

Financial Report

*Civil District Court for the Parish of Orleans
Judicial District Court Building Commission*

December 31, 2023



Financial Report

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Judicial District Court Building Commission
New Orleans, Louisiana**

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INDEPENDENT AUDITOR’S REPORT

To the Board of Commissioners,
Civil District Court for the Parish of Orleans
Judicial District Court Building Commission,
New Orleans, Louisiana.

Reports on the Audits of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of the Civil District Court for the Parish of Orleans Judicial District Court Building Commission (JCBC), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the JCBC’s basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position for the governmental activities and the major fund of JCBC as of December 31, 2023, and the respective changes in financial position and cash flows, thereof, and 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 audit 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 JCBC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Audit of the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events considered in the aggregate, that raise substantial doubt about JCBC'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 opinion. 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 JCBC'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 JCBC's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, on pages 5 through 9, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information, on page 28, is presented for purposes of additional analysis and is required by Louisiana Revised Statute 24:513 (A)(3) and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. This information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Prior Year Financial Statements

The financial statements of Civil District Court for the Parish of Orleans Judicial District Court Building Commission as of December 31, 2022 and for the year then ended, were audited by other auditors whose report dated June 16, 2023, expressed an unmodified opinion on those financial statements.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report May 7, 2024, on our consideration of JCBC's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the JCBC's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Bourgeois Bennett, L.L.C.".

Certified Public Accountants.

New Orleans, Louisiana,
May 7, 2024.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Civil District Court for the Parish of Orleans Judicial District Court Building Commission New Orleans, Louisiana

December 31, 2023

The Management's Discussion and Analysis of Civil District Court for the Parish of Orleans Judicial District Court Building Commission's (JCBC) financial performance presents a narrative overview and analysis of JCBC's financial activities as of and for the year ended December 31, 2023. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with the financial statements which follow this section.

FINANCIAL HIGHLIGHTS

JCBC's assets exceeded its liabilities as of December 31, 2023 by \$19,173,271 (net position), which represents approximately a 8% increase from last fiscal year. Of the \$19,173,271, \$18,279,587 is restricted for capital expenditures and none of which is unrestricted. Of the \$19,173,271, \$893,684 is invested in capital assets.

JCBC's total net position increased \$1,450,347 (or 8%). The increase was due to recognizing revenue of \$1,462,998 and incurring expenses of only \$12,651.

JCBC's revenues decreased \$97,434 (or 6%). The decrease was due to decreased court activity due to higher interest rates in 2023 which led to fewer home sales and mortgage refinancing. This caused fewer fees earned from the Land Division.

JCBC's expenses increased \$595.

JCBC did not have any funds with deficit fund balances.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to JCBC's financial statements. JCBC's financial report consists of three parts: (1) management's discussion and analysis (this section), (2) financial statements, and (3) special reports by certified public accountants and management.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

The basic financial statements include two kinds of statements that present different views of JCBC:

Government-Wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all activities of JCBC.

The Statement of Net Position presents information on all of JCBC's assets less liabilities which results in net position. This statement is designed to display the financial position of JCBC. You can think of JCBC's net position as one way to measure JCBC's financial health. Over time, increases or decreases in JCBC's net position are an indicator of whether its financial health is improving or deteriorating.

JCBC's Statement of Activities demonstrates the degree to which the expenses are offset by revenues. Direct expenses are those that are clearly identifiable with a specific function. Revenues consist of fees, court costs, and other charges.

The government-wide financial statements are reported 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 the related cash flows.

Governmental Funds

Governmental fund financial statements are reported using the current financial focus and the modified accrual basis of accounting. Revenues are considered to be available when they are collectible with the current period. For this purpose, JCBC considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. JCBC has only one governmental fund as described below:

Capital Projects Fund

The Capital Projects Fund is used to account for all financial resources of JCBC to be used for the construction and funding of the new courthouse.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found in Exhibit E of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The Statement of Net Position provides information which shows how JCBC's net position changed as a result of the current year's activities. This allows users of the financial statements to determine the major factors that affected the current financial statements and may have a significant impact on financial statements in the future.

Condensed Statements of Net Position

	December 31,		Change
	<u>2023</u>	<u>2022</u>	
Assets	<u>\$19,173,271</u>	<u>\$17,722,924</u>	<u>\$1,450,347</u>
Net position:			
Invested in capital assets	\$ 893,684	\$ 893,684	\$ -
Restricted	<u>18,279,587</u>	<u>16,829,240</u>	<u>1,450,347</u>
Total net position	<u>\$19,173,271</u>	<u>\$17,722,924</u>	<u>\$1,450,347</u>

Net assets are restricted for the design, planning, feasibility, acquisition, construction, equipping, operating, and maintaining a new courthouse facility.

Condensed Statements of Activities

	For the years ended December 31,		Change	Total Percentage Change
	<u>2023</u>	<u>2022</u>		
Revenues:				
Fees collected	\$ 1,393,178	\$ 1,537,531	\$ (144,353)	-9%
Interest income	<u>69,820</u>	<u>22,901</u>	<u>46,919</u>	205%
Total revenues	1,462,998	1,560,432	(97,434)	-6%
Expenses:				
Planning and administrative services	301	306	(5)	-2%
Professional fees	<u>12,350</u>	<u>11,750</u>	<u>600</u>	5%
Total expenditures/expenses	12,651	12,056	595	5%
Increase in net position	1,450,347	1,548,376	(98,029)	-6%
Net position beginning of year	<u>17,722,924</u>	<u>16,174,548</u>	<u>1,548,376</u>	10%
Ending net position	<u>\$19,173,271</u>	<u>\$17,722,924</u>	<u>\$1,450,347</u>	8%

FINANCIAL ANALYSIS OF THE GOVERNMENT’S FUNDS

As noted earlier, JCBC uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of JCBC’s governmental fund is to provide information on near-term inflows, outflows, and balances of spendable and restricted resources. Such information is useful in assessing JCBC’s financing requirements. In particular, restricted fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year on projects for which particular funds can be spent only for a specific purpose. As of December 31, 2023, JCBC’s governmental fund, the Capital Projects Fund, reported an ending fund balance of \$18,279,587, an increase of \$1,450,347 in comparison with the prior year.

Capital Projects Fund Budgetary Highlights

During the year, revenues were greater than budgetary estimates by approximately \$68,000 and expenditures were less than budgetary estimates by approximately \$700.

CAPITAL ASSETS

JCBC’s investment in capital assets for its governmental activities as of December 31, 2023 and 2022 totaled \$893,684. This investment in capital assets includes professional fees and management consulting fees for the planning and design services for the new courthouse. The total cost of the courthouse will be depreciated over its useful life when it is put in service.

	<u>2023</u>	<u>2022</u>
Courthouse costs	<u>\$ 893,684</u>	<u>\$ 893,684</u>

Additional information on JCBC’s capital assets can be found in Note 5 of this report.

OTHER INFORMATION

At the present time, JCBC does not have any infrastructure assets, nor does it have any long-term debt.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

JCBC considers the following factors and indicators when setting next year's budget. These factors and indicators are as follows:

- Building fees collected are budgeted based on the assumption that fees will remain consistent unless there is a reason to expect an increase or decrease in the volume of court filings.
- Interest income is budgeted based on estimated interest rates times estimated average account balances.
- Expenses are budgeted based upon the prior year's activity and adjusted based upon the Board of Commissioner's expectations about the current level of expenditures. The budget was based on the assumption that certain expenses for 2024 would remain approximately the same as in 2023.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of JCBC's finances for all those with an interest in JCBC's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Board of Commissioners of the Civil District Court for the Parish of Orleans Judicial District Court Building Commission, 421 Loyola Avenue, Room 320, New Orleans, LA 70112.

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

**Civil District Court for the Parish of Orleans
Judicial District Court Building Commission
New Orleans, Louisiana**

December 31, 2023

	<u>Capital Projects Fund</u>	<u>Adjustments (Exhibit B)</u>	<u>Statement of Net Position</u>
Assets			
Cash	\$18,180,181	\$ -	\$18,180,181
Accounts receivable	99,406	-	99,406
Capital assets, net of accumulated depreciation	-	893,684	893,684
Total assets	<u>\$18,279,587</u>	<u>\$ 893,684</u>	<u>\$19,173,271</u>
Fund Balance/Net Position			
Fund balance:			
Restricted	<u>\$18,279,587</u>	<u>\$(18,279,587)</u>	<u>\$ -</u>
Total liabilities and fund balance	<u>\$18,279,587</u>	<u>(18,279,587)</u>	<u>-</u>
Net position:			
Net invested in capital assets		893,684	893,684
Restricted		<u>18,279,587</u>	<u>18,279,587</u>
Total net position		<u>\$ 19,173,271</u>	<u>\$19,173,271</u>

See notes to financial statements.

**RECONCILIATION OF THE GOVERNMENTAL FUND
BALANCE SHEET TO THE STATEMENT OF NET POSITION**

**Civil District Court for the Parish of Orleans
Judicial District Court Building Commission
New Orleans, Louisiana**

December 31, 2023

Fund Balance - Governmental Fund	\$18,279,587
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Amounts reported for governmental activities in
the statement of net position are different because:

Capital assets used in governmental activities are
not financial resources and, therefore, are not
reported in the governmental fund.

Governmental capital assets

893,684

Net Position of Governmental Activities	\$19,173,271
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\$19,173,271

See notes to financial statements.

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

**Civil District Court for the Parish of Orleans
Judicial District Court Building Commission
New Orleans, Louisiana**

For the year ended December 31, 2023

	<u>Capital Projects Fund</u>	<u>Adjustments (Exhibit D)</u>	<u>Statement of Activities</u>
Revenues			
Fees collected	\$ 1,393,178	\$ -	\$ 1,393,178
Interest income	69,820	-	69,820
Total revenues	<u>1,462,998</u>	<u>-</u>	<u>1,462,998</u>
Expenditures			
Planning and administrative services	301	-	301
Professional fees	12,350	-	12,350
Total expenditures/expenses	<u>12,651</u>	<u>-</u>	<u>12,651</u>
Excess of Revenues Over Expenditures	1,450,347	(1,450,347)	-
Change in Net Position	<u>-</u>	<u>1,450,347</u>	<u>1,450,347</u>
Net Change	1,450,347	-	1,450,347
Fund Balance/Net Position			
Beginning of year	<u>16,829,240</u>	<u>893,684</u>	<u>17,722,924</u>
End of year	<u>\$18,279,587</u>	<u>\$ 893,684</u>	<u>\$19,173,271</u>

See notes to financial statements.

**RECONCILIATION OF THE STATEMENT OF GOVERNMENTAL
FUND REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE TO THE STATEMENT OF ACTIVITIES**

**Civil District Court for the Parish of Orleans
Judicial District Court Building Commission
New Orleans, Louisiana**

For the year ended December 31, 2023

Net Change in Fund Balance - Governmental Fund	\$1,450,347
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense, and the net book value of any disposed assets is recorded as a loss on the disposal of assets. (No depreciation has been recorded as of December 31, 2023 since no assets have been placed into service as of that date.)

Change in Net Position of Governmental Activities	<u><u>\$1,450,347</u></u>
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See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS**Civil District Court for the Parish of Orleans
Judicial District Court Building Commission
New Orleans, Louisiana**

December 31, 2023

Note 1 - REPORTING ENTITY

The Civil District Court for the Parish of Orleans Judicial District Court Building Commission (JCBC) is designated by R.S. 13:3105(A) and re-enacted R.S. 13:996.67. JCBC was created pursuant to Act 900 enacted by the Legislature of Louisiana which amended R.S. 13:3105(A) and re-enacted R.S. 13:996.67.

The amendment and re-enactment authorized the Civil District Court for the Parish of Orleans Judicial District Court Building Commission to impose by order of the Judges *En Banc* additional cost of court and service charges. Such impositions are to continue until such time that the bonded indebtedness provided for in subsection C of Section 996.67 is paid. All funds generated shall be transferred at the discretion of JCBC to the Capital Projects Fund. These funds shall be dedicated to the design, planning, feasibility, acquisition, construction, equipping, operating, and maintaining a new facility to house the Civil District Court for the Parish of Orleans, offices of the Clerk of Court for Civil District for the Parish of Orleans, First City Court, Clerk of the First City Court, Constable of the First City Court, Office of the Civil Sheriff, Orleans Parish Juvenile Court, Mortgage Office, Conveyance Office, Notarial Archives and such other courts and parochial offices as may be necessary.

Further, if public bids are not let for the construction of a new facility as provided in Section 996.67 by August 15, 2031 (extended by Act 27 of the 2020 regular session of the Louisiana legislature from August 15, 2021 to August 15, 2031), then the authority provided in Section 996.67 to levy the additional costs and charges shall terminate and be null and void. Thereafter, no costs or charges authorized in Section 996.67 shall be imposed or collected. Should the authority to levy such costs and charges terminate as set forth herein, all funds collected and deposited in the separate account as provided in the referenced Section shall be used solely for capital improvements to the facility then housing the Civil District Court for the Parish of Orleans.

Note 1 - REPORTING ENTITY (Continued)

The Judges *En Banc* of the Civil District Court for the Parish of Orleans shall serve as the board of commissioners thereof. JCBC shall be a public corporation with power to contract, administer the proceeds of the costs and charges authorized in Section 996.67, lease, sublease, and otherwise provide for the construction, equipping, maintenance, and operation of a new courthouse for the Civil District Court for the Parish of Orleans and to pledge and dedicate the receipts of the courthouse construction fund created hereby for the payment of any lease or sublease obligation, loan agreement, or other financing agreement relative thereto.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the Civil District Court Parish of Orleans Judicial Court Building Commission conform to accounting principles generally accepted in the United States of America as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing government accounting and financial reporting principles. The following is a summary of certain significant accounting policies:

a. The Financial Reporting Entity

The GASB has established standards for defining and reporting on the financial entity. GASB standards indicate the focal point for identifying the financial reporting entity is the primary government, which is considered to be any state government or general purpose local government or a special purpose government that meets all of the following criteria:

1. Appointing a voting majority of an organization's governing body, and
 - a. the ability of the Primary Government to impose its will on that organization and/or,
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Primary Government.
2. Organizations for which the Primary Government does not appoint a voting majority but are fiscally dependent on the Primary Government.
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. The Financial Reporting Entity (Continued)

The Louisiana State Legislature enacted Act 900 of the Louisiana 2010 regular session to create a public corporation. Included in the provisions for the Act was the collection of fees to JCBC. Specifically, the Act provides for the collection of fees and the deposit in an account held in the Courthouse's Construction Fund.

Because the Judicial Expense Fund for the Civil District Court for the Parish of Orleans ("Judicial Expense Fund") does not appoint the Commission, does not provide funding (other than the use of facilities), or have any control over JCBC, JCBC has determined that the office is not a component unit of the Judicial Expense Fund. The accompanying financial statements present information only on the funds maintained by JCBC and do not present information on the Judicial Expense Fund, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity of Judicial Expense Fund.

Accordingly, the accompanying financial statements present information only on JCBC and do not present any other information of the Judicial Expense Fund.

b. Basis of Presentation

JCBC's basic financial statements consist of the government-wide statements on all activities of JCBC and the governmental fund financial statements.

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all activities of JCBC. JCBC is considered to be a governmental activity of a special purpose government.

JCBC's Statement of Activities demonstrates the degree to which the expenses of a given function are offset by function revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenue consists of fees and court costs and other charges.

Separate financial statements are provided for the governmental fund. JCBC's government-wide financial statements are reported 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 the related cash flows.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Basis of Presentation (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, JCBC considered revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

JCBC reports its governmental fund as follows:

Capital Projects Fund

The Capital Projects Fund is used to account for all financial resources of JCBC to be used for the construction and funding of the new courthouse.

Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement focus - all governmental funds utilize a current financial resources measurement focus in the fund financial statements. Only current financial assets and liabilities are generally included on the balance sheet. Operating statements present sources and uses of available spendable financial resources during a given period. The fund balance is the measure of available spendable financial resources at the end of the period.

Basis of accounting - governmental funds are presented on the modified accrual basis of accounting. Revenues are recognized when “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. Revenues include civil filing and recording fees imposed to finance the construction and related planning costs of the new courthouse.

Expenditures (including capital outlay) are recorded when the related fund liability is incurred.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Uses 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 and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

d. Cash and Cash Equivalents

Cash includes amounts in interest-bearing demand deposits. Under state law, JCBC may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States. There were no cash equivalents as of December 31, 2023.

e. Accounts Receivable

The financial statements of JCBC contain no allowance for bad debts. Uncollectible receivables are recognized as bad debts at the time information becomes available, which would indicate the uncollectibility of the particular receivable. These amounts are not considered to be material in relation to the financial position or operation of the fund.

f. Stewardship, Compliance, and Accountability

Budget Expenditures Exceeding Actual Expenditures

The Capital Projects Fund had actual expenditures less than appropriations:

	Budget	Actual	Favorable Variance
Capital Projects Fund	\$13,350	\$12,651	\$699

g. Capital Assets

The accounting treatment over capital assets depends on whether the assets are reported in the government-wide or fund financial statements.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Capital Assets (Continued)

Government-wide Financial Statements:

In the government-wide financial statements, property and equipment are accounted for as capital assets. Capital assets purchased or acquired with an original cost of \$500 or more are valued at historical cost or estimated historical cost if actual is unavailable. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance is expensed as incurred.

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation when the asset is placed in service. As of December 31, 2023, no property and equipment has been put in service and no depreciation has been recorded.

Fund Financial Statements:

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

h. Equity Classifications

In the government-wide statements, equity is classified as net position and displayed in three components:

- a. Net investment in capital assets** - consists of capital assets including restricted capital assets, net of any accumulated depreciation and when applicable reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings and deferred inflows of resources that are attributable to the acquisition, construction, or improvements of those assets.
- b. Restricted** - consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Constraints may be placed on the use, either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Equity Classifications (Continued)

- c. Unrestricted** - net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in either of the other two categories of net position. There were no unrestricted net assets as of December 31, 2023.

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance is further classified as follows:

Nonspendable - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact. There was no nonspendable equity as of December 31, 2023.

Restricted - amounts that can be spent only for a specific purpose because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributions, or the laws or regulations of other governments.

Committed - amounts that can be used only for specific purposes determined by a formal decision of the Commission. The Commission is the highest level of decision-making authority for JCBC. There was no committed equity as of December 31, 2023.

Assigned - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for a specific purposes. There was no assigned equity as of December 31, 2023.

Unassigned - all other spendable amounts. There was no unassigned equity as of December 31, 2023.

When an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available, JCBC considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, JCBC considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed unless JCBC has provided otherwise in its committed or assignment actions.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. New Pronouncements

During the year ended December 31, 2023, JCBC implemented the following GASB Statements:

Statement No. 94, “*Public-Private and Public-Public Partnerships and Availability Payment Arrangements*” improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. This Statement did not affect the financial statements for the year ended December 31, 2023.

Statement No. 96, “*Subscription-based Information Technology Arrangements*” provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset - an intangible asset - and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. This Statement did not affect the financial statements for the year ended December 31, 2023.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. New Pronouncements (Continued)

The GASB has issued the following Statements which will become effective in future years as shown below:

Statement No. 99, “*Omnibus 2022*” provides objectives to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements and accounting and financial report for financial guarantees. The requirements of this Statement apply to all financial statements at dates varying from upon issuance to fiscal periods beginning after June 15, 2023. Management has yet to determine the effect of this Statement on the financial statements.

Statement No. 100, “*Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*” provides guidance to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. Management has yet to determine the effect of this Statement on the financial statements.

Statement No. 101, “*Compensated Absences*” provides guidance to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. Management has yet to determine the effect of this Statement on the financial statements.

Statement No. 102, “*Certain Risk Disclosures*” defines concentrations and constraints. The Statement also requires governments to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact and whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Subsequent Events

Management evaluates events occurring subsequent to the date of financial statements in determining the accounting for and disclosure of transactions and events that effect the financial statements. Subsequent events have been evaluated through May 7, 2024, which is the date the financial statements were available to be issued.

Note 3 - CASH

State law requires deposits (cash) of all political subdivisions to be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana, and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision or with an unaffiliated bank or with a trust company for the account of the political subdivision.

The year-end bank balance is as follows:

	Bank Balances	Reported Amount
Cash	\$18,180,181	\$18,180,181

Custodial credit risk is the risk that in the event of a bank failure, JCBC's deposits may not be returned to it. JCBC has a written policy for custodial credit risk. As of December 31, 2023, JCBC's bank balance of \$18,180,181 was in excess of the federal deposit limit by \$17,930,181.

As of December 31, 2023, cash was adequately collateralized in accordance with state law by securities held by an unaffiliated financial institution for the account of JCBC but not in JCBC's name. The GASB considers these securities subject to custodial credit risk. Even though the pledged securities are considered subject to custodial credit risk under the provisions of GASB Statement 40, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten days of being notified by the depositor that the fiscal agent has failed to pay deposited funds upon demand.

Note 4 - ACCOUNTS RECEIVABLE

As of December 31, 2023, accounts receivable of \$99,406 consisted of funds collected on behalf of JCBC and due from the Orleans Parish Clerk of Civil District Court (\$89,300) and Clerk of Court Orleans First City Court (\$10,106).

Note 5 - CHANGES IN CAPITAL ASSETS

Changes in capital assets for the year ended December 31, 2023 were as follows:

	Balance January 1, 2023	Additions	Dispositions	Balance December 31, 2023
Capital assets:				
Courthouse costs and equipment	\$893,684	\$ -	\$ -	\$893,684
Less accumulated depreciation for:				
Courthouse costs and equipment	-	-	-	-
Total capital assets, net	\$893,684	\$ -	\$ -	\$893,684

Note 6 - RISK MANAGEMENT

JCBC is exposed to various risks of loss related to torts, theft for which JCBC carries no commercial insurance at the present time. Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated.

Note 7 - CONCENTRATION OF CREDIT RISK

JCBC's principal source of revenues consists mainly of filing fees. Such fees are partially dependent upon economic and financial conditions within Orleans Parish. If the amount of fees received falls below budgeted levels, JCBC's operating results could be adversely affected.

Note 8 - RESTRICTED NET POSITION

As of December 31, 2023, restricted net position consisted of funds for the design, planning, feasibility, acquisition, construction, equipping, operating, and maintaining a new courthouse facility.

Note 9 - PER DIEM TO COMMISSIONERS

For the year ended December 31, 2023, none of the Commissioners received per diem in their respective capacity as commissioners.

Note 10 - EXPENDITURES NOT INCLUDED IN THE ACCOMPANYING FINANCIAL STATEMENTS

The accompanying financial statements do not include certain expenditures related to the use of facilities of JCBC's office paid out of the funds of the Civil District Court Parish of Orleans.

REQUIRED SUPPLEMENTARY INFORMATION

**STATEMENT OF GOVERNMENTAL FUND REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL**

**Civil District Court for the Parish of Orleans
Judicial District Court Building Commission
New Orleans, Louisiana**

For the year ended December 31, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Amended		
Revenues				
Building fees collected	\$ 1,645,000	\$ 1,325,000	\$ 1,393,178	\$68,178
Interest income	16,000	70,000	69,820	(180)
Total revenues	<u>1,661,000</u>	<u>1,395,000</u>	<u>1,462,998</u>	<u>67,998</u>
Expenditures				
Planning and administrative services	-	1,000	301	699
Professional fees	12,000	12,350	12,350	-
Total expenditures	<u>12,000</u>	<u>13,350</u>	<u>12,651</u>	<u>699</u>
Excess of Revenues Over Expenditures	1,649,000	1,381,650	1,450,347	<u>\$68,697</u>
Fund Balance				
Beginning of year	<u>16,829,240</u>	<u>16,829,240</u>	<u>16,829,240</u>	
End of year	<u>\$18,478,240</u>	<u>\$18,210,890</u>	<u>\$18,279,587</u>	

**NOTE TO REQUIRED SUPPLEMENTARY
INFORMATION - BUDGETARY REPORTING**

**Civil District Court for the Parish of Orleans
Judicial District Court Building Commission
New Orleans, Louisiana**

For the year ended December 31, 2023

JCBC adheres to the following procedures in establishing the budgetary data reflected in the financial statements.

Budgetary Information

JCBC adopted a budget for its Governmental Fund for the year ended December 31, 2023 and it was made available for public inspection at JCBC's office on November 21, 2022. The proposed budget was prepared on the accrual basis of accounting and was published in the official journal on November 7, 2022. The budget hearing was held at JCBC's office on December 6, 2022. The budget is legally adopted and amended, as necessary, by JCBC. The budget for the year ended December 31, 2023 was amended once and was made available for public inspection at the JCBC's office on November 20, 2023. The budget was published in the official journal on October 30, 2023. The budget hearing was held at the JCBC's office on December 5, 2023. All appropriations lapse at year end.

Formal budget integration (within the accounting records) is employed as a management control device. Budget amounts included in the accompanying financial statements include the original and amended adopted budgets.

The budget was adopted on a basis materially consistent with accounting principles generally accepted in the United States of America.

**SCHEDULE OF COMPENSATION, BENEFITS,
AND OTHER PAYMENTS TO AGENCY HEAD**

**Civil District Court for the Parish of Orleans
Judicial District Court Building Commission
New Orleans, Louisiana**

For the year ended December 31, 2023

Commission Chair Name: Omar K. Mason

Purpose

Salary	\$	0
Benefits - insurance		0
Benefits - retirement		0
Benefits - other		0
Car allowance		0
Vehicle provided by government		0
Per diem		0
Reimbursements		0
Travel		0
Registration fees		0
Conference travel		0
Continuing professional education fees		0
Housing		0
Unvouchered expenses		0
Special meals		0
		<hr/>
	\$	<hr/> <hr/> 0

* The salary and related benefits for the Chair of the Judicial District Court Building Commission are paid directly by the Supreme Court for their capacity as judge. As such, the judge receives no compensation for serving in their capacity on the Judicial District Court Building Commission or the En Banc.

SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS

**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 Board of Commissioners,
Civil District Court for the Parish of Orleans
Judicial District Court Building Commission,
New Orleans, Louisiana.

We have audited, 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, the accompanying financial statements of the governmental activities and major fund of the Civil District Court for the Parish of Orleans Judicial District Court Building Commission (JCBC) as of and for the year ended December 31, 2023, and the related notes to the financial statements which collectively comprise the Civil District Court for the Parish of Orleans Judicial District Court Building Commission’s basic financial statements, and have issued our report thereon dated May 7, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered JCBC’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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of JCBC’s internal control. Accordingly, we do not express an opinion on the effectiveness of JCBC’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 JCBC’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 preceding paragraph 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 JCBC's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 JCBC'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.



Certified Public Accountants.

New Orleans, Louisiana,
May 7, 2024.

SCHEDULE OF FINDINGS AND RESPONSES

**Civil District Court for the Parish of Orleans
Judicial District Court Building Commission
New Orleans Louisiana**

For the year ended December 31, 2023

Section I - Summary of Auditor’s Report

a) Financial Statements

Type of auditor’s report issued: unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ___ Yes X No
- Significant deficiency(ies) identified? ___ Yes X None reported

Noncompliance material to financial statements noted? ___ Yes X No

b) Federal Awards

Civil District Court for the Parish of Orleans Judicial District Court Building Commission did not expend federal awards in excess of \$750,000 during the year ended December 31, 2023 and therefore is exempt from the audit requirements under the *Uniform Guidance*.

**Section II - Internal Control Over Financial Reporting and Compliance and Other Matters
Material to the Basic Financial Statements**

Internal Control Over Financial Reporting

There were no findings noted during the audit for the year ended December 31, 2023 related to internal control over financial reporting.

Compliance and Other Matters

There were no findings noted during the audit for the year ended December 31, 2023 related to compliance and other matters.

Section III - Federal Award Findings and Questioned Costs

Not applicable.

REPORTS BY MANAGEMENT

SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES

**Civil District Court for the Parish of Orleans
Judicial District Court Building Commission
New Orleans, Louisiana**

For the year ended December 31, 2023

Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Basic Financial Statements

Internal Control Over Financial Reporting

There were no findings reported during the audit for the year ended December 31, 2022 related to internal control over financial reporting.

Compliance and Other Matters

There were no findings reported during the audit for the year ended December 31, 2022 related to compliance and other matters.

Section II - Internal Control and Compliance Material to Federal Awards

Civil District Court for the Parish of Orleans Judicial District Court Building Commission did not expend federal awards in excess of \$750,000 during the year December 31, 2022 and therefore is exempt from the audit requirements under the *Uniform Guidance*.

Section III - Management Letter

A management letter was not issued in connection with the audit of the basic financial statements for the year ended December 31, 2022.

MANAGEMENT'S CORRECTIVE ACTION PLAN

Civil District Court for the Parish of Orleans Judicial District Court Building Commission New Orleans, Louisiana

For the year ended December 31, 2023

Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Basic Financial Statements

Internal Control Over Financial Reporting

There were no findings noted during the audit for the year ended December 31, 2023 related to internal control over financial reporting.

Compliance and Other Matters

There were no findings noted during the audit for the year ended December 31, 2023 related to compliance and other matters.

Section II - Internal Control and Compliance Material to Federal Awards

Civil District Court for the Parish of Orleans Judicial District Court Building Commission did not expend federal awards in excess of \$750,000 during the year December 31, 2023 and therefore is exempt from the audit requirements under the *Uniform Guidance*.

Section III - Management Letter

A management letter was not issued in connection with the audit of the basic financial statements for the year ended December 31, 2023.

STATEWIDE AGREED-UPON PROCEDURES (R.S. 24:513)

INDEPENDENT ACCOUNTANT’S REPORT ON
APPLYING AGREED-UPON PROCEDURES

To the Board of Commissioners,
Civil District Court for the Parish of Orleans,
Judicial District Court Building Commission
New Orleans, Louisiana.

We have performed the procedures described in Schedule 4 on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor’s (LLA) Statewide Agreed-Upon Procedures (SAUP) for the fiscal period January 1, 2023 through December 31, 2023. Civil District Court for the Parish of Orleans Judicial District Court Building Commission (JCBC) management is responsible for those C/C areas identified in the SAUPs.

JCBC 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 the LLA’s SAUPs for the fiscal period January 1, 2023 through December 31, 2023. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purpose. 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 responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are described in Schedule 4.

We were engaged by JCBC to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the 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 these 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 JCBC 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.

Bourgeois Bennett, L.L.C.

Certified Public Accountants

New Orleans, Louisiana,
May 7, 2024.

SCHEDULE OF PROCEDURES AND ASSOCIATED FINDINGS
OF THE STATEWIDE AGREED-UPON PROCEDURES

Civil District Court for the Parish of Orleans
Judicial District Court Building Commission
 New Orleans, Louisiana

For the year ended December 31, 2023

JCBC has no employees and the individuals responsible for performing the accounting functions are the Judicial Expense Fund's employees.

The required procedures and our findings are as follows:

1) Procedures Performed on JCBC's Written Policies and Procedures:

- A. Obtain and inspect JCBC's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and JCBC's operations:
- i. Budgeting, including preparing, adopting, monitoring, and amending the budget.
 Performance: Obtained and read the written policy for budgeting and found it to address all the functions listed above.
 Exceptions: There were no exceptions noted.
 - 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.
 Performance: Obtained and read the written policy for purchasing and found it to address all the functions listed above.
 Exceptions: There were no exceptions noted.
 - iii. Disbursements, including processing, reviewing, and approving.
 Performance: Obtained and read the written policy for disbursements and found it to address all the functions listed above.
 Exceptions: There were no exceptions noted.

1) Procedures Performed on JCBC's Written Policies and Procedures: (Continued)

- iv. Receipts/Collections, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of each type of revenue or JCBC fund additions.
Performance: Obtained and read the written policy for receipts/collections and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
- 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.
Not applicable, as JCBC has no employees.
- 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.
Performance: Obtained and read the written policy for contracting and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
- vii. Travel and Expense Reimbursement, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
Performance: Obtained and read the written policy for travel and expense reimbursement and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
- 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).
Not applicable, as JCBC has no active credit cards.
- 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 JCBC's ethics policy.
Not applicable, as JCBC has no employees.

1) Procedures Performed on JCBC's Written Policies and Procedures: (Continued)

- x. Debt Service, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
Not applicable, as JCBC has no debt.

- 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.
Performance: Obtained and read the written policy for information technology disaster recovery/business continuity and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.

- xii. Prevention of Sexual Harassment, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.
Not applicable, as JCBC has no employees.

2) Procedures Performed on JCBC's Board or Finance Committee:

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period and:
 - i. Observe that the board met with a quorum at least monthly, or on a frequency in accordance with the board/finance committee's enabling legislation, charter, bylaws, or other equivalent document.
Performance: Obtained and read the written minutes of the Board meetings. The Board met with a quorum for one meeting.
Exceptions: There were no exceptions noted.

 - 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 comparisons, at a minimum, on all proprietary funds, and semi-annual budget-to-actual comparisons, at a minimum, on all special revenue funds.
Performance: Inspected meeting minutes to determine if the minutes included references to budget-to-actual comparisons for the General Fund.
Exceptions: There were no exceptions noted.

2) Procedures Performed on JCBC's Board or Finance Committee: (Continued)

- 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 unrestricted fund balance in the general fund.

Performance: Obtained the prior year's audit report and observed the unassigned fund balance in the General Fund. The General Fund did not have a negative ending unassigned fund balance.

Exceptions: There were no exceptions noted.

- 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.

Performance: Obtained and read the written minutes of the Board meetings. There were no audit findings in the prior year.

Exceptions: There were no exceptions noted.

3) Procedures Performed on JCBC's Bank Reconciliations:

- A. Obtain a listing of JCBC's bank accounts from management and management's representation that the listing is complete. Ask management to identify JCBC's main operating account. Select JCBC'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:

Performance: Obtained the listing of bank accounts from management and received management's representation in a separate letter. We noted that JCBC's main operating account is the sole bank account.

Exceptions: There were no exceptions noted.

- 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);

Performance: Obtained monthly bank reconciliation for February 2023 for the main operating bank account. Inspected management's documentation for timely preparation of the bank reconciliations.

Exceptions: There were no exceptions noted.

3) Procedures Performed on JCBC's Bank Reconciliations: (Continued)

- ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within one month of the date the reconciliation was prepared (e.g., initialed and dated or electronically logged); and

Performance: Examined JCBC's documentation, noting evidence of a member of management's review of the February 2023 bank reconciliation within one month of preparation for the 1 bank account selected.

Exceptions: There were no exceptions noted.

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

Performance: We noted no reconciling items outstanding greater than 12 months from the statement closing date.

Exceptions: There were no exceptions noted.

4) Procedures Performed on JCBC's Collections (excluding electronic funds transfers):

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/check/money order (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).

Performance: Obtained the listing of deposit sites from management and received management's representation in a separate letter that the listing is complete. Selected the sole location for testing.

Exceptions: There were no exceptions noted.

- 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:

Performance: Obtained the listing of collection locations from management and received management's representation in a separate letter that the listing is complete.

Exceptions: There were no exceptions noted.

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

Performance: Inspected policy manuals, inquired of client as to all of the requirements.

Exceptions: There were no exceptions noted.

**4) Procedures Performed on JCBC's Collections (excluding electronic funds transfers):
(Continued)**

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

Performance: Inspected policy manual, inquired of client as to all of the requirements.

Exceptions: There were no exceptions noted.

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

Performance: Inspected policy manual, inquired of client as to all of the requirements.

Exceptions: There were no exceptions noted.

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

Performance: Inspected policy manual, inquired of client as to all of the requirements.

Exceptions: There were no exceptions noted.

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

Performance: Not applicable, as JCBC does not accept or handle cash, nor does it have employees.

Exceptions: There were no exceptions noted.

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

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

Performance: Obtained supporting documentation for the selected deposits. Due to the nature of the deposits, which were single checks, prenumbered cash receipts were not required.

Exceptions: There were no exceptions noted.

**4) Procedures Performed on JCBC's Collections (excluding electronic funds transfers):
(Continued)**

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

Performance: Traced supporting documentation to the deposit slip.

Exceptions: There were no exceptions noted.

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

Performance: We traced the deposit slip total to the actual deposit per the bank statement.

Exceptions: There were no exceptions noted.

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

Performance: Observed that the deposits tested were made within one business day of receipt.

Exceptions: There were no exceptions noted.

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

Performance: Traced the actual deposit per the bank statement to the general ledger for the two deposits.

Exceptions: There were no exceptions noted.

5) Procedures Performed on JCBC's Non-Payroll Disbursements (excluding card purchases/payments, 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).

Performance: Obtained a listing of locations that process payments for the fiscal period from management and received management's representation in a separate letter that the listing is complete. We noted that JCBC only has one location that processes payments. Selected the sole location for testing.

Exceptions: There were no exceptions noted.

5) Procedures Performed on JCBC's Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases): (Continued)

- B. For each location selected under procedure #5A, 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 JCBC has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that:

Performance: Obtained a listing of individuals involved in non-payroll purchasing and payment functions and reviewed written policies and procedures related to job duties.

Observed if the job duties were properly segregated.

Exceptions: There were no exceptions noted.

- i. At least 2 employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;

Performance: Obtained a listing of individuals involved in initiating a purchase request, approving a purchasing, and placing an order/making a purchase.

Observed that at least 2 individuals are involved. Note: JCBC does not have employees.

Exceptions: There were no exceptions noted.

- ii. At least 2 employees are involved in processing and approving payments to vendors.

Performance: Obtained a listing of individuals involved in processing and approving payments to vendors. Observed at least two individuals are involved.

Exceptions: There were no exceptions noted.

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

Performance: Obtained a listing of individuals involved in processing payments to vendors. Inquired with management if any individuals involved are adding/modifying vendor files. Also, examined purchasing policy which documented that the person responsible for processing payments does not add/modify vendor files.

Exceptions: There were no exceptions noted.

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

Performance: Obtained a listing of individuals involved with signing and mailing checks and noted proper segregation of duties.

Exceptions: There were no exceptions noted.

- v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

Not applicable, as there were no electronic disbursements during the year.

5) Procedures Performed on JCBC's Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases): (Continued)

C. For each location selected under procedure #5A, obtain JCBC'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:

Performance: Obtained JCBC's non-payroll disbursement transaction population and management's representation that the population is complete. There were only 3 disbursements made during the fiscal year. All 3 were selected for testing.

Exceptions: There were no exceptions noted.

i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by JCBC.

Performance: Observed that the 3 disbursements matched the related original invoice/billing statements and observed supporting documentation indicating deliverables were received.

Exceptions: There were no exceptions noted.

ii. Observe whether that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #5B, as applicable.

Performance: Observed the 3 disbursements included evidence of segregation of duties.

Exceptions: There were no exceptions noted.

D. Using JCBC'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 JCBC's policy, and (b) approved by the required number of authorized signers per JCBC's policy.

Obtained the general ledger and observed that there were no electronic disbursements made during the fiscal year.

Not applicable, as there were no electronic disbursements during the year.

6) Procedures Performed on JCBC's 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.

Not applicable, as JCBC does not have any active credit cards.

6) Procedures Performed on JCBC's Credit Cards, Debit Cards, Fuel Cards, Purchase Cards (Cards): (Continued)

- 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
Not applicable, as JCBC does not have any active credit cards.
 - ii. Observe that finance charges and late fees were not assessed on the selected statements.
Not applicable, as JCBC does not have any active credit cards.
- C. Using the monthly statements or combined statements selected under procedure #6B, 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, report whether the transaction is supported by:
1. An original itemized receipt that identifies precisely what was purchased.
Not applicable, as JCBC does not have any active credit cards.
 - i. Written documentation of the business/public purpose.
Not applicable, as JCBC does not have any active credit cards.
 - ii. 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.
Not applicable, as JCBC does not have any active credit cards.

7) Procedures Performed on JCBC's 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:

Performance: Obtained a listing of all travel and travel-related expense reimbursements during the fiscal period from management and received management's representation in a separate letter that the listing is complete. We noted there were only 3 reimbursements made during the fiscal year. Obtained the related expense reimbursement form and supporting documentation for 3 reimbursements.

Exceptions: There were no exceptions noted.

- 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);

Performance: Observed that there were no travel-related expense reimbursements in which a per-diem was used.

Exceptions: There were no exceptions noted.

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

Performance: Observed that reimbursements using actual cost were supported by required documentation.

Exceptions: There were no exceptions noted.

- iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii).

Performance: Inspected travel and travel-related expense reimbursements and observed that the reimbursements were supported by required documentation.

Exceptions: There were no exceptions noted.

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

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

Exceptions: There were no exceptions noted.

8) Procedures Performed on JCBC's 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:

Not applicable, as JCBC does not have any contracts.

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

Not applicable, as JCBC does not have any contracts.

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

Not applicable, as JCBC does not have any contracts.

- 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).

Not applicable, as JCBC does not have any contracts.

- 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.

Not applicable, as JCBC does not have any contracts.

9) Procedures Performed on JCBC's 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.

Not applicable, as JCBC does not have any employees.

9) Procedures Performed on the District's Payroll and Personnel: (Continued)

- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A, 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 JCBC does not have any employees.
 - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials.
Not applicable, as JCBC does not have any employees.
 - iii. Observe that any leave accrued or taken during the pay period is reflected in JCBC's cumulative leave records.
Not applicable, as JCBC does not have any employees.
 - iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
Not applicable, as JCBC does not have any employees.
- 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, obtain related documentation of the hours and pay rates used in management's termination payment calculations and JCBC's policy on termination payments. Agree the hours to the employees' or officials' cumulative leave records, agree the pay rates to the employees'/officials' authorized pay rates in the employees'/officials' personnel files, and agree the termination payment to JCBC's policy.
Not applicable, as JCBC does not have any employees.
- 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.
Not applicable, as JCBC does not have any employees.

10) Procedures Performed on JCBC's 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.
Not applicable, as JCBC does not have any employees.

10) Procedures Performed on JCBC's Ethics: (Continued)

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

Not applicable, as JCBC does not have any employees.

- B. Inquire and/or observe whether JCBC has appointed an ethics designee as required by R.S. 42:1170.

Not applicable, as JCBC does not have any employees.

11) Procedures Performed on JCBC's Debt Service:

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.

Not applicable, as JCBC does not have any debt.

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

Not applicable, as JCBC does not have any debt.

12) Procedures Performed on JCBC's 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 JCBC reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which JCBC is domiciled as required by R.S. 24:523.

Performance: Inquired of management of any misappropriations of public funds and assets during the fiscal period and management's representation in a separate letter.

None were noted.

Exceptions: There were no exceptions noted.

- B. Observe that JCBC 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.

Performance: Observed fraud notice posted on the premises and on the website concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Exceptions: There were no exceptions noted.

13) Procedures Performed on JCBC's 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 JCBC's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personal responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the JCBC's local server or network, and (c) was encrypted.

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

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

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

- iii. Obtain a listing of the JCBC'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.

Performance: 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 a list of terminated employees obtained in Payroll and Personnel procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

Not applicable, as JCBC does not have employees.

C. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:

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

Not applicable, as JCBC does not have employees.

14) Procedures Performed on the JCBC's Prevention of Sexual Harassment:

- A. Using the 5 randomly selected employees/officials from "Procedures Performed on the JCBC's Payroll and Personnel procedure" #9A, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

Not applicable, as JCBC does not have employees.

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

Not applicable, as JCBC does not have employees.

- C. Obtain the JCBC'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:

Not applicable, as JCBC does not have employees.

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

Not applicable, as JCBC does not have employees.

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

Not applicable, as JCBC does not have employees.

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

Not applicable, as JCBC does not have employees.

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

Not applicable, as JCBC does not have employees.

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

Not applicable, as JCBC does not have employees.

Management's Overall Response to Exceptions:

There were no exceptions noted.