

CHARLIE CALDWELL, JR. CITY MARSHAL

SHREVEPORT, LOUISIANA

FINANCIAL STATEMENTS

December 25, 2021

Marsha O. Millican
A Professional Accounting Corporation
Shreveport, Louisiana

CHARLIE CALDWELL, JR. SHREVEPORT MARSHAL

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CHARLIE CALDWELL, JR. SHREVEPORT MARSHAL

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Marsha O. Millican

A PROFESSIONAL ACCOUNTING CORPORATION

INDEPENDENT AUDITOR'S REPORT

Charlie Caldwell, Jr. City Marshal
City of Shreveport City Court
Shreveport, Louisiana

Opinion

I have audited the accompanying financial statements of the governmental activities, each major fund, and the fiduciary funds of Charlie Caldwell, Jr. City Marshal, a component unit of the City of Shreveport, as of and for the year ended December 25, 2021, and the related notes to the financial statements, which collectively comprise the Marshal's basic financial statements as listed in the table of contents.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the fiduciary funds of Charlie Caldwell, Jr. City Marshal as of December 25, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and *the Louisiana Governmental Audit Guide*. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the Charlie Caldwell, Jr. City Marshal and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Charlie Caldwell, Jr. City Marshal'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

My 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 my 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 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, I:

- 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 Charlie Caldwell, Jr. City Marshal'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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Charlie Caldwell, Jr. City Marshal's ability to continue as a going concern for a reasonable period of time.

I am 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 I 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 and the Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information


My audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Charlie Caldwell, Jr. City Marshal's basic financial statements. The Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Agency Head and the Justice System Funding Schedule – Collecting/Disbursements Entity are presented for purposes of additional analysis and are 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued my report dated May 31, 2022 on my consideration of Charlie Caldwell, Jr. Shreveport Marshal's internal control over financial reporting and on my tests of its compliance with certain provisions of law, 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 Charlie Caldwell, Jr. Shreveport Marshal's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Louisiana Legislative Auditor, I have issued a report, dated May 31, 2022 on the results of my statewide agreed-upon procedures performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards*. The purpose of that report is solely to describe the scope of testing performed on those control and compliance areas identified in the Louisiana Legislative Auditor's statewide agreed-upon procedures, and the results of that testing, and not to provide an opinion on control or compliance.

A handwritten signature in cursive script that reads "Marsha D. Mullican".

Certified Public Accountant
May 31, 2022

CHARLIE CALDWELL, JR. SHREVEPORT CITY MARSHAL
1244 TEXAS AVENUE
SHREVEPORT, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Shreveport City Marshal's (hereafter referred to as the City Marshal) annual financial report presents an overview and analysis of the City Marshal's financial activities for the year ended December 25, 2021. The intent of the MD&A is to look at the City Marshal's financial performance as a whole. It should therefore be read in conjunction with this report. Certain comparative information is presented to provide an overview of the City Marshal's operations.

Financial Highlights

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the City Marshal as a whole and presents a longer-term view of the City Marshal's finances. These statements tell how these services were financed in the short-term as well as what remains for future spending.

Government-Wide Financial Statements

- The Statement of Net Position presents all of the City Marshal's assets and liabilities, with the difference between the two reported as "net position". Over time, increases or decreases in the City Marshal's net position may serve as a useful indicator of whether the financial position of the City Marshal is improving or deteriorating.
- The Statement of Activities presents information showing how the City Marshal's net position changed during the current year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Therefore some revenues and some expenses that are reported in this statement will not result in cash flows until future years.

Fund Financial Statements

The services provided by the City Marshal are financed through a governmental fund. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City Marshal uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The City Marshal conducts its day to day operations through a governmental fund, the General Fund. These statements provide a short-term view of the City Marshal's finances and assists in determining whether there will be adequate financial resources available to meet the current needs of the City Marshal. The City Marshal also maintains two Fiduciary Funds. As Fiduciary Funds are simply held for other parties and cannot be used for any of the City Marshal's activities, it is not included in the government-wide statement, but is separately reported in the statements of the Fiduciary Funds.

A summary of the basic government-wide financial statements as of December 25, is as follows:

Summary of Statement of Net Position

	<u>2021</u>	<u>2020</u>
ASSETS:		
Current Assets	\$ 769,288	\$ 701,082
Capital Assets, Net of Accumulated Depreciation	<u>1,253,153</u>	<u>1,392,695</u>
Total Assets	<u>2,022,441</u>	<u>2,093,777</u>
LIABILITIES:		
Accounts Payable	<u>19,229</u>	<u>20,578</u>
Total Liabilities	<u>19,229</u>	<u>20,578</u>
NET POSITION:		
Net Investment in Capital Assets	1,253,153	1,392,695
Unrestricted	<u>750,059</u>	<u>680,504</u>
Total Net Position	<u>\$ 2,003,212</u>	<u>\$ 2,073,199</u>

Summary of Statement of Activities

	<u>2021</u>	<u>2020</u>
REVENUES:		
Charges for Services	\$ 750,215	\$ 775,491
On-Behalf Payments-City of Shreveport	2,379,868	2,176,103
Miscellaneous	<u>2,689</u>	<u>6,074</u>
Total Revenues	<u>3,132,772</u>	<u>2,957,668</u>
EXPENSES:		
Operating Expenses	822,891	835,606
On-Behalf Payments-City of Shreveport	<u>2,379,868</u>	<u>2,176,103</u>
Total Expenses	<u>3,202,759</u>	<u>3,011,709</u>
Change in Net Position	<u>\$ (69,987)</u>	<u>\$ (54,041)</u>

- The City Marshal's assets exceeded its liabilities by \$2,003,212. This is a decrease of \$69,987. from the prior year.

- Unrestricted fund balance in the governmental funds increased by \$69,555 from the prior year.

General Fund Budgetary Highlights

Revenues were under budget by \$1,665 and expenditures were over budget by \$41,032.

Economic Factors and Next Year's Budget

The City Marshal considered many factors when setting the budget for 2022. Revenues are expected to remain constant.

Contacting the City Marshal

This financial report is designed to provide our citizens and creditors with a general overview of the City Marshal's finances and to show the City Marshal's accountability for the money it receives. Any questions about this report or requests for additional information may be directed to Charlie Caldwell, Jr. City Marshal, 1244 Texas Street, Shreveport, LA 71101.

CHARLIE CALDWELL, JR. CITY MARSHAL

Statement of Net Position

December 25, 2021

	<u>Governmental Activities</u>
Assets	
Cash and cash equivalents	\$ 769,288
Capital assets - net of accumulated depreciation	<u>1,253,153</u>
Total Assets	<u>2,022,441</u>
Deferred Outflow of Resources	<u>-</u>
Liabilities	
Accounts payable	<u>19,229</u>
Total Liabilities	<u>19,229</u>
Deferred Inflows of Resources	<u>-</u>
Net Position	
Invested in capital assets, net of related debt	1,253,153
Unrestricted	<u>750,059</u>
Net Position	<u><u>\$ 2,003,212</u></u>

The notes to the financial statements are an integral part of this statement.

CHARLIE CALDWELL, JR CITY MARSHAL
Statement of Activities
For the Year Ended December 25, 2021

	<u>Expenses</u>	<u>Program Revenues</u> Fees, Fines, and Charges for Services	<u>Operating</u> Contributions	<u>Net (Expense) Revenue and</u> <u>Changes in Net Position</u>
				<u>Total</u>
Governmental Activities:				
General Government	\$ 3,202,759	\$ 750,215	\$ 2,379,868	\$ (72,676)
Total Governmental Activities	<u>\$ 3,202,759</u>	<u>\$ 750,215</u>	<u>\$ 2,379,868</u>	<u>(72,676)</u>
 General Revenues:				
Interest Income				2,689
Total General Revenues				<u>2,689</u>
 Change in Net Position				(69,987)
Net Position, beginning of year				<u>2,073,199</u>
Net Position, end of year				<u>\$ 2,003,212</u>

The notes to the financial statements are an integral part of this financial statement.

CHARLIE CALDWELL, JR. CITY MARSHAL

Balance Sheet
Governmental Fund
December 25, 2021

ASSETS	
Cash	<u>\$ 769,288</u>
Total assets	<u><u>\$ 769,288</u></u>
LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts payable and accruals	<u>\$ 19,229</u>
Total liabilities	<u>19,229</u>
Fund balances	
Unassigned	<u>750,059</u>
Total fund balance	<u>750,059</u>
Total liabilities and fund balance	<u><u>\$ 769,288</u></u>

The notes to the financial statements are an integral part of this statement.

CHARLIE CALDWELL, JR. CITY MARSHAL
Reconciliation of Fund Balances on the Balance Sheet
for Governmental Funds to Net Position of
Governmental Activities on the Statement of Net Position
Year Ended December 25, 2021

Fund Balances - Total Governmental Funds	750,059
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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 funds:	<u>1,253,153</u>
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Net Position of Governmental Activities	<u>\$ 2,003,212</u>
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The notes to the financial statements are an integral part of this statement.

CHARLIE CALWELL, JR. CITY MARSHAL
Statement of Governmental Funds Revenues, Expenditures, and
Changes in Fund Balance
Year Ended December 25, 2021

Program revenues:	
Marshal charge for services from fines and bond forfeitures	\$ 750,215
Payments from the City of Shreveport	2,379,868
Interest earned	<u>2,689</u>
Total revenues	<u>3,132,772</u>
Expenditures/expenses:	
General government	
Communication	40,825
Dare program expenses	1,990
Dues	2,965
Fuel	112,981
Office expense	73,629
Miscellaneous	1,289
Personal services	2,344,614
Postage	6,781
Professional fees	106,837
Repairs and maintenance	149,727
Security alarm system	11,904
Telephone	35,742
Training and Travel	41,642
Uniforms	34,488
Utilities	6,984
Weapons	7,832
Capital outlay	<u>82,987</u>
Total expenditures/expenses	<u>3,063,217</u>
Changes in fund balance	69,555
Fund balance, beginning of year	<u>680,504</u>
Fund balance, end of year	<u><u>\$ 750,059</u></u>

The notes to the financial statements are an integral part of this statement.

CHARLIE CALDWELL, JR. CITY MARSHAL

Reconciliation of the Statement of Reveues, Expenditures
and Changes in Fund Balance of Governmental Funds
to the Statement of Activities

December 25, 2021

Net changes in Fund Balances - Total Government Funds	\$	69,555
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The change in Net Position reported for governmental activities
in the statement of activities is different because:

Governmental funds report capital outlay as expenditures.
However, in the statement of activities the cost of those
assets is allocated over their estimated useful lives and
reported as depreciation expense. This is the amount by
which depreciation (\$222,529) exceeds capital outlay
(\$82,987).

(139,542)

Change in net position of Governmental Activities

\$ (69,987)

The notes to the financial statements are an integral part of this report.

CHARLIE CALDWELL, JR, CITY MARSHAL

Statement of Fiduciary Net Position
December 25, 2021

	Agency Funds		
	<u>Cash Bonds</u>	<u>Garnishments</u>	<u>Total</u>
<u>ASSETS</u>			
Cash and cash equivalents	<u>\$ 233,458</u>	<u>\$ -</u>	<u>\$ 233,458</u>
Total assets	<u><u>\$ 233,458</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 233,458</u></u>
<u>LIABILITIES</u>			
Due to defendants - surety	<u>\$ 233,458</u>	<u>\$ -</u>	<u>\$ 233,458</u>
Total liabilities	<u><u>\$ 233,458</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 233,458</u></u>

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

Charlie Caldwell, City of Shreveport City Marshal
Notes to Financial Statements
December 25, 2021

1. Introduction:

As provided by Louisiana Statutes, the City Marshal is the executive officer of the City Court. The City Marshal shall execute the orders and mandates of the Court system of the City of Shreveport, Louisiana. The City Marshal is elected to a term of six years.

2. Summary of Significant Accounting Policies:

The accompanying component unit financial statements of the City of Shreveport, City Marshal, have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. Reporting Entity -

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

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the City of Shreveport for financial reporting purposes. The basic criteria for including a potential component within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. The criteria includes:

1. Appointing a voting majority of an organization's governing body and:
 - a. The ability of the city 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 city.
2. Organizations for which the city does not appoint a voting majority but are fiscally dependent on the city.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because of item 2 above, the City of Shreveport, City Marshal, was determined to be a component unit of the City of Shreveport, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the City Marshal and do not present information on the City, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

B. Basis of Presentation -

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and Statement of Activities report information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

The Statement of Net Position presents the governmental-type activities on a consolidated basis, and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the City Marshal's governmental activities. Direct expenses are those that are specifically associated with a program or function. Program revenues include (a) fees and charges paid by the recipient for goods or services offered by the program, and (b) grants and contributions that are restricted for meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

C. Fund Accounting -

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

The City Marshal maintains three funds. They are categorized as a governmental fund and two fiduciary funds. The emphasis on fund financial statements is on major governmental funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity

The funds of the City Marshal are described below:

Governmental Fund -

General Fund

The General Fund is the general operating fund of the City Marshal. It is used to account for all financial resources except those required to be accounted for in another fund.

Fiduciary Fund -

Fiduciary Funds are used to account for assets held by the City Marshal in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Fiduciary funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities of the City Marshal, these funds are not incorporated into the government-wide statements.

D. Measurement Focus/Basis of Accounting -

Basis of accounting refers to when revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Accrual Basis - Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the City Marshal's office as a whole. Both of these statements have been prepared using the economic measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange-like transactions are recognized when the exchange takes place.

Modified Accrual Basis - Fund Financial Statements (FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., when they are both measurable and available. "Measurable" means the amount of the transaction can be determined; and "available" means collectible within the current period or soon enough thereafter to pay liabilities or the current period. The City Marshal considers all revenues "available" if collected within 60 days after year-end. Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred. The exceptions to this general rule are that (1) unmatured principal and interest on long-term debt, if any, are recorded when due,

and (2) claims and judgements and compensated absences are recorded expenditures when paid with expendable available financial resources.

E. Assets, Liabilities, and Equity -

Cash and Interest-Bearing Deposits -

For purposes of the Statement of Net Position, cash and cash equivalents include all interest-bearing deposits, demand accounts and savings accounts of the City Marshal.

Capital Assets -

Capital assets, which include property, plant and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The City Marshal maintains a threshold level of \$1,000 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of that asset or materially extend the life of that asset are not capitalized.

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. The useful lives by type of asset is as follows:

Buildings	40 years
Furniture, computers	5 years
Radios	10 years
Vehicles	7 years
Weapons	7 years

Compensated Absences -

Employees of the City Marshal are paid by the City of Shreveport, including any leave payments; therefore there are no entries made to record compensated absences in the funds of the City Marshal.

Equity Classifications -

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

- a. Net investments in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net resources with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provision or enabling legislation.
- c. Unrestricted net position - All other net resources that do not meet the definition of "restricted" or "net investment in capital assets".

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

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

- a. Nonspendable fund balance - amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;
- b. Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- c. Committed fund balance - amounts constrained to specific purposes by a government itself. Using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- d. Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by a governing body or by an official or body to which the governing body delegates authority;
- e. Unassigned fund balance - amounts that are available for any purpose. Only the General Fund would report positive amounts in unassigned fund balance.

The General Fund has an unassigned fund balance of \$750,059. If applicable, the City Marshal would typically use restricted fund balances first, followed by committed fund balance.

F. Budgetary Practices -

Prior to the beginning of each fiscal year, the City Marshal adopts a budget for the next fiscal year. The budget is open for public inspection and all budgetary appropriations lapse at the end of the fiscal year. The budget is prepared on the modified accrual basis of accounting.

The City Marshal's office performs only a custodial function in the case of fiduciary funds and therefore a budget for these funds is not appropriate.

G. 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.

3. On-Behalf Payments:

Employees of the City Marshal's office receive salaries and fringe benefits from the City of Shreveport, including supplemental pay from the State of Louisiana. Fringe benefits paid by the City include the required contributions to the Louisiana Municipal Employees Retirement System.

Salaries	\$ 1,602,294
Fringe Benefits	742,320
Operating Expense	<u>35,254</u>
Total	<u>\$ 2,379,868</u>

In accordance with GASB Statement No. 24, the City Marshal's office has recorded revenues and expenditures for these receipts and payments.

4. Litigation:

The City Marshal is not a defendant in any lawsuits seeking damages for the year ended December 25, 2021.

5. Cash and Cash Equivalents:

The cash and cash equivalents of Charlie Caldwell, Jr. City Marshal, Shreveport, Louisiana are subject to the following risk:

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City Marshal's office will not be able to recover its deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial mutually acceptable to both parties. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the City Marshal that the fiscal agent bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the City Marshal's name.

Book account balances at December 25, 2021 totaled \$1,002,746. Bank balances totaled \$2,003,931. Bank balances of \$799,519 were insured by FDIC insurance and balances of \$1,204,412 were collateralized by securities held by the pledging financial institution's trust department at fair market value (*Risk Category 3*).

6. Capital Assets

Capital assets for the year ended December 25, 2021, are as follows:

<u>Cost</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Buildings	\$ 614,260	\$ -	\$ -	\$ 614,260
Vehicles	1,788,162	55,443	-	1,843,605
Communications	395,796	27,544	-	423,340
Computers	73,692	-	-	73,692
Other Equipment	377,754	-	-	377,754
Weapons	64,851	-	-	64,851
Total	\$ 3,314,515	\$ 82,987	\$ -	\$ 3,397,502
<u>Accumulated Depreciation</u>				
Buildings	67,179	20,857	-	88,036
Vehicles	1,206,571	154,395	-	1,360,966
Communications	174,577	37,440	-	212,017
Computers	73,691	-	-	73,691
Other Equipment	353,826	6,422	-	360,248
Weapons	45,976	3,415	-	49,391
Total	1,921,820	222,529	-	2,144,349
Net Capital Assets	\$ 1,392,695	\$ (139,542)	\$ -	\$ 1,253,153

7. Changes in Fiduciary Fund - Agency Funds:

The following is a summary of changes in agency funds unsettled balances for the year ended December 25, 2021:

Fund	<u>Balance 12/25/2020</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/25/2021</u>
Garnishments	\$ -	\$ 1,994,966	\$ 1,994,966	\$ -
Sales & Seizures	<u>387,823</u>	<u>95,960</u>	<u>250,325</u>	<u>233,458</u>
Totals	<u>\$ 387,823</u>	<u>\$ 2,090,926</u>	<u>\$ 2,245,291</u>	<u>\$ 233,458</u>

8. Subsequent Events:

Management has evaluated subsequent events through May 31, 2022, the date the financial statements were available to be issued, and determined no additional disclosures are warranted.

CHARLIE CALDWELL, JR. CITY MARSHAL

Budgetary Comparison Schedule

General Fund

Year Ended December 25, 2021

	<u>Original</u>	<u>Amended</u>	<u>Budgetary Basis Actual</u>	<u>Variance With Final Budget Pos./ (Neg.)</u>
Revenues:				
Marshal charge for services from fines and bond forfeitures	\$ 747,440	\$ 751,880	\$ 750,215	\$ (1,665)
Investment earnings	1,405	1,900	2,689	789
Miscellaneous	29,436	-	-	-
Total revenues	<u>778,281</u>	<u>753,780</u>	<u>752,904</u>	<u>(876)</u>
Expenditures/expenses:				
Court services:				
Communication	25,000	40,000	40,825	(825)
Dare program expenses	-	-	1,990	(1,990)
Dues	1,000	3,000	2,965	35
Fuel	70,000	115,000	112,981	2,019
Miscellaneous	12,568	1,300	1,289	11
Office expense	75,050	39,136	38,375	761
Postage	9,200	8,000	6,781	1,219
Professional fees	50,000	115,000	106,837	8,163
Repairs and maintenance	190,000	160,000	149,727	10,273
Security alarm	17,000	17,000	11,904	5,096
Telephone	40,000	35,000	35,742	(742)
Training and travel	45,000	42,581	41,642	939
Uniforms	50,000	48,000	34,488	13,512
Utilities	5,000	6,000	6,984	(984)
Weapons	10,000	7,000	7,832	(832)
Capital outlay	150,000	53,000	82,987	(29,987)
Total expenditures	<u>749,818</u>	<u>690,017</u>	<u>683,349</u>	<u>6,668</u>
Excess (deficiency) of revenues over expenditures	28,463	63,763	69,555	5,792
Beginning fund balance	<u>680,504</u>	<u>680,504</u>	<u>680,504</u>	<u>-</u>
Ending fund balance	<u>\$ 708,967</u>	<u>\$ 744,267</u>	<u>\$ 750,059</u>	<u>\$ 5,792</u>

CHARLIE CALDWELL, JR. CITY MARSHAL

Notes to the Budgetary Comparison Schedule

Year ended December 25, 2021

Note A - Explanation of Differences between Budgetary Inflows and Outflows and Actual Revenue and Expenditures

Source/Inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule \$ 752,904

Differences-budget to GAAP

City of Shreveport on-behalf payments 2,379,868

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balance-governmental funds \$3,132,772

Uses/Outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule \$ 683,349

Differences-budget to GAAP

City of Shreveport on-behalf payments 2,379,868

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balance-governmental funds \$3,063,217

CHARLIE CALDWELL, JR., SHREVEPORT CITY MARSHAL

JUSTICE SYSTEM FUNDING SCHEDULE - COLLECTING/ DISBURSING ENTITY
AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION

For the Year Ended December 25, 2021

	First Six Month Period Ended June 25, 2021	Second Six Month Period December 25, 2021
Cash Presentation		
Beginning Balance of Amounts Collected	\$ 687	\$ -
Add: Collections		
Civil Fees	158,596	60,357
Criminal Court Costs/Fees	587,164	137,785
Subtotal Collections	745,760	198,142
Less: Disbursements to Governments & Nonprofits		
City of Shreveport - Criminal Fines - Other	264,953	59,000
State of Louisiana - CMIS- Criminal Fines	11,051	3,216
North Louisiana Crime Fund - Criminal Court Costs/Fees	127,173	38,539
Louisiana Supreme Court - Criminal Court Costs/Fees	1,030	228
Caddo Parish District Attorney - Criminal Court Costs/Fees	4,700	1,183
Caddo Parish District Defender Program - Criminal Court Costs/Fees	161,342	48,078
State of Louisiana - HRS-HSCI - Criminal Court Costs/Fees	4,025	1,195
Louisiana Department of Public Safety - Criminal Court Costs/Fees	7,918	2,470
Louisiana Commission on Law Enforcement - Criminal Court Costs/Fees	11,628	3,119
Total Disbursements to Governments & Nonprofits	593,820	157,028
Less: Amounts Retained by Collecting Agency	54,572	16,670
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Payments to 3rd Party Collection/Processing Agencies	98,055	24,444
Subtotal Disbursements/Retainage	746,447	198,142
Total Ending Balances Collect but not Disbursed (Cash on Hand)	\$ -	\$ -

CHARLIE CALDWELL, JR. CITY MARSHAL
Schedule of Compensation, Reimbursements, Benefits and Other Payments
to Agency Head
For the Year Ended December 25, 2021

Agency Head: Charlie Caldwell, Jr. City Marshal

Salary	<u>\$ 114,400</u>
Payroll Taxes	<u>\$ 1,725</u>
Insurance	<u>\$ 11,733</u>
Retirement	<u>\$ 36,120</u>
Per Diem	<u>\$ 4,366</u>
Registration Fees	<u>\$ 100</u>
Dues/Membership Fees	<u>\$ 655</u>



Marsha O. Millican

A PROFESSIONAL ACCOUNTING CORPORATION

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

Charlie Caldwell, Jr. Shreveport Marshal
City of Shreveport City Court
Shreveport, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the fiduciary funds of Charlie Caldwell, Jr. City Marshal, as of and for the year ended December 25, 2021 and the related notes to the financial statements, which collectively comprise Charlie Caldwell, Jr. City Marshal's basic financial statements, and have issued my report thereon dated May 31, 2022.

Report on Internal Control over Financial Reporting

In planning and performing my audit of the financial statements, I considered Charlie Caldwell, Jr. City Marshal's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Charlie Caldwell, Jr. City Marshal's internal control. Accordingly, I do not express an opinion on the effectiveness of Charlie Caldwell, Jr. City Marshal's internal control.

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

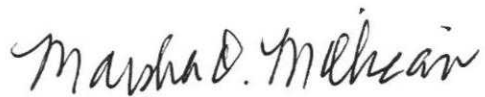
My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during my audit I did not identify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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Charlie Caldwell, Jr. City Marshal's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my 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 my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Charlie Caldwell, Jr. City Marshal's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 25:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

A handwritten signature in cursive script that reads "Marsha D. McKeon".

Certified Public Accountant
May 31, 2021

CHARLIE CALDWELL, JR. CITY MARSHAL

Corrective Action Taken on Prior Year Findings

Year Ended December 25, 2021

Finding #2020-1: The Marshal was not in compliance with the state budget law.

Status: Resolved.

CHARLIE CALDWELL, JR. CITY MARSHAL

Schedule of Findings

Year Ended December 25, 2021

1. The auditor's report expresses an unmodified opinion on the financial statements.
2. No significant deficiencies in internal accounting control were disclosed during the audit.
3. No instances of noncompliance material to the financial statements of the Marshal were disclosed during the audit.

There were no findings for the year ended December 25, 2021.



Marsha O. Millican

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING STATEWIDE AGREED-UPON PROCEDURES

Charlie Caldwell, Jr., City Marshal
City of Shreveport City Court
Shreveport, Louisiana

I have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPS) for the fiscal period December 26, 2020 through December 25, 2021. Management of Charlie Caldwell, Jr. City Marshal is responsible for those C/C areas identified in the SAUPS.

Charlie Caldwell Jr., City Marshal 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 SAUP's for the fiscal period December 26, 2020 through December 25, 2021. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

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

- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- h) **Travel and expense reimbursements**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibition as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from a network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Results:

The Marshal's office has no debt service. All other written policies and procedures were obtained and address the functions noted above.

Board or Finance Committee

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

Results:

This procedure is not applicable because the City Marshal is a component unit of the City of Shreveport. The Marshal is the Executive Officer of the Court and has no governing board.

Bank Reconciliations

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

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

Results:

A complete listing of bank accounts was obtained from management with only one main operating account.

- a) **All bank reconciliations include evidence that they were prepared within 2 months of the related closing date.**
- b) **Bank reconciliations include no evidence that a member of management who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged).**
- c) **Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date.**

Management's Response: We will have a member of management who does not handle cash, post ledgers, or issue checks review each bank statement in the future.

Collections (excluding electronic funds transfers)

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

The only deposit site for the Marshal was 1244 Texas Avenue, Shreveport, Louisiana 71101. As of July 31, 2021, Shreveport City Court took over all collections.

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

The only collection site for the Marshal was 1244 Texas Avenue, Shreveport, Louisiana 71101. As of July 31, 2021, Shreveport City Court took over all collections.

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

Employees who were responsible for cash collections did not share cash drawers.

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

Employees responsible for collections were not responsible for preparing/making bank deposits.

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

Employees responsible for collecting cash were not involved in posting general ledger or subsidiary ledgers.

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

Employees responsible for reconciling cash collections to the general ledger and subsidiary ledgers were not responsible for collecting cash

Results: No exceptions noted.

- 6. 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 enforced during the fiscal period.

Results: Employees who handle cash were not bonded. The Marshal ceased collecting cash as of July 31, 2021.

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

Results: No exceptions noted.

- a) Observe that receipts are sequentially pre-numbered.

Results: No exception noted.

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

Results: No exceptions noted.

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

Deposits were made within one business day of receipt.

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

Deposits were traced to the bank statement and to the general ledger.

Results: No exceptions noted.

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

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

All payments were processed at 1244 Texas Avenue, Shreveport, Louisiana 71101.

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

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

Results: No exceptions noted.

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

Results: No exceptions noted.

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

The employee responsible for processing payments does not choose vendors; however, that person does enter new vendors into the accounting system.

Management's Response - Another employee, other than the one processing payments, will periodically review the changes to vendor files in the future.

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

Results: No exception noted.

[Note: Exceptions to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
 - a) Observe that the disbursement matched the related original itemized invoice and that supporting documentation indicates that deliverables included on the invoice were received by the entity.

Results: No exception noted.

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

Results: No exception noted.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

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

Results: No exceptions noted.

12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select on monthly bank statement), obtain supporting documentation, and:
 - a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was received and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

Results: No exceptions noted.

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

Results: No exceptions noted.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioners should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Results: No exceptions noted.

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

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

- a) If reimbursed using a per diem, observe 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).

Results: No exceptions noted.

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

Results: No exceptions noted.

- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

Results: No exceptions noted.

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

Results: No exceptions noted.

Contracts

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

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

Results: No exceptions noted.

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

Results: No exceptions noted.

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

Results: No exceptions noted.

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

Results: No exceptions noted.

Payroll and Personnel

16. Obtain a list 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 salaries and personnel files, and agree paid salaries to authorized salaries/ pay rates in the personnel files.

Results: No exceptions noted.

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

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

Results: No exceptions noted.

- b) Observe that supervisors approved the attendance and leave of the selected employees of officials.

Results: No exceptions noted.

- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's accumulative leave records.

Results: No exceptions noted.

- d) Observe that the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

Note: No exceptions noted.

18. 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 the entity policy on termination payments. Agree the hours to the employees' or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or official's personnel files, and agree the termination payment to entity policy.

Results: No exceptions noted.

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

Results: No exceptions noted.

Ethics

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

- a) Observe that the documentation demonstrates each employee/official completed on hour of ethics training during the fiscal period.

Results: No exceptions noted.

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

Results: No exceptions noted.

Debt Service

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

The Marshal has no outstanding debt.

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

The Marshal has no outstanding debt.

Fraud Notice

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

Results: No exceptions noted.

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

Results: No exceptions noted.

Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures, **verbally discuss the results with management, and report, "I performed the procedure and discussed the results with management."**
- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.
 - b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
 - c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

I performed the procedures and discussed the results with management.

Sexual Harassment

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

Results: No exceptions noted.

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

Results: No exceptions noted.

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

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

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

Results: No exceptions noted.

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

I am required to be independent of the Marshal's office and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements related to my 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.



Certified Public Accountant
May 31, 2022