was set based upon an experience study performed on plan data for the period January 1, 2013 through December 31, 2017. The data was assigned credibility weighting and combined with a standard table to produce current levels of mortality. As a result of this study, mortality for employees was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale. In addition, mortality for annuitants and beneficiaries was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Healthy Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale. For Disabled annuitants mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 16 PENSION PLAN (Continued)

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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.10% and an adjustment for the effect of rebalancing/diversification.

The resulting expected long-term rate of return is 7.70% for the year ended December 31, 2022.

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Expected Rate of Return</u>	
	<u>Target Asset Allocation</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Fixed income	33%	1.17%
Equity	51%	3.58%
Alternatives	14%	0.73%
Real assets	<u>2%</u>	<u>0.12%</u>
Totals	<u>100%</u>	<u>5.60%</u>
Inflation		<u>2.10%</u>
Expected Arithmetic Nominal Return		<u>7.70%</u>

Discount Rate

The discount rate used to measure the total pension liability was 6.40%. 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 System's Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 16 PENSION PLAN (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents Court's proportionate share of the net pension asset calculated using the discount rate of 6.40%, as well as what the Court's net pension liability would be if it were calculated using a discount rate that is one percentage point lower 5.40% or one percentage point higher 7.40% than the current rate.

	<u>Discount rate</u>	<u>Net pension liability (asset)</u>
1% decrease	5.40%	\$ 2,696,893
Current discount rate	6.40%	\$ 1,090,520
1% increase	7.40%	\$ (256,218)

The Parochial Employees' Retirement System issues a publicly available report that includes financial statements and required supplemental information. That report may be obtained by writing to Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619 or by calling (225) 928-1361.

NOTE 17 CONCENTRATIONS OF CREDIT RISK

Intergovernmental receivables represent amounts due from other Acadia, Lafayette, and Vermilion Parishes governmental agencies and the State of Louisiana. Payment of these amounts is partly dependent upon the economic and financial conditions within these parishes and the State of Louisiana.

NOTE 18 FEDERAL AND STATE GRANTS

In the normal course of operations, the Court receives grant funds from various Federal and State agencies. The grant programs are subject to audits by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as a result of these audits is not believed to be material.

NOTE 19 SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 21, 2022, the date at which the financial statements were available to be issued.

REQUIRED SUPPLEMENTAL INFORMATION

FIFTEENTH JUDICIAL DISTRICT COURT

Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental				
Court fees	\$ 162,400	\$ 172,272	\$ 172,272	\$ -
Bond premiums	284,000	319,313	319,313	-
Families in Need of Service grants	75,648	77,328	77,328	-
Drug Court grants	660,679	485,841	473,649	(12,192)
Sobriety Court grants	493,600	338,682	251,351	(87,331)
Family Preservation Court grants	326,000	336,332	484,957	148,625
Administrative collection fees	44,000	41,070	32,308	(8,762)
Drug Court fee income	36,000	120,865	120,865	-
Commissioner Income	308,186	298,340	298,340	-
Families in Need of Service Supplement	3,000	-	17,525	17,525
Sanctions	-	-	-	-
Fines	-	500	-	(500)
Reimbursements - law clerks	610,340	608,033	599,473	(8,560)
Reimbursements - CCF	-	-	7,384	7,384
Investment income	10,800	44,278	44,278	-
Total revenues	<u>3,014,653</u>	<u>2,842,854</u>	<u>2,899,042</u>	<u>56,189</u>
Expenditures				
Accounting/legal	56,500	58,370	58,371	(1)
Commissioner expenses	360,055	295,063	296,328	(1,265)
Compensation, supplements, and benefits	1,411,357	1,306,049	1,370,855	(64,806)
Computer	-	6,076	233	5,843
Contractual services	132,000	133,208	239,703	(106,495)
Cooperative endeavor - IDO	-	-	1,328	(1,328)
Court administration and reporters	17,120	12,255	11,154	1,101
Dues and subscriptions	18,500	8,922	7,922	1,000
FINS excess expense	3,000	-	8,763	(8,763)
Insurance	38,700	40,164	40,164	-
Internet provider charges	2,200	1,233	483	750
Judges' allowances (including prior banked)	298,494	288,671	157,677	130,994
Judges' meeting expenses and ad hoc	3,000	3,903	6,152	(2,249)
Miscellaneous/other	121,620	19,426	105,769	(86,343)
Office expenses, services, and small equipment	59,646	69,247	74,482	(5,235)
Parking fees	11,000	15,214	15,215	(1)
Postage	-	-	-	-
Subawards	269,956	140,852	10,134	130,718
Telephone - cellular	3,500	4,085	6,665	(2,580)
Testing and lab	89,340	112,770	145,582	(32,812)
Travel and seminars	33,686	34,316	37,237	(2,921)
Treatment	246,000	287,030	214,550	72,480
Total expenditures	<u>3,175,674</u>	<u>2,836,854</u>	<u>2,808,767</u>	<u>28,087</u>
Excess (deficiency) of revenues over expenditures	(161,021)	6,000	90,275	84,276
Other financing sources (uses):				
Operating transfers in (out)	<u>28,500</u>	<u>27,262</u>	<u>27,263</u>	<u>1</u>
Net change in fund balance	(132,521)	33,262	117,538	84,277
Fund balance, beginning	<u>3,055,332</u>	<u>3,055,332</u>	<u>3,055,332</u>	<u>-</u>
Fund balance, ending	<u>\$2,922,811</u>	<u>\$3,088,594</u>	<u>\$3,172,870</u>	<u>\$ 84,277</u>

See notes to required supplementary information.

FIFTEENTH JUDICIAL DISTRICT COURT

Budgetary Comparison Schedule
 Child Support Fund
 Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues				
Administrative collection fees	\$ 782,000	\$ 876,000	\$ 876,042	\$ 42
Reimbursements - other	-	4,076	4,076	-
Investment income	<u>7,020</u>	<u>10,820</u>	<u>10,847</u>	<u>27</u>
Total revenues	<u>789,020</u>	<u>890,896</u>	<u>890,965</u>	<u>69</u>
Expenditures				
Accounting	5,000	7,535	7,536	(1)
Compensation, supplements, and benefits	808,634	786,833	787,135	(302)
Computer expenses	13,000	7,100	8,909	(1,809)
Contractual services	55,100	85,300	86,963	(1,663)
Court reporter	2,650	180	180	-
Development expenses	5,000	-	-	-
Dues and subscriptions	31,800	32,000	21,856	10,144
Insurance expense	19,950	23,240	22,892	348
Internet provider charges	4,500	5,500	5,930	(430)
Judges' expense allowance	38,900	37,000	37,557	(557)
Mileage in dist.-Acad./Verm. hearing officers	3,000	6,600	6,651	(51)
Miscellaneous/other	5,000	3,840	5,523	(1,683)
Office expenses, services, and small equipment	27,120	30,140	37,807	(7,667)
Postage	2,000	1,800	2,576	(776)
Security	2,500	576	612	(36)
Telephone - cellular	<u>1,900</u>	<u>3,287</u>	<u>3,789</u>	<u>(502)</u>
Total expenditures	<u>1,026,054</u>	<u>1,030,931</u>	<u>1,035,916</u>	<u>(4,985)</u>
Net change in fund balance	(237,034)	(140,035)	(144,951)	(4,916)
Fund balance, beginning	<u>1,608,991</u>	<u>1,608,991</u>	<u>1,608,991</u>	-
Fund balance, ending	<u>\$ 1,371,957</u>	<u>\$ 1,468,956</u>	<u>\$ 1,464,040</u>	<u>\$ (4,916)</u>

See notes to required supplementary information.

FIFTEENTH JUDICIAL DISTRICT COURT

Budgetary Comparison Schedule
 Misdemeanor Probation Fund
 Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues				
Administrative collection fees	\$ 306,800	\$ 50,194	\$ 306,656	\$ 256,462
Investment income	2,500	1,200	1,294	94
Reimbursements	-	28,764	28,764	-
Total revenue	<u>309,300</u>	<u>80,158</u>	<u>336,714</u>	<u>256,556</u>
Expenditures				
Accounting	3,300	2,606	2,607	(1)
Compensation, supplements, and benefits	294,545	289,107	289,174	(67)
Computer expenses	6,961	13,701	6,105	7,596
Insurance expense	935	957	957	-
Internet provider charges	3,230	3,730	4,262	(532)
Miscellaneous/other	300	77	-	77
Office expenses, services, and small equipment	45,240	83,300	88,252	(4,952)
Parking fees	1,000	3,000	3,000	-
Postage	2,800	1,600	2,176	(576)
Security	400	850	870	(20)
Telephone	4,500	6,000	6,086	(86)
Travel and seminars	1,250	1,473	2,995	(1,522)
Total expenditures	<u>364,461</u>	<u>406,401</u>	<u>406,485</u>	<u>(83)</u>
Net change in fund balance	(55,161)	(326,243)	(69,771)	256,473
Fund balance, beginning	<u>487,462</u>	<u>487,462</u>	<u>487,462</u>	<u>-</u>
Fund balance, ending	<u>\$ 432,301</u>	<u>\$ 161,219</u>	<u>\$ 417,691</u>	<u>\$ 256,473</u>

See notes to required supplementary information.

FIFTEENTH JUDICIAL DISTRICT COURT

Budgetary Comparison Schedule
Drug Court Enhancement Fund
Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues				
Adult Drug Court Fee Income	\$ 37,000	\$ 46,073	\$ 42,311	\$ (3,762)
Juvenile Drug Court Fee Income	37,400	46,000	42,311	(3,689)
Investment income	<u>2,940</u>	<u>1,140</u>	<u>1,034</u>	<u>(106)</u>
Total Revenues	<u>77,340</u>	<u>93,213</u>	<u>85,656</u>	<u>(7,557)</u>
Expenditures				
Contractual service	18,500	13,500	13,500	-
Compensation	23,760	14,100	14,070	30
Computer expenses	500	-	1,043	(1,043)
Incentives	4,400	4,300	4,285	15
Miscellaneous/other	1,050	-	237	(237)
Office expenses, services, and small equipment	7,100	11,395	10,646	749
Testing and lab	700	575	-	575
Travel and training	12,500	6,400	5,615	785
Treatment	<u>500</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>69,010</u>	<u>50,270</u>	<u>49,396</u>	<u>874</u>
Excess (deficiency) of revenues over expenditures	<u>8,330</u>	<u>42,943</u>	<u>36,260</u>	<u>(6,683)</u>
Other financing sources (uses):				
Operating transfers in (out)	<u>(49,200)</u>	<u>(27,264)</u>	<u>(27,263)</u>	<u>(1)</u>
Net change in fund balance	(40,870)	15,679	8,997	(6,684)
Fund balance, beginning	<u>592,987</u>	<u>592,987</u>	<u>592,987</u>	<u>-</u>
Fund balance, ending	<u>\$552,117</u>	<u>\$ 608,666</u>	<u>\$ 601,984</u>	<u>\$ (6,684)</u>

See notes to required supplementary information.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to the Budgetary Comparison Schedules

Budgets and budgetary accounting:

The Court follows the following procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to the beginning of each fiscal year, the Court Administrator prepares a proposed operating budget. The operating budget includes proposed expenditures and the means of financing them.
2. The budget is then approved by the Judges en banc.
3. An amendment involving the transfer of monies from one department to another or from one program or function to another or any other increases in expenditures exceeding amounts estimated must be approved by the Court.
4. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
5. The budget is employed as a management control device during the year that assists its users in financial activity analysis.

All budget appropriations lapse at year end. The budgets presented are the originally adopted budget and the final amended budget. Actual amounts may not vary more than 5% from the final amended budget at the individual fund level.

FIFTEENTH JUDICIAL DISTRICT COURT

Schedule of Proportionate Share of Net Pension Liability
Year Ended June 30, 2023

Year Ended June 30,	Proportion of the net pension liability	Proportionate share of the net pension liability (asset)	Covered employee payroll	Share of the net pension liability (asset) as a percentage of its covered employee payroll	Plan fiduciary net position as a percentage of the total pension liability (asset)
2015	0.338928%	\$ 92,666	\$1,870,769	5.0%	99.15%
2016	0.327824%	862,927	1,875,862	46.0%	92.23%
2017	0.312041%	642,653	1,756,194	36.6%	94.15%
2018	0.299654%	(222,417)	1,676,437	13.3%	101.98%
2019	0.303455%	1,346,842	1,756,099	76.7%	88.86%
2020	0.294467%	13,862	1,873,433	0.7%	99.89%
2021	0.279935%	(490,842)	1,820,950	27.0%	104.00%
2022	0.273012%	(1,286,005)	1,851,530	69.5%	110.50%
2023	0.283341%	1,090,520	2,031,672	53.7%	91.74%

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

FIFTEENTH JUDICIAL DISTRICT COURT

Schedule of Contributions
Year Ended June 30, 2023

Year Ended June 30,	Statutorily required contribution	Contributions relative to statutorily required contribution	Contribution deficiency (excess)	Covered employee payroll	Contributions as a percentage of covered employee payroll
2015	\$ 285,151	\$ 285,151	\$ -	\$ 1,870,769	15.2%
2016	257,884	257,884	-	1,875,862	13.8%
2017	223,962	223,962	-	1,756,194	12.8%
2018	201,149	201,149	-	1,676,437	12.0%
2019	201,951	201,951	-	1,756,099	11.5%
2020	222,567	222,567	-	1,873,433	11.9%
2021	222,557	222,557	-	1,820,950	12.2%
2022	219,918	219,918	-	1,851,530	11.9%
2023	233,642	233,642	-	2,031,672	11.5%

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

OTHER SUPPLEMENTARY INFORMATION

FIFTEENTH JUDICIAL DISTRICT COURT

Schedule of Compensation, Benefits, and Other Payments to Agency Head
Year Ended June 30, 2023

Judge Laurie Hulin, Chief Judge
July 1, 2022 - June 30, 2023

<u>Purpose</u>	<u>Amount</u>
Paid by Judicial Expense Fund:	
Professional liability policy	\$ 3,270
Auto allowance	7,191
Professional liability policy	2,443
Reimbursements - office expense/postage/robe	4,786

FIFTEENTH JUDICIAL DISTRICT COURT

Schedule of Justice System Funding – Collecting/Disbursing Entity
 As Required by Act 87 of the 2020 Regular Session
 Cash Basis Presentation
 Year Ended June 30, 2023

MISDEMEANOR PROBATION FUND:

	First Six Month Period Ended 12/31/2022	Second Six Month Period Ended 6/30/2023
Beginning Balance of Amounts Collected (i.e. cash on hand)	\$ 99,193	\$ 42,370
Add: Collections		
Probation/Parole/Supervision Fees	130,721	205,195
Interest Earnings on Collected Balances	671	624
Other <i>(do not include collections that fit into more specific categories above)</i>	14,382	14,382
Subtotal Collections	<u>145,774</u>	<u>220,201</u>
Less: Disbursements To Governments & Nonprofits:		
Abbeville City Court, Criminal Fines - Other	-	875
Acadia Parish District Atty, Criminal Fines - Other	-	313
Acadia City Court, Criminal Fines - Other	-	442
Acadia Parish Sheriff, Criminal Fines - Other	104	3,735
Acadia Parish Public Defender's Office, Criminal Fines - Other	-	692
Lafayette Parish Sheriff, Criminal Fines - Other	-	11,085
Lafayette Parish District Attorney, Criminal Fines - Other	-	3,614
Lafayette Parish IDO, Criminal Fines - Other	-	279
Lafayette Parish Public Defender, Criminal Fines - Other	-	780
Vermilion Parish Sheriff, Criminal Fines - Other	770	2,220
Vermilion Public Defender's Office, Criminal Fines - Other	-	531
Less: Amounts Retained by Collecting Agency		
Self Disbursed - Probation/Parole/Supervision Fees	199,795	206,990
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Other Disbursements to Individuals	1,928	4,583
Subtotal Disbursements/Retainage	<u>202,597</u>	<u>236,139</u>
Total: Ending Balance of Amounts Collected but not Disbursed/Retained	<u>\$ 42,370</u>	<u>\$ 26,432</u>

Schedule of Justice System Funding – Collecting/Disbursing Entity
As Required by Act 87 of the 2020 Regular Session
Cash Basis Presentation
Year Ended June 30, 2023

JUDICIAL EXPENSE FUND

	First Six Month Period Ended 12/31/2022	Second Six Month Period Ended 6/30/2023
Beginning Balance of Amounts Collected (i.e. cash on hand)	\$ 647,062	\$ 738,400
Add: Collections		
Civil Fees (<i>including refundable amounts such as garnishments or advance deposits</i>)	57,808	82,122
Bond Fees	130,273	189,040
Criminal Court Costs/Fees	11,672	21,170
Interest Earnings on Collected Balances	12,960	25,045
Other (<i>do not include collections that fit into more specific categories above</i>)	278,977	329,056
Subtotal Collections	<u>491,690</u>	<u>646,433</u>
Less: Disbursements To Governments & Nonprofits:		
Self Disbursed - Criminal & Civil Fines & Fees	<u>400,352</u>	<u>436,015</u>
Subtotal Disbursements/Retainage	<u>400,352</u>	<u>436,015</u>
Total: Ending Balance of Amounts Collected but not Disbursed/Retained	<u>\$ 738,400</u>	<u>\$ 948,818</u>

CHILD SUPPORT FUND

Beginning Balance of Amounts Collected (i.e. cash on hand)	\$ 211,977	\$ 132,250
Add: Collections		
Service/Collection Fees (e.g. credit card fees, report fees, 3rd party service fees)	430,784	445,257
Interest Earnings on Collected Balances	2,807	8,040
Other (<i>do not include collections that fit into more specific categories above</i>)	265	3,811
Subtotal Collections	<u>433,856</u>	<u>457,108</u>
Less: Amounts Retained by Collecting Agency		
Self Disbursed - Criminal & Civil Fines & Fees	<u>513,583</u>	<u>533,599</u>
Subtotal Disbursements/Retainage	<u>513,583</u>	<u>533,599</u>
Total: Ending Balance of Amounts Collected but not Disbursed/Retained	<u>\$ 132,250</u>	<u>\$ 55,759</u>

Schedule of Justice System Funding – Collecting/Disbursing Entity
As Required by Act 87 of the 2020 Regular Session
Cash Basis Presentation
Year Ended June 30, 2023

DRUG ENHANCEMENT FUND

	First Six Month Period Ended 12/31/2022	Second Six Month Period Ended 6/30/2023
Beginning Balance of Amounts Collected (i.e. cash on hand)	\$ 398,072	\$ 379,071
Add: Collections		
Criminal Fines - Contempt	40,134	52,012
Interest Earnings on Collected Balances	252	782
Subtotal Collections	40,386	52,794
Less: Amounts Retained by Collecting Agency		
Self Disbursed - Contempt Fines	59,387	52,332
Subtotal Disbursements/Retainage	59,387	52,332
Total: Ending Balance of Amounts Collected but not Disbursed/Retained	\$ 379,071	\$ 379,533

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FIFTEENTH JUDICIAL DISTRICT COURT

Schedule of Justice System Funding – Receiving Entity
 As Required by Act 87 of the 2020 Regular Session
 Cash Basis Presentation
 Year Ended June 30, 2023

JUDICIAL EXPENSE FUND:

	First Six Month Period Ended 12/31/2022	Second Six Month Period Ended 6/30/2023
Receipts From:		
Acadia Parish Clerk of Court - Civil	\$ 7,395	\$ 10,770
Acadia Parish Sheriff - Criminal	2,339	4,879
Acadia Parish Sheriff - Bond	26,514	35,391
Lafayette Parish Clerk of Court - Civil	43,095	61,193
Lafayette Parish Sheriff - Criminal	6,534	11,888
Lafayette Parish Sheriff - Bond	90,507	131,168
Vermilion Parish Clerk of Court - Civil	7,318	9,660
Vermilion Parish Sheriff - Criminal	2,799	4,403
Vermilion Parish Sheriff - Bond	13,252	22,480
Civil Contempt Fines	-	500
Interest Income / Various Banking Institutions	12,960	25,045
Subtotal Receipts	\$ 212,713	\$ 317,377

MISDEMEANOR PROBATION FUND

Receipts From:		
Probation/Parole/Supervision Fees - Individual	\$ 130,385	\$ 126,080
Offset Program/Probation/Fines & Fees - State of LA	336	79,115
Interest Income / Various Banking Institutions	671	624
Reimbursed Expenses	14,382	14,382
Subtotal Receipts	\$ 145,774	\$ 220,201

CHILD SUPPORT FUND:

Receipts From:		
Service / Collection Fees - DCFS	\$ 430,784	\$ 445,157
Interest Income / Various Banking Institutions	2,807	8,040
Civil Contempt Fines	-	100
Reimbursed Expenses	265	3,811
Subtotal Receipts	\$ 433,856	\$ 457,108

DRUG ENHANCEMENT FUND:

Receipts From:		
LCG - Criminal Contempt Fine Distribution	\$ 40,134	\$ 52,012
Interest Income - Various Banking Institutions	252	782
Subtotal Receipts	\$ 40,386	\$ 52,794



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

To the Honorable Laurie Hulin
Fifteenth Judicial District Court
Lafayette, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Fifteenth Judicial District Court, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Fifteenth Judicial District Court's basic financial statements and have issued our report thereon dated November 21, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Fifteenth Judicial District Court'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 Fifteenth Judicial District Court's internal control. Accordingly, we do not express an opinion on the effectiveness of Fifteenth Judicial District Court'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. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Fifteenth Judicial District Court'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 is required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide 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.

This report is intended solely for the information and use of the Fifteenth Judicial District Court's management, the Judges en banc, and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Darnall, Sikes & Frederick

A Corporation of Certified Public Accountants

Eunice, Louisiana
November 21, 2022

FIFTEENTH JUDICIAL DISTRICT COURT

Summary Schedule of Prior Audit Findings
Year Ended June 30, 2023

Section I Internal Control and Compliance Material to the Financial Statements

2022-001 Finding: Budget Variance

Status: This finding has been resolved.

Section II Internal Control and Compliance Material to Federal Awards

This section is not applicable for the year ended June 30, 2023.

Section III Management Letter

This section is not applicable for the year ended June 30, 2023.

FIFTEENTH JUDICIAL DISTRICT COURT

Schedule of Findings and Responses
Year Ended June 30, 2023

Part I: Summary of Auditor's Results

FINANCIAL STATEMENTS

Auditor's Report - Financial Statements

An unmodified opinion has been issued on Fifteenth Judicial District Court's financial statements as of and for the year ended June 30, 2023.

Deficiencies and Material Weaknesses in Internal Control - Financial Reporting

No deficiencies or material weaknesses in internal control over financial reporting were disclosed during the audit of the financial statements.

Material Noncompliance - Financial Reporting

There were no instances of noncompliance material to the financial statements disclosed during the audit of the financial statements.

FEDERAL AWARDS

This section is not applicable for the fiscal year ended June 30, 2023.

Part II: Findings Relating to an Audit in Accordance with *Government Auditing Standards*

This section is not applicable for the year ended June 30, 2023.

Part III: Findings and Questioned Costs Relating to Federal Programs

At June 30, 2023, the Fifteenth Judicial District Court did not meet the requirements to have a single audit in accordance with OMB Uniform Guidance, therefore this section is not applicable.

Part IV: Management Letter

The auditor did not issue a management letter this year.

FIFTEENTH JUDICIAL DISTRICT COURT

Management's Corrective Action Plan
Year Ended June 30, 2023

Part I Internal Control and Compliance Material to the Financial Statement

This section is not applicable for the year ended June 30, 2023.

Part II Internal Control and compliance Material to Federal Awards

This section is not applicable for the year ended June 30, 2023.

Part III Management Letter

This Section is not applicable for the year ended June 30, 2023.



**DARNALL SIKES
& FREDERICK**

A CORPORATION OF CERTIFIED
PUBLIC ACCOUNTANTS

1231 East Laurel Avenue
Eunice, LA 70535

P 337-457-4146
F 337-457-5060

DSFCPAS.COM

OTHER LOCATIONS:

Lafayette Morgan City Abbeville

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Honorable Laurie Hulin, Fifteenth Judicial District Court (the "District") and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2022 through June 30, 2023. The District's management is responsible for those C/C areas identified in the SAUPs.

The District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2022 through June 30, 2023. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1) *Written Policies and Procedures*

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
- i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
Written policies and procedures were obtained and do address the functions noted above.
 - ii. ***Purchasing***, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.
Written policies and procedures were obtained and do address the functions noted above.
 - iii. ***Disbursements***, including processing, reviewing, and approving.
Written policies and procedures were obtained and do address the functions noted above.

- iv. **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or District fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, District fund forfeiture monies confirmation).

Written policies and procedures were obtained and do address the functions noted above.

- v. **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.

Written policies and procedures were obtained and do address the functions noted above.

- vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

Written policies and procedures were obtained and do address the functions noted above.

- vii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

Written policies and procedures were obtained and do address the functions noted above.

- viii. **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

Written policies and procedures were obtained and do address the functions noted above.

- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

Written policies and procedures were obtained and do address the functions noted above.

- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

This section is not applicable. The District does not have any debt service.

- xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Written policies and procedures were obtained and do address the functions noted above.

- xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) District responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Written policies and procedures were obtained and do address the functions noted above.

2) Board or Finance Committee

This section is not applicable. The District is governed by elected officials.

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and
 - i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
 - iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

3) Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date.
 - ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
Bank reconciliations include evidence that a member of management who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation.
 - iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

There were no reconciling items greater than 12 months on the bank reconciliations selected.

4) Collections (excluding electronic funds transfers)

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

Obtained a listing of deposit sites for the fiscal period, and management provided representation that the listing is complete. Selected all deposit sites as there were less than 5.

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

- i. Employees responsible for cash collections do not share cash drawers/registers;

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

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

Employees responsible for collecting cash are not responsible for preparing/making bank deposits.

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

Employees responsible for collecting cash are not responsible for posting collection entries to the general ledger.

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

Employees responsible for reconciling cash collections to the general ledger are responsible for collecting cash, however another employee verifies the reconciliation.

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

Employees who have access to cash are covered by an insurance policy for theft.

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

- i. Observe that receipts are sequentially pre-numbered.
Observed cash receipts noting that they are sequentially pre-numbered as applicable, noting no exceptions.
- ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
Traced supporting documentation to the deposit slip noting no exceptions.
- iii. Trace the deposit slip total to the actual deposit per the bank statement.
Traced the deposit slip totals to the actual deposit per the bank statement noting no exceptions.
- iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
Observed that the deposits were not made within one business day of receipt at the collection location.
- v. Trace the actual deposit per the bank statement to the general ledger.
Traced the actual deposits per the bank statement to the general ledger noting no exceptions.

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

- A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
Obtained a listing of locations that process payments for the fiscal period, and management provided representation that the listing is complete. Selected all locations that process payments as there were less than 5.
- B. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the District has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that
 - i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;
Obtained written policies and procedures and observed that job duties are properly segregated regarding the functions noted above.
 - ii. At least two employees are involved in processing and approving payments to vendors;
Obtained written policies and procedures and observed that job duties are properly segregated regarding the functions noted above.
 - iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;
Obtained written policies and procedures and observed that the job duties are properly segregated regarding the functions noted above.

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

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

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
Obtained from management a listing of all active credit cards, bank debit cards, fuels cards, and P-cards for the fiscal period, including the card numbers and the names of the persons who maintained possession of cards, and management provided representation that the listing is complete.
- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement

for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and

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

Observed that there was evidence that the monthly statement and supporting documentation was reviewed and approved, in writing by someone other than the authorized card holder.

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

Observed that there were no finance charges and late fees assessed on the selected statements.

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

Observed that all transactions tested were supported by an original itemized receipt that identifies precisely what was purchased and written documentation of the business/public purpose. There were no meal charges tested.

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

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

- i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov);

Observed that approved reimbursement rates were no more than those established by the State of Louisiana or the U.S. General Services Administration.

- ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;

Observed that reimbursements using actual costs were supported by an original itemized receipt that identifies precisely what was purchased.

- iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals

participating) and other documentation required by Written Policies and Procedures procedure #1A(vii); and

Observed that each reimbursement is supported by documentation of the business/public purpose and other documentation required by written policy.

- iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Observed that each reimbursement was reviewed and approved in writing, by someone other than the person receiving the reimbursement.

8) Contracts

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

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

Observed that the contracts were not required to be bid in accordance with Louisiana Public Bid Law.

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

Observed that the contracts were approved by the board.

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

Observed that original contract terms of amended contracts provided for such an amendment and that amendments were in compliance with contract terms.

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

Randomly selected one payment from each of the contracts, and observed that the invoice and payment agreed to the terms and conditions of the contract.

9) Payroll and Personnel

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

Obtained a listing of employees and officials employed during the fiscal period, and management provided representation the listing is complete. Randomly selected 5 employees, and agreed paid salaries to authorized salaries/pay rates in the personnel files.

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

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

Not applicable as all selected employees or officials were salaried and were not required to maintain daily attendance records. No leave was taken during the pay period selected.

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

Not applicable as all selected employees or officials were salaried and were not required to maintain daily attendance records. No leave was taken during the pay period selected.

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

Observed that any leave accrued during the pay period is reflected in the District's cumulative leave records. No leave was taken during the pay period selected.

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

Observed that the rate paid to the employees and officials agree to the authorized salary/pay rate found within the personnel file.

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

Obtained a listing of employees that received termination payments during the fiscal period and management provided representation that the listing is complete. Randomly selected two employees and tested above procedures noting no exceptions.

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

Management provided representation that employer and employee portions of third-party payroll related amounts have been paid, and any associated forms have been filed, by required deadlines.

10) Ethics

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

11) Debt Service

This section is not applicable. Management asserted that the District did not have any bonds/notes and other debt instruments issued during the fiscal period or outstanding at the end of the fiscal period.

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

12) Fraud Notice

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.
Management asserted that there were no misappropriations of public funds and assets during the fiscal period.
- B. Observe that the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.
Observed that the District has posted on its premises and website the required notice.

13) Information Technology Disaster Recovery/Business Continuity

- A. Perform the following procedures, **verbally discuss the results with management, and report “We performed the procedure and discussed the results with management.”**
- i. Obtain and inspect the entity’s most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government’s local server or network, and (c) was encrypted.
We performed the procedure and discussed the results with management.
 - ii. Obtain and inspect the entity’s most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
We performed the procedure and discussed the results with management.
 - iii. Obtain a listing of the entity’s computers currently in use and their related locations, and management’s representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
We performed the procedure and discussed the results with management.
- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.
Selected all terminated employees as there were less than 5 and observed that those employees have been removed from the network.

14) Prevention of Sexual Harassment

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
Observed documentation demonstrating the five employees selected completed at least one hour of sexual harassment training during the calendar year.
- B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity’s premises if the entity does not have a website).
Observed that the District has its sexual harassment policy and complaint procedure posted on its website.
- C. Obtain the entity’s annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:

Observed the District's sexual harassment report for the fiscal period and that it contains all areas noted below.

- i. Number and percentage of public servants in the District who have completed the training requirements;
- ii. Number of sexual harassment complaints received by the District;
- iii. Number of complaints which resulted in a finding that sexual harassment occurred;
- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- v. Amount of time it took to resolve each complaint.

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

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

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

Darnall, Sikes & Frederick

A Corporation of Certified Public Accountants

Eunice, Louisiana
November 21, 2023

November 21, 2023

Darnall, Sikes & Frederick
A Corporation of Certified Public Accountants
Eunice, Louisiana

The following is management's response to the 2022-2023 Statewide Agreed-Upon Procedures report submitted for the Fifteenth Judicial District Court.

COLLECTIONS

4Div) Deposits were not made within one business day of receipt.

Response:

Current staffing does not allow for daily deposits.