

ALLEN PARISH CLERK OF COURT
Oberlin, Louisiana

Audited Financial Statements
and Independent Auditors' Report

For the Year Ended June 30, 2023

Royce T. Scimemi, CPA, APAC
Oberlin, LA

**ALLEN PARISH CLERK OF COURT
Oberlin, Louisiana**

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

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INDEPENDENT AUDITORS' REPORT

December 29, 2023

HONORABLE STACEY C. HURST
ALLEN PARISH CLERK OF COURT
Oberlin, Louisiana

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Allen Parish Clerk of Court (the "Clerk"), a component unit of the Allen Parish Police Jury, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Clerk's basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Clerk and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibility of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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, 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 Clerk's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Clerk's ability to continue as a going concern for a reasonable period.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedule, the schedule of Clerk's proportionate share of net pension liability, and schedule of Clerk's pension plan contributions on pages 32 through 35 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. 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.

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

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

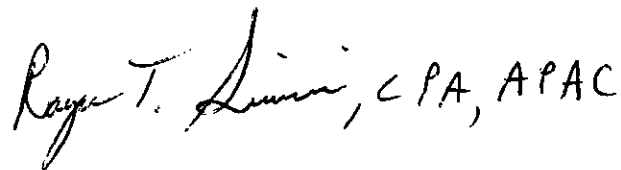
Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Clerk's basic financial statements. The schedule of compensation, benefits and other payments to chief executive officer, the justice system funding schedule for a collecting/disbursing entity, and the justice system funding schedule for a receiving entity presented on pages 37 through 39 as other supplementary information (OSI) 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 our opinion this OSI is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2023, on our consideration of the Clerk'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 solely 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 the effectiveness of the Clerk's 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 Clerk's internal control over financial reporting and compliance.

Royce T. Scimemi, CPA, APAC
December 29, 2023



BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS
(GWFS)**

**ALLEN PARISH CLERK OF COURT
Oberlin, Louisiana**

**Statement of Net Position
June 30, 2023**

		Primary Government Governmental Activities
ASSETS		
Cash and certificates of deposit	\$	1,240,144
Accounts receivable		53,965
Capital assets, net		184,327
Total Assets		1,478,436
DEFERRED OUTFLOWS OF RESOURCES		
Pension related deferred outflows		420,317
Total Deferred Outflows of Resources		420,317
LIABILITIES		
Accounts payable		5,545
Net pension liability		1,018,466
Total Liabilities		1,024,011
DEFERRED INFLOWS OF RESOURCES		
Pension related deferred inflows		85,483
Total Deferred Inflows of Resources		85,483
NET POSITION		
<i>Invested in capital assets, net</i>		184,327
<i>Unrestricted</i>		604,932
Total Net Position	\$	789,259

See accompanying notes.

**ALLEN PARISH CLERK OF COURT
Oberlin, Louisiana**

**Statement of Activities
For the Year Ended June 30, 2023**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government
					Governmental Activities
Primary Government					
Governmental Activities:					
Court administration	\$ 850,329	\$ 930,064	\$ —	\$ 115,280	\$ 195,015
Total Governmental Activities	850,329	930,064	—	115,280	195,015
		General Revenues:			
					50,866
					2,599
					53,465
					248,480
					540,779
					\$ 789,259

See accompanying notes.

**FUND FINANCIAL STATEMENTS
(FFS)**

**ALLEN PARISH CLERK OF COURT
Oberlin, Louisiana**

**Balance Sheet
Governmental Fund
June 30, 2023**

		Salary Fund
ASSETS		
Cash and certificates of deposit	\$	1,240,144
Accounts receivable		53,965
Total Assets		1,294,109
DEFERRED OUTFLOWS OF RESOURCES		
Aggregated deferred outflows		--
Total Assets and Deferred Outflows of Resources	\$	1,294,109
LIABILITIES		
Accounts payable	\$	5,545
Total Liabilities		5,545
DEFERRED INFLOWS OF RESOURCES		
Aggregated deferred inflows		--
Total Liabilities and Deferred Inflows of Resources		5,545
FUND BALANCE		
Unassigned		1,288,564
Total Fund Balance		1,288,564
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$	1,294,109

See accompanying notes.

**ALLEN PARISH CLERK OF COURT
Oberlin, Louisiana**

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

Total Fund Balance - Governmental Fund	\$	1,288,564
Pension related changes in net pension liability that are reported as deferred inflows of resources only on the Statement of Net Position and not on the governmental fund Balance Sheet.		(85,483)
Pension related changes in net pension liability that are reported as deferred outflows of resources only on the Statement of Net Position and not on the governmental fund Balance Sheet.		420,317
Fixed assets are capitalized in the Statement of Net Position and depreciated in the Statement of Activities. These are expensed when acquired in the Statement of Revenues, Expenditures, and Changes in Fund Balance.		184,327
Net pension liability reflected on the Statement of Net Position but not on the governmental fund balance sheet.		(1,018,466)
Total Net Position - Governmental Activities	\$	<u>789,259</u>

See accompanying notes.

**ALLEN PARISH CLERK OF COURT
Oberlin, Louisiana**

**Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Fund
For the Year Ended June 30, 2023**

		Salary Fund
Revenues		
Licenses and permits	\$	3,025
Fees, charges, court costs, and commissions for services		203,505
Fees for recording legal documents		642,431
Fees for certified copies, copies, scans, and faxes		81,103
Interest income		2,599
Intergovernmental		115,280
Total Revenues		1,047,943
Expenditures		
Current:		
Personal services and related benefits		613,612
Operating services		104,632
Materials and supplies		35,447
Capital outlays		156,162
Total Expenditures		909,853
Net Change in Fund Balance		138,090
<i>Fund Balance at Beginning of Period</i>		<i>1,150,474</i>
Fund Balance at End of Period	\$	1,288,564

See accompanying notes.

**ALLEN PARISH CLERK OF COURT
Oberlin, Louisiana**

**Reconciliation of Governmental Fund Statement of Revenues, Expenditures, and
Changes in Fund Balance to Statement of Activities
For the Year Ended June 30, 2023**

		General Fund
Total Net Change in Fund Balance - Governmental Fund	\$	138,090
Fixed assets expensed as capital outlay in governmental fund statements, capitalized as fixed assets in Statement of Net Position.		156,162
Depreciation expense reflected in entity wide statements, not reflected in governmental fund statement.		(27,407)
<i>Contributions to retirement systems by non-employers</i>		50,866
Pension expense is based on employer contributions in the government funds Statement of Revenues, Expenditures, and Changes in Net Position and actuarial calculated expense on the Statement of Activities.		(67,765)
Basis in assets disposed of during the year.		(1,466)
Changes in Net Position - Governmental Activities	\$	<u>248,480</u>

See accompanying notes.

**ALLEN PARISH CLERK OF COURT
Oberlin, Louisiana**

**Statement of Fiduciary Net Position – Custodial Funds
June 30, 2023**

ASSETS

Non-interest-bearing demand deposits	\$ 540,284
Interest-bearing demand deposits	359,225
Time deposits/Certificates of deposit	<u>206,895</u>
 TOTAL ASSETS	 <u>\$1,106,404</u>

NET POSITION

Restricted for:	
Individuals, organizations and other governments	<u>1,106,404</u>
 TOTAL NET POSITION	 <u>\$1,106,404</u>

See accompanying notes.

**ALLEN PARISH CLERK OF COURT
Oberlin, Louisiana**

**Statement of Changes in Fiduciary Net Position – Custodial Funds
For the Year Ended June 30, 2023**

Additions:	
Suits and successions	\$1,681,074
Fines and costs	49,937
Interest	<u>298</u>
Total Additions	1,731,309
Deductions	
Sheriffs' fees	47,870
Clerk's costs (transferred to Salary Fund)	335,069
Settlement to litigants/others	1,329,737
Other deductions	<u>36,219</u>
Total Deductions	<u>1,748,895</u>
Changes in Fiduciary Net Position	\$ (17,586)
Net Position, beginning of year	<u>1,123,990</u>
Net Position, end of year	<u>\$1,106,404</u>

See accompanying notes.

ALLEN PARISH CLERK OF COURT
Oberlin, Louisiana

Notes to Basic Financial Statements
June 30, 2023

A. Summary of Significant Accounting Policies

As provided by Article V, Section 28 of the Louisiana Constitution of 1974, the Allen Parish Clerk of Court (“Clerk of Court”) serves Allen Parish as the ex-officio notary public and the recorder of conveyances, mortgages and other acts, having such other duties and powers as provided by law. The Clerk of Court is elected for a term of four years.

The accounting and reporting policies of the Clerk of Court conform to generally accepted accounting principles as applied to governments and to the requirements of the industry audit guide, *Audits of State and Local Governments*. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions on or before November 30, 1989 have been applied unless those pronouncements conflict with or contradict Governmental Accounting Standards Board (GASB) pronouncements, in which case, GASB prevails. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

1. Financial Reporting Entity

As the governing authority of the parish, for reporting purposes, the Allen Parish Police Jury is the financial reporting entity for Allen Parish. The financial reporting entity consists of (a) the primary government (policy jury), (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.

GASB Statement No. 14 established criteria for determining which component units should be considered part of the Allen Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include:

- a. Appointing a voting majority of an organization’s governing body, and
 - (i) the ability of the police jury to impose its will on that organization, and/or
 - (ii) the potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
- b. Organizations for which the police jury does not appoint a voting majority but which are fiscally dependent on the police jury.
- c. 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.

ALLEN PARISH CLERK OF COURT
Oberlin, Louisiana

Notes to Basic Financial Statements-Continued
June 30, 2023

Because the police jury provides financial benefits that make the Clerk of Court fiscally dependent, the Clerk of Court was determined to be a component unit of the Allen Parish Police Jury. The accompanying financial statements present information only on the funds maintained by the Clerk of Court, which is the financial reporting entity for purposes of this report, and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the Allen Parish Police Jury. The Clerk of Court has no component units.

2. Basis of Presentation

The accompanying basic financial statements of the Clerk of Court have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The GASB is the *accepted standard setting body for establishing governmental accounting and financial reporting principles*. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments," issued in June 1999, except that the Clerk has elected to omit the Management's Discussion and Analysis otherwise required by GASB Statement 34.

Government-Wide Financial Statements (GWFS)

The statement of net position and the statement of activities display information about the Clerk of Court as a whole. They include all funds of the Clerk of Court, except the fiduciary funds. Governmental activities are generally financed through user fees and charges, as well as other nonexchange revenues. Fiduciary funds are reported only at the fund financial statement level.

The statement of activities presents a comparison between direct expenses and program revenues for each of the functions of the Clerk of Court's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of services offered by the Clerk of Court, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements (FFS)

The Clerk of Court uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain Clerk of Court functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The various funds of the Clerk of Court are classified into two categories: governmental and fiduciary. The emphasis on fund financial statements is on major funds. A fund is considered major if it is the primary operating fund of the Clerk of Court or if the total assets, liabilities, revenues, or expenditures of the individual governmental fund are at least 10 percent of the corresponding total for all governmental funds of that category or type; or total assets, liabilities, revenues, or expenditures/expenses of the individual governmental funds are at least 5 percent of the corresponding total for all governmental funds combined.

ALLEN PARISH CLERK OF COURT
Oberlin, Louisiana

Notes to Basic Financial Statements-Continued
June 30, 2023

The Clerk of Court reports the following governmental and fiduciary funds:

Salary Fund. The Salary Fund, as provided by Louisiana Revised Statute 13:781, is the General Fund of the Clerk of Court and is the governmental fund used to account for the operations of the Clerk of Court's office. The various fees and charges due to the Clerk of Court's office are accounted for in this fund. General operation expenditures are paid from this fund.

Fiduciary Funds – Custodial Funds. Fiduciary fund reporting focuses on net position and changes in net position. The only funds accounted for in this category are custodial funds. Fiduciary funds include the following funds:

The Advance Deposit Fund accounts for advance deposits on suits filed by litigants. Any unused advances are refundable to the litigants after all costs have been paid.

The Registry of Court Fund accounts for funds that have been ordered by the judicial system to be held until judgement has been rendered in court litigation. Withdrawal of these funds can be made only upon order of the court.

The Juvenile Support Fund accounts for funds that have been ordered by the judicial system to be held until judgement has been rendered in connection with child support. Withdrawal of these funds are made annually by the Clerk of Court.

The Civil Jury Fund accounts for funds that have been ordered by the judge for the payment of per diem and expenses of the jury commission of civil trials. Withdrawal of these funds can be made only upon order of the court.

3. Measurement Focus/Basis of Accounting

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

Measurement Focus

On the government-wide statement of net position and statement of activities, the governmental activities are presented using the economic resources measurement focus. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of whether cash is received or disbursed). In the fund financial statements, all governmental funds utilize a current financial resources measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

Basis of Accounting

In the government-wide statement of net position and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using 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, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlays) generally are recorded when a liability is incurred, as under accrual accounting.

The governmental funds use the following practices in recording revenues and expenditures:

Revenues. Court costs, other charges for services and miscellaneous revenues are recorded in the year in which they are received in cash because they are generally not measurable until actually received. Interest income is accrued when the receipt occurs soon enough after the end of the accounting period so as to be both measurable and available.

Expenditures. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Capital expenditures are regarded as expenditures at the time of purchase.

4. Budgetary Accounting

A budget for the Salary Fund is prepared on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Budgeted amounts are as originally prepared or as amended by the Clerk of Court. The budget was not amended during the year.

5. Capital Assets

Capital assets, which include furniture and equipment, are reported in the governmental columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Clerk of Court 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 the assets or materially extend assets' lives are not capitalized. Depreciation of all exhaustible capital assets is recorded as an allocated 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 range of estimated useful lives by type of asset is as follows:

Furniture and Equipment	5-20 years
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In the fund financial statements, capital assets used in governmental fund operations are accounted for as *capital outlay expenditures of the governmental fund upon acquisition*.

ALLEN PARISH CLERK OF COURT
Oberlin, Louisiana

Notes to Basic Financial Statements-Continued
June 30, 2023

6. Cash and Interest-Bearing Deposits

Interest-bearing deposits are stated at cost, which approximates market.

7. Bad Debts

Uncollectible amounts due for receivables of governmental funds are recognized as bad debts at the time information becomes available which would indicate that the particular receivable is not collectible.

8. Vacation and Sick Leave

Employees of the Clerk of Court's office earn one to three weeks of vacation and 12 days of sick leave each year. Vacation and sick leave must be used in the calendar year earned. At June 30, 2023, the employees of the Clerk of Court have no accumulated and vested leave benefits required to be reported in accordance with GASB Statement No. 16.

9. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of moneys are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Clerk of Court as an extension of formal budgetary integration in the funds.

10. Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

11. Equity Classification

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

- a. Invested in capital assets, net of related debt – 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 position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net position that do not meet either of the above definitions.

ALLEN PARISH CLERK OF COURT
Oberlin, Louisiana

Notes to Basic Financial Statements-Continued
June 30, 2023

In the fund statements, governmental fund equity is classified as fund balance and is further classified as follows:

- a. 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.
- b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulation of other governments.
- c. Committed – amounts that can be used for specific purposes determined by a formal action of the Clerk, who is the highest level of decision-making authority for the Allen Parish Clerk of Court. Commitments may be established, modified, or rescinded only by the Clerk.
- d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Clerk’s adopted policy, only the Clerk may assign amounts for specific purposes.
- e. Unassigned – includes fund balances which have not been classified within the above categories.

When an expense is incurred that can be paid using either restricted or unrestricted resources (net position), the Clerk’s policy is to first apply the expense toward restricted resources and then toward unrestricted resources. In governmental funds, the Clerk’s policy is to first apply the expenditures toward restricted fund balance and then to other, less-restrictive classifications (committed and then assigned fund balances) before using unassigned fund balances.

12. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Clerk of Court Retirement and Relief Fund (COCRRF) and additions to/deductions from COCRRF’s fiduciary net position have been determined on the same basis as they are reported by COCRRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

The COCRRF employer pension schedules are prepared in accordance with GASB Statement No. 68 – *Accounting and Financial Reporting for Pensions*, which established standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources and expenses/expenditures. It provides methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. It also provides methods to calculate participating employers’ proportionate share of net pension liability, deferred inflows, deferred outflows, pension expense and amortization periods for deferred inflows and outflows. COCRRF also complies with the provisions of GASB Statement No.

**ALLEN PARISH CLERK OF COURT
Oberlin, Louisiana**

**Notes to Basic Financial Statements-Continued
June 30, 2023**

67, *Financial Reporting for Pension Plans*, which specifies the approach of contributing entities to measure pension liabilities for benefits provided through the pension plan.

The COCRRF financial statements were prepared using the accrual basis of accounting. Member and employer contributions are recognized when due, pursuant to formal commitments and statutory requirements. Benefits and refunds of employee contributions are recognized when due and payable in accordance with the statutes governing COCRRF. Expenses are recognized when the liability is incurred, regardless of when payment is made. Investments are reported at fair value on a trade date basis. The fiduciary net position is reflected in the measurement of the Clerk's proportionate share of the plan's net pension liability/(asset), deferred outflows and inflows of resources related to pensions, and pension expense.

13. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

B. Cash and Interest-Bearing Deposits

Under state law, the Clerk of Court may deposit funds with a fiscal agent bank located in the parish or congressional district that is organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Clerk of Court may also invest in United States bonds, treasury notes, or certificates and time deposits of state banks organized under Louisiana law and national banks having an office in Louisiana. At June 30, 2023, the Clerk of Court has cash and cash equivalents (book balances) totaling \$ 2,346,548, as follows:

	First Federal Bank	First Horizon Bank	Sabine State Bank & Trust Company	<u>Totals</u>
Demand deposits:				
Non-interest-bearing	\$518,497	\$ 21,787	\$ -	\$ 540,284
Interest-bearing	359,012	213	1,135,974	1,495,199
Time deposits	<u>-</u>	<u>206,895</u>	<u>104,170</u>	<u>311,065</u>
Totals	<u>\$877,509</u>	<u>\$228,895</u>	<u>\$1,240,144</u>	<u>\$2,346,548</u>

These deposits are stated at cost, which approximates market. Custodial credit risk is the risk that, in the event of bank failure, the Clerk of Court's deposits may not be returned. 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 always equal or exceed the amount on deposit with the fiscal agent bank. These securities

**ALLEN PARISH CLERK OF COURT
Oberlin, Louisiana**

**Notes to Basic Financial Statements-Continued
June 30, 2023**

are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) on June 30, 2023, are secured as follows:

	<u>First Federal Bank</u>	<u>First Horizon Bank</u>	<u>Sabine State Bank & Trust Company</u>	<u>Totals</u>
Bank balances	\$ 994,937	\$260,022	\$1,258,707	\$2,513,666
Securities pledged (Category 3)	1,713,863	-	1,089,762	2,803,625
Federal deposit insurance	<u>500,000</u>	<u>260,022</u>	<u>250,000</u>	<u>1,010,022</u>
Total securities and insurance	<u>2,213,863</u>	<u>260,022</u>	<u>1,339,762</u>	<u>3,813,647</u>
Over (Under) secured deposits	<u>\$1,218,926</u>	<u>\$-----</u>	<u>\$ 81,055</u>	<u>\$1,299,981</u>

Pledged securities in Category 3 include uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the Clerk of Court's name. Even though the pledged securities are considered uncollateralized (Category 3), 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 Clerk of Court that the fiscal agent has failed to pay deposited funds upon demand.

C. Capital Assets

A summary of changes in capital assets follows:

	<u>Balance 06/30/22</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 06/30/23</u>
Governmental Activities:				
Furniture, fixtures and equipment	\$576,008	\$156,162	\$ 25,570	\$706,600
Less: accumulated depreciation	<u>518,970</u>	<u>27,407</u>	<u>24,104</u>	<u>522,273</u>
Capital assets, net	<u>\$ 57,038</u>	<u>\$128,755</u>	<u>\$ 1,466</u>	<u>\$184,327</u>

Depreciation expense for the year ended June 30, 2023 was \$27,407 which was charged to court administration.

D. Pension Plan

Louisiana Clerks of Court Retirement and Relief Fund:

Plan Description. Substantially all employees of the Allen Parish Clerk of Court are members of the Louisiana Clerks of Court Retirement and Relief Fund ("COCRRF" or "System"), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

The System was established for the purpose of providing retirement allowances and other benefits as stated under the provisions of Louisiana Revised Statute 11:1501 for eligible employees of the clerk of the supreme court, each of the district courts, each of the courts of appeal, each of the city and traffic courts in

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Notes to Basic Financial Statements-Continued
June 30, 2023

cities having a population in excess of four hundred thousand at the time of entrance into the System, the Louisiana Clerks' of Court Association, the Louisiana Clerks' of Court Insurance Fund, and the employees of the System. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

Retirement Benefits: A member or former member shall be eligible for regular retirement benefits upon attaining twelve or more years of credited service, attaining the age of fifty-five years (age sixty if hired on or after January 1, 2011), and terminating employment. Regular retirement benefits, payable monthly for life, equal 3% of the member's average final compensation multiplied by the number of years of credited service, not to exceed one hundred percent of the monthly average final compensation. The retirement benefit accrual rate is increased to 3 1/3% for all service credit accrued after June 30, 1999 (for members hired prior to January 1, 2011). For members hired before July 1, 2006 and who retire prior to January 1, 2011, monthly average final compensation is based on the highest compensated thirty-six consecutive months, with a limit of increase of 10% in each of the last three years of measurement. For members hired on or after July 1, 2006, monthly average final compensation is based on the highest compensated sixty consecutive months, or successive joined months if service was interrupted, with a limit of 10% increase in each of the last five years of measurement. For members who were employed prior to July 1, 2006 and who retire after December 31, 2010, the period of final average compensation is thirty-six months plus the number of whole months elapsed since January 1, 2011, not to exceed sixty months.

A member leaving covered employment before attaining early retirement age but after completing twelve years' credited service becomes eligible for a deferred allowance provided the member lives to the minimum service retirement age and does not withdraw his or her accumulated contributions.

Disability Benefits: Effective through June 30, 2008, a member who has been officially certified as totally and permanently disabled by the State Medical Disability Board shall be paid disability retirement benefits determined and computed as follows:

- 1) A member who is totally and permanently disabled solely as the result of injuries sustained in the performance of his official duties shall be paid monthly benefits equal to the greater of one-half of his monthly average final compensation or, at the option of the disability retiree, 2 1/2% of his monthly average final compensation multiplied by the number of his years of credited service; however, such monthly benefit shall not exceed twenty-five dollars for each year of his credited service or two-thirds of his monthly average final compensation, whichever is less.
- 2) A member who has ten or more years of credited service and who is totally and permanently disabled due to any cause not the result of injuries sustained in the performance of his official duties shall be paid monthly benefits equal to 3% of his monthly average final compensation multiplied by the number of his years of credited service; however, such monthly benefit shall not exceed thirty-five dollars for each year of his credited service or eighty percent of his monthly average final compensation, whichever is less.

The following is effective for any disability retiree whose application for disability retirement is approved on or after July 1, 2008. (The provisions related to the calculation of benefits will apply to any disability

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**Notes to Basic Financial Statements-Continued
June 30, 2023**

retiree whose application for disability retirement was approved before July 1, 2008, for benefits due and payable on or after January 1, 2008.) A member is eligible to receive disability retirement benefits from the System if he or she is certified to be totally and permanently disabled pursuant to Louisiana Revised Statute 11:218 and one of the following applies:

- 1) The member's disability was caused solely as a result of injuries sustained in the performance of their official duties; or
- 2) The member has at least ten years of service credit.

A member who has been certified as totally and permanently disabled will be paid monthly disability retirement benefits equal to the greater of:

- 1) Forty percent of their monthly average final compensation; and
- 2) Seventy-five percent of their monthly regular retirement benefit computed pursuant to Louisiana Revised Statute 11:1521(c).

A member leaving covered employment before attaining early retirement age but after completing twelve years' credited service becomes eligible for a deferred allowance provided the member lives to the minimum service retirement age and does not withdraw his or her accumulated contributions.

Survivor Benefits: If a member who has less than five years of credited service dies, his accumulated contributions are paid to his designated beneficiary. If the member has five or more years of credited service, automatic Option 2 benefits are payable to the surviving spouse. These benefits are based on the retirement benefits accrued at the member's date of death with option factors used as if the member had continued in service, to the member's earliest normal retirement age. Benefit payments are to commence on the date a member would have first become eligible for normal retirement assuming continued service until that time. In lieu of a deferred survivor benefit, the surviving spouse may elect benefits payable immediately with benefits reduced 1/4 of 1 % for each month by which payments commence in advance of member's earliest normal retirement age. If a member has no surviving spouse, the surviving minor children under 18 or disabled children shall be paid 1/2 of the member's accrued retirement benefit in equal shares. Upon the death of any former member with less than 12 years of service, the designated beneficiary may receive his/her accumulated contributions. Upon the death of any former member with 12 years or more of service, automatic Option 2 benefits are payable to the surviving spouse with payments to commence on the member's retirement eligibility date. In lieu of periodic payments, the surviving spouse or children may receive a refund of the member's accumulated contributions.

Deferred Retirement Option Plan: In lieu of terminating employment and accepting a service retirement allowance, any member of the System who is eligible for a service retirement allowance may elect to participate in the Deferred Retirement Option Plan (DROP) for up to thirty-six months and defer the receipt of benefits. Upon commencement of participation in the plan, active membership in the System terminates and the participant's contributions cease; however, employer contributions continue. Compensation and creditable service remain as they existed on the effective date of commencement of participation in the plan. The monthly retirement benefits that would have been payable, had the member elected to cease employment and receive a service retirement allowance, are paid into the DROP account.

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Notes to Basic Financial Statements-Continued
June 30, 2023

Upon termination of employment at the end of the specified period of participation, a participant in the DROP program may receive, at his option, a lump sum payment from the System. If employment is not terminated at the end of the participation period, payments into the DROP account cease and the member resumes active contributing membership in the System. Interest is paid on DROP account balances for members who complete their DROP participation but do not terminate employment. Interest accruals cease upon termination of employment. Upon termination, the member receives a lump sum payment from the DROP program equal to the payments made to that program on his behalf or a true annuity based on his account (subject to approval by the board of trustees). The monthly benefit payments that were being paid into the DROP account are paid to the retiree and an additional benefit based on his additional service rendered since termination of *DROP* participation is calculated using the normal method of benefit computation.

The average compensation used to calculate the additional benefit is that used to calculate the original benefit unless his period of additional service is at least thirty-six months. In no event can the entire monthly benefit amount paid to the retiree exceed 100% of the average compensation used to compute the additional benefit. If a participant dies during the period of participation in the DROP program, a lump sum payment equal to his DROP account balance is paid to his named beneficiary or, if none, to his estate.

Cost-of-Living Adjustments: The board of trustees is authorized to provide a cost-of-living increase to members who have been retired for at least one full calendar year. The increase cannot exceed the lesser of 2.5% of the retiree's benefit or an increase of \$40 per month. The Louisiana statutes allow the board to grant an additional cost-of-living increase to all retirees and beneficiaries over age sixty-five equal to 2% of the benefit paid on October 1, 1977, or the member's retirement date if later. In order to grant any cost-of-living increase, the System must meet criteria as detailed in the Louisiana statutes related to funding status. In lieu of granting a cost-of-living increase as described above, Louisiana statutes allow the board to grant a cost-of-living increase where the benefits shall be calculated using the number of years of service at retirement or at death plus the number of years since retirement or death multiplied by the cost-of-living amount which cannot exceed \$1.

Non-Employer Contributions: In accordance with state statute, the System also receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities. Non-employer contributions are recognized as revenue during the year and excluded from pension expense. Non-employer contribution revenue for the System for the year ended June 30, 2022, was \$50,866.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be accessed online at the COCRRF website (www.laclerkofcourt.org) or obtained by writing to the Louisiana Clerks of Court Retirement and Relief Fund, 10202 Jefferson Highway, Bldg. A, Baton Rouge, Louisiana 70809, or by calling (225) 293-1162.

Funding Policy. Plan members are required by state statute to contribute 8.25% of their annual covered salary and the Clerk of Court is required to contribute an actuarially determined rate. The current employer rate is 22.25% of annual covered payroll. However, the Clerk of Court also funded one hundred percent of the 8.25% employees' contributions. Contributions to the System also include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each parish. The contribution requirements of plan

ALLEN PARISH CLERK OF COURT
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Notes to Basic Financial Statements-Continued
June 30, 2023

members and the Clerk of Court are established and amended by statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Clerk of Court's contributions for both the employer and employee portions to the system for the years June 30, 2023, 2022, and 2021, were \$135,459, \$128,920, and \$116,098, respectively, equal to the required contributions for each year.

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

At June 30, 2023, the Clerk of Court reported a liability of \$1,018,466 for its proportionate share of net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Clerk's proportion of the net pension liability was based on a projection of the Clerk's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2022, the Clerk's proportion was 0.420200%, which was an increase of 0.014507% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the Clerk of Court recognized pension expense of \$203,224, consisting of the actuarially computed portion attributed to the Clerk's employer share of \$67,765 and the actual employee and employer contributions that were paid by the Clerk of \$135,459. On June 30, 2023, the Clerk recognized deferred outflows of resources and deferred inflows of resources related to pensions from the following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 9,657	\$ 9,258
Changes of assumptions	74,738	-
Net difference between projected and actual earnings on pension plan investments	217,896	-
Changes in proportion	19,593	76,101
Differences between Clerk's contributions and proportionate share of contributions	-	124
Clerk's contributions after the measurement date	98,433	-
Total	\$ 420,317	\$ 85,483

The \$98,433 reported as deferred outflows of resources related to pensions resulting from the Clerk of Court contributions after the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2024	\$ 74,463
2025	52,539
2026	(652)
2027	110,051
Total	\$ 236,401

**ALLEN PARISH CLERK OF COURT
Oberlin, Louisiana**

**Notes to Basic Financial Statements-Continued
June 30, 2023**

Actuarial assumptions. The total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Date	June 30, 2022
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	6.55%, net of investment expense
Expected Remaining Service Lives	5 years
Projected Salary Increases	1-5 years of service - 6.2% 5 years or more - 5.00%
Inflation Rate	2.4%
Mortality Rates	Pub-2010 Public Retirement Plans multiplied by 120%. Mortality Table with full generational projection using the appropriate MP-2019 improvement scale.
Cost-of-Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost-of-living increases. The present values do not include provisions for potential future increases not yet authorized by the board of trustees as they were deemed not to be substantively automatic.

The actuarial assumptions used are based on the assumptions used in the 2022 actuarial funding valuation which (with the exception of mortality) were based on results of an actuarial experience study for the period July 1, 2014 through June 30, 2019, unless otherwise specified. In cases where benefit structures were changed after the experience study period, assumptions were based on future experiences.

The mortality rate assumption used was verified by combining data from this plan with three other statewide plans which have similar workforce composition in order to produce credible experience. The aggregated data was collected over the period July 1, 2009 through June 30, 2014. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the System's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that these tables would produce liability values approximating the appropriate generational mortality tables used.

The long-term expected real rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The long-term expected rate of return was 6.02%, for the year ended June 30, 2022. Best estimates of geometric real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2022, is summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income:		
Domestic bonds	25.00%	2.50%
International bonds	-%	3.50%
Domestic Equity	38.00%	7.50%
International Equity	22.00%	8.50%
Real Estate	15.00%	4.50%
	<u>100.00%</u>	

Discount rate. The discount rate used to measure the total pension liability was 6.55% which is 0.2% less than the prior year discount rate. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Clerk's proportionate share of pension liability to changes in the discount rate. The following presents the Clerk's proportionate share of the net pension liability calculated using the discount rate of 6.55% as well as what the Clerk's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower and one percentage point higher than the current rate:

	1% Decrease (5.55%)	Discount Rate (6.55%)	1% Increase (7.55%)
Clerk's proportionate share of net pension liability	\$1,453,721	\$1,018,466	\$651,758

Change in Net Pension Liability: The changes in the net pension liability for the year ended June 30, 2022, were recognized in the current reporting period as pension expense except as follows:

Differences between Expected and Actual Experience: The differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability were recognized as pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. The difference between expected and actual experience resulted in a deferred outflow of resources of \$9,657 and a deferred inflow of resources of \$9,258 for the year ended June 30, 2023.

Changes of Assumptions or Other Inputs: The changes of assumptions about future economic or demographic factors were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. The changes of assumptions or other inputs resulted in a deferred outflow of resources of \$74,738 for the year ended June 30, 2023.

ALLEN PARISH CLERK OF COURT
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Notes to Basic Financial Statements-Continued
June 30, 2023

Differences between Projected and Actual Investment Earnings: The differences between projected and actual earnings on pension plan investments were recognized in pension expense using the straight-line amortization method over a closed five-year period. The difference between projected and actual investment earnings resulted in a deferred outflow of resources of \$217,896 for the year ended June 30, 2023.

Changes in Proportion: Changes in the employer's proportionate shares of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in employer's pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan. Changes in employer's portion of the beginning net pension liability resulted in a deferred outflow of resources of \$19,593 and a deferred inflow of resources of \$76,101 for the year ended June 30, 2023.

Differences Between Clerk's Contributions and Proportionate Share of Contributions: Differences between contributions remitted to the System and the employer's proportionate share are recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan. Differences between Clerk of Court's contributions and proportionate share of contributions resulted a deferred inflow of resources of \$124 for the year ended June 30, 2023.

E. Expenditures of the Clerk of Court Paid by the Allen Parish Police Jury

The Clerk of Court's office is located in the Allen Parish Courthouse. The Allen Parish Police Jury pays for the upkeep and maintenance of the courthouse.

F. Receivables

The receivables balance of \$53,965 at June 30, 2023 is comprised of the following:

Certified copies, copies, scans and faxes	\$ 902
Civil Jury Fund	898
Court attendance	1,140
Juvenile support fees	28,447
Miscellaneous	159
Recordings	1,613
Suits and Successions	<u>20,806</u>
Total	<u>\$53,965</u>

G. Risk Management

The Clerk of Court is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Clerk of Court maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Clerk of Court. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

**ALLEN PARISH CLERK OF COURT
Oberlin, Louisiana**

**Notes to Basic Financial Statements-Continued
June 30, 2023**

H. Subsequent Review

The Clerk of Court has evaluated subsequent events through December 29, 2023, the date which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

ALLEN PARISH CLERK OF COURT
Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual

General Fund
For the Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable) Final to Actual
Revenues				
Licenses and permits	\$ 3,700	\$ 3,700	\$ 3,025	\$ (675)
Fees, charges, court costs, and commissions for services	185,800	185,800	203,505	17,705
Fees for recording legal documents	675,850	675,850	642,431	(33,419)
Fees for certified copies, copies, scans, and faxes	66,000	66,000	81,103	15,103
Interest income	1,200	1,200	2,599	1,399
Intergovernmental	--	--	115,280	115,280
Total Revenues	<u>932,550</u>	<u>932,550</u>	<u>1,047,943</u>	<u>115,393</u>
Expenditures				
Current:				
Personal services and related benefits	658,000	658,000	613,612	44,388
Operating services	143,050	143,050	104,632	38,418
Materials and supplies	46,500	46,500	35,447	11,053
Capital outlays	40,000	40,000	156,162	(116,162)
Total Expenditures	<u>887,550</u>	<u>887,550</u>	<u>909,853</u>	<u>(22,303)</u>
Net Change in Fund Balance	45,000	45,000	138,090	93,090
<i>Fund Balance at Beginning of Period</i>	1,150,474	1,150,474	1,150,474	--
Fund Balance at End of Period	<u>\$ 1,195,474</u>	<u>\$ 1,195,474</u>	<u>\$ 1,288,564</u>	<u>\$ 93,090</u>

See accompanying notes.

**ALLEN PARISH CLERK OF COURT
Oberlin, Louisiana**

**General Fund
Schedule of Clerk's Proportionate Share of
Net Pension Liability
Clerk of Court Retirement and Relief Fund (COCRRF)**

Last 10 Fiscal Years

*Fiscal Year Ended June 30:	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Clerk's proportion of the net pension liability (asset)	0.420200%	0.405693%	0.472582%	0.487194%	0.484293%	0.502409%	0.495666%	0.493516%	0.511323%	0.495268%
Clerk's proportionate share of the net pension liability (asset)	\$1,018,466	\$539,668	\$1,136,969	\$884,740	\$805,525	\$760,112	\$916,969	\$740,290	\$689,704	\$818,063
Clerk's covered-employee payroll	430,188	\$409,470	\$468,591	\$473,718	\$449,653	\$453,242	\$452,418	\$446,482	\$439,834	\$427,393
Clerk's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	237%	132%	243%	187%	180%	168%	203%	166%	157%	192%
Plan fiduciary net position as a percentage of the total pension liability	74.1%	85.4%	72.1%	77.9%	79.1%	63.5%	74.2%	78.1%	79.4%	72.9%

*Amounts presented were determined as of the measurement date.

See accompanying notes

**ALLEN PARISH CLERK OF COURT
Oberlin, Louisiana**

**General Fund
Schedule of Clerk's Pension Plan Contributions
Clerk of Court Retirement and Relief Fund (COCRRF)**

Last 10 Fiscal Years

*Fiscal Year Ended June 30:	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$98,433	\$95,717	\$89,589	\$ 89,032	\$ 90,006	\$ 85,434	\$ 86,116	\$ 85,959	\$ 84,832	\$ 81,369
Contributions in relation to the contractually required contribution	<u>(98,433)</u>	<u>(95,717)</u>	<u>(89,589)</u>	<u>(89,032)</u>	<u>(90,006)</u>	<u>(85,434)</u>	<u>(86,116)</u>	<u>(85,959)</u>	<u>(84,832)</u>	<u>(81,369)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Clerk's covered-employee payroll	\$442,394	\$430,188	\$409,470	\$468,591	\$473,718	\$449,653	\$453,242	\$452,418	\$446,482	\$439,834
Contribution as a percentage of cover-employee payroll	22.25%	22.25%	21.00%	19.00%	19.00%	19.00%	19.00%	19.00%	19.00%	18.50%

*Amounts presented were determined as of the end of the fiscal year.

See accompanying notes.

**ALLEN PARISH CLERK OF COURT
Oberlin, Louisiana**

**Notes to Required Supplementary Information
for the Year Ended June 30, 2023**

(A) Budget and Budgetary Accounting

The Clerk follows these procedures in establishing the budgetary data reflected in the Required Supplementary Information:

1. The Clerk prepares a proposed budget ninety days before the beginning of each fiscal year.
2. After the proposed budget is prepared, the Clerk publishes the proposed budget and notifies the public that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held by the Clerk on the proposed budget at least ten days after publication of the call for the hearing.
4. Any changes in the proposed annual operating budget require approval of the Clerk.
5. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
6. Budget appropriations lapse at year-end.

(B) Excess of Expenditures Over Appropriations

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

(C) Pension Information

The schedule of the Clerk's proportionate share of the net pension liability and the schedule of the Clerk's pension contributions show information for 10 years.

OTHER SUPPLEMENTARY INFORMATION

**ALLEN PARISH CLERK OF COURT
Oberlin, Louisiana**

**Schedule of Compensation, Benefits and Other Payments to
Chief Executive Officer
For the Fiscal Year Ended June 30, 2023**

Chief Executive Officer: Stacey C. Hurst, Allen Parish Clerk of Court

<u>Purpose</u>	<u>Amount</u>
Salary	\$149,549
Benefits-insurance	792
Benefits-retirement	45,613
Benefits-cell phone	-0-
Car allowance	12,462
Vehicle provided by government	-0-
Per diem	246
Reimbursements	-0-
Travel	-0-
Registration fees	1,150 -
Conference travel	1,025
Continuing professional education fees	-0-
Housing	-0-
Unvouchered expenses	-0-
Special meals	-0-
Other	-0-

See accompanying notes.

Justice System Funding Schedule - Collecting/Disbursing Entity

As Required by Act 87 of the 2020 Regular Legislative Session

Entity Name

LLA Entity ID #

Date that reporting period ended

Allen Parish Clerk of Court	
1,147	
6/30/2023	

First Six Month Period Ended 12/31/2022	Second Six Month Period Ended 06/30/2023
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Cash Basis Presentation

1. Beginning Balance of Amounts Collected (i.e. cash on hand)	\$ 1,123,990	\$ 750,220
2. Add: Collections		
Civil Fees (including refundable amounts such as garnishments or advance deposits)	319,630	256,268
Interest Earnings on Collected Balances	11	244
Subtotal Collections	319,641	256,512
3. Less: Disbursements To Governments & Nonprofits:		
Louisiana Secretary of State - Civil Fees	2,250	850
Louisiana 3rd Circuit Court of Appeal - Civil Fees	337	676
Louisiana Department of Treasury - Civil Fees	7,388	6,813
33rd Judicial District Judicial Expense Fund - Civil Fees	493	1,427
Louisiana Supreme Court - Civil Fees	426	226
Acadia Parish Sheriff - Civil Fees	177	125
Allen Parish Sheriff - Civil Fees	16,405	11,293
Ascension Parish Sheriff - Civil Fees	-	24
Avoyelles Parish Sheriff - Civil Fees	216	116
Beauregard Parish Sheriff - Civil Fees	322	601
Bossier Parish Sheriff - Civil Fees	95	49
Caddo Parish Sheriff - Civil Fees	150	100
Calcasieu Parish Sheriff - Civil Fees	1,020	1,883
Claborne Parish Sheriff - Civil Fees	32	-
East Baton Rouge Sheriff - Civil Fees	4,492	2,152
Evangeline Parish Sheriff - Civil Fees	444	328
Iberville Parish Sheriff - Civil Fees	-	34
Jefferson Davis Parish Sheriff - Civil Fees	299	318
Jefferson Davis Parish Clerk of Court - Civil Fees	-	189
Jefferson Parish Sheriff - Civil Fees	420	150
Lafayette Parish Sheriff - Civil Fees	566	269
Livingston Parish Sheriff - Civil Fees	5	-
Madison Parish Sheriff - Civil Fees	-	60
Natchitoches Parish Sheriff - Civil Fees	-	31
Orleans Parish Sheriff - Civil Fees	900	540
Ouachita Parish Sheriff - Civil Fees	125	-
Rapides Parish Sheriff - Civil Fees	1,893	912
Sabine Parish Sheriff - Civil Fees	35	-
St Landry Parish Sheriff - Civil Fees	256	298
St Mary Parish Sheriff - Civil Fees	-	31
St Tammany Parish Sheriff - Civil Fees	41	-
Terrebonne Parish Sheriff - Civil Fees	39	81
Vermilion Parish Sheriff - Civil Fees	27	14
Vernon Parish Sheriff - Civil Fees	111	57
Ward Constable - Allen Parish - Civil Fees	-	120
West Baton Rouge Parish Sheriff - Civil Fees	-	10
4. Less: Amounts Retained by Collecting Agency		
Collection Fee for Collecting/Disbursing to Others Based on Percentage of Collection	-	-
Collection Fee for Collecting/Disbursing to Others Based on Fixed Amount	-	-
Amounts "Self-Disbursed" to Collecting Agency	199,690	135,123
5. Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Civil Fee Refunds	103,108	86,662
Payments to 3rd Party Collection/Processing Agencies	-	-
Other Disbursements to Individuals	351,449	251
6. Subtotal Disbursements/Retainage	693,411	251,813
7. Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)	750,220	754,919

See accompanying notes.

Justice System Funding Schedule - Receiving Entity
As Required by Act 87 of the 2020 Regular Legislative Session

Identifying Information

Entity Name
LLA Entity ID #
Date that reporting period ended

Allen Parish Clerk of Court
1,147
6/30/2023

First Six Month	Second Six Month
Period Ended	Period Ended
12/31/2022	06/30/2023

Cash Basis Presentation

Receipts From: *(Must include one agency name and one collection type - see below - on each line and may require multiple lines for the same agency. Additional rows may be added as necessary.)*

<i>Allen Parish Sheriff - Criminal Court Cost/Fees</i>	12,324	15,030
<i>Allen Parish Sheriff - Bond Fees</i>	414	324
<i>Allen Parish Sheriff - Restitution</i>		456

Subtotal Receipts

12,738	15,810
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Ending Balance of Amounts Assessed but Not Received *(only applies to those agencies that assess on behalf of themselves, such as courts)*

-	-
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Collection Types to be used in the "Receipts From:" section above

- Civil Fees
- Bond Fees
- Asset Forfeiture/Sale
- Pre-Trial Diversion Program Fees
- Criminal Court Costs/Fees
- Criminal Fines - Contempt
- Criminal Fines - Other
- Restitution
- Probation/Parole/Supervision Fees
- Service/Collection Fees (e.g. credit card fees, report fees, 3rd party service fees)
- Interest Earnings on Collected Balances
- Other *(do not include collections that fit into more specific categories above)*

See accompanying notes.

ROYCE T. SCIMEMI, CPA, APAC
Certified Public Accountant



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**Independent Auditors' Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of
Financial Statements Performed in Accordance
with *Government Auditing Standards***

December 29, 2023

HONORABLE STACEY C. HURST
ALLEN PARISH CLERK OF COURT
Oberlin, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Allen Parish Clerk of Court (the "Clerk"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Clerk's basic financial statements, and have issued our report thereon dated December 29, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Clerk's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Clerk's internal control. Accordingly, we do not express an opinion on the effectiveness of the Clerk'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.

Honorable Stacey C. Hurst
Allen Parish Clerk of Court
Internal Control and Compliance Report
December 29, 2023
Page 2.

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

Report on Compliance and Other Matters

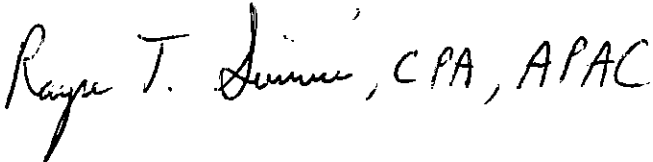
As part of obtaining reasonable assurance about whether the Clerk's financial statements are free from material misstatement, we performed tests of the Clerk's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed 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 the Clerk's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of management, others within the entity, and the Legislative Auditor of the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor of the State of Louisiana as a public document.

Royce T. Scimemi, CPA, APAC
December 29, 2023



**ALLEN PARISH CLERK OF COURT
Oberlin, Louisiana**

**Schedule of Findings and Responses
Year Ended June 30, 2023**

1) Summary of Auditors' Results:

Financial Statements:

Type of auditors' report issued	Unmodified
---------------------------------	------------

Internal control over financial reporting:

- | | |
|--|----|
| • Material weaknesses identified? | No |
| • Significant deficiency identified
not considered to be material weaknesses? | No |

Noncompliance material to financial statements noted?	No
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2) Findings Relating to the Financial Statements Which Are Required to be Reported in Accordance with Generally Accepted Governmental Auditing Standards

None

3) Findings and Questioned Costs for Federal Awards

N/A

4) Prior Year Findings:

N/A



ROYCE T. SCIMEMI, CPA, APAC

CERTIFIED PUBLIC ACCOUNTANT

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Independent Accountant's Report On Applying Agree-Upon Procedures

Honorable Stacey C. Hurst
Allen Parish Clerk of Court
Oberlin, Louisiana

December 29, 2023

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

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

The procedures and associated findings are as follows:

1) Written Policies and Procedures

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
- i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
No Exceptions were found because of this procedure.
 - 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.
No Exceptions were found because of this procedure.
 - iii. **Disbursements**, including processing, reviewing, and approving.

No Exceptions were found because of this procedure.

- iv. **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or 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).

No exceptions were found because of this procedure.

- 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.

No exceptions were found because of this procedure.

- 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.

No exceptions were found because of this procedure.

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

No exceptions were found as a result of this procedure.

- 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).

No exceptions were found as a result of this procedure.

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

No exceptions were found as a result of this procedure.

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

N/A – the Clerk's office 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.

No exceptions were found as a result of this procedure.

- 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.

No exceptions were found because of this procedure.

2) 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/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.
Since the Clerk is an elected official with complete executory control over her office, there is no board or finance committee, and this section is not applicable.
 - ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
The Clerk does not have a board or associated minutes. Not applicable.
 - iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
The general fund did not have a negative ending unassigned fund balance in the prior year audit report. Not applicable.
 - 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.
The Clerk does not have a board or finance committee and this section is not applicable.

3) Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
The listing was provided by management. All reconciliations were posted within the two-month time frame as applicable without exception.
 - ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
The Clerk, who does not handle cash, is involved in most transactions associated with all the bank accounts including issuing checks, reconciling the bank accounts, and posting activity to

the general ledger. There is documentation that another member of management reviews all reconciliations and initials and dates each one.

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

Some of the tested fiduciary accounts had checks that were outstanding for more than 12 months from the statement closing date. There was documentation reflecting that management had researched the long-term outstanding reconciling items. Some of the outstanding checks are more than 10 years old and are difficult to place to a specific suit. The Clerk will continue to research and reissue when applicable.

4) Collections (excluding electronic funds transfers)

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

The listing was provided by management without exception.

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

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

All of the employees that collect cash payments share one cash drawer. (Exception)

Management Response/Corrective Action: The Clerk has a small number of employees and there is only one main drawer that collects payments. The employees designate one person per day to collect all payments. However, at times, another employee will have to collect the cash if the designated person for the day is unable to or away when a customer is ready to pay.

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

Three of the eleven employees who collect cash are responsible for preparing deposits. However, there is one designated "collecting" employee that collects most of the cash throughout a given day. Another employee that is not considered the "collecting" employee for that day then reconciles the drawer against the computer-generated report and receipts and creates the deposit slip. These three employees alternate these duties so that each day there is only one "collecting" employee while the "other" employee is reconciling the daily deposit. This serves as a compensating control so that on any given day two people are involved in collecting each cash payment and reconciling the daily deposit.

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

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

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

There is no employee who is responsible for both reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source, who also collects cash.

- 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.

Each employee that is responsible for handling cash is bonded.

- 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.

Receipts were sequentially pre-numbered where applicable without exception.

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

The sequentially pre-numbered receipts, system reports, and other related collection documentation on the tested deposits were traced to the associated deposit slips where applicable without exception.

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

The deposit slip totals on the tested deposits were traced to the bank statement deposits where applicable without exception.

- 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).

All deposits were made within one business day of receipt at the collection location where applicable without exception.

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

The tested deposits were traced to the general ledger where applicable without exception.

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

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

The listing was provided by management.

- B. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that

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

All transactions selected for testing were initialed and approved by the Clerk and another designated employee approving the purchase and/or placing an order except for recurring automatic transactions or bill payments.

- ii. At least two employees are involved in processing and approving payments to vendors;
Only the Clerk processes and approves payments to vendors (Exception).
Management Response/Corrective Action: Since the Clerk's office does not have many employees, there is no other responsible party to process payments to vendors. No corrective action was deemed necessary.
 - 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;
The Clerk is the primary responsible party who performs accounts payable payment processing and adds vendors to the Clerk system without another employee reviewing any changes made to vendor files. (Exception)
Management Response/Corrective Action: Since the Clerk's office is small, there is no other employee responsible for reviewing any changes made to vendor files. No corrective action plan was deemed necessary.
 - iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and
The Clerk signs the checks and gives the signed checks to an employee to mail who is not responsible for processing payments.
 - 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.
The Clerk is the only one authorized to sign checks and is the only person who authorizes and approves the electronic disbursement of funds whether through ACH or EFT, wire transfer or any other electronic means.
- C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and
- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and
In the tested transactions, the disbursements matched the related original invoices and supporting documentation.
 - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.
The disbursement documentation included written evidence of segregation of duties.
- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

The only electronic funds disbursements made by the Clerk were for direct deposit payroll and related payroll tax expenses. Each transaction was approved by the Clerk who is the only one with signature authority and no other signature authority is required.

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

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

The listing was provided by management.

- 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

Supporting documentation was not reviewed by anyone besides the Clerk who is the only authorized card holder/user. (Exception)

Management Response/Corrective Action: The Clerk will designate an assistant clerk to review the monthly statements or combined statements and supporting documentation and approve same in writing by initializing and dating.

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

No finance charges and or late fees were assessed on the month tested.

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

Each transaction tested was supported by an original itemized receipt that identified what was purchased and listed the business purpose without exception. No meals were purchased.

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

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

The listing was provided by management.

- 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);

Travel expenses were reimbursed using per diem. The Clerk was the only employee reimbursed. Five of the travel days were only reimbursed \$29/day as breakfast and lunch were provided by the conference. Three additional days of travel were broken out into what was not provided by the conference and based on the time she arrived. All reimbursements were lower than the rates established by the State of Louisiana or the U.S. General Service Administration rates.

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

No reimbursements based on actual costs were noted in the selected transactions.

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

Each reimbursement was supported by documentation of the business purpose. No meals were reimbursed outside of per diem reimbursements.

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

There was written documentation of an employee other than Clerk that reviewed and approved the reimbursements.

8) Contracts

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

The listing was provided by management.

- 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;

There were no contracts in the current fiscal year that were required to be bid in accordance with the Louisiana Public Bid Law. No exception was found because of this procedure.

- 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);

There were no new contracts required to be approved during the fiscal year. No exceptions were found because of this procedure.

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

No contract amendments or changes were made to contracts that were approved during the fiscal year. No exceptions were found because of this procedure.

- 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.

All payments matched supporting invoices and contract terms. No exceptions were found because of this procedure.

9) Payroll and Personnel

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

This listing was provided by management.

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

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

Documentation of daily attendance and leave for all employees tested was provided without exception.

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

Supervisor's approval of attendance and leave was provided without exception.

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

Leave accrual or taken was reflected on the Clerk's time clock system without exception.

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

The current and prior pay rate structure was approved and found in the personnel files without exception.

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

The listing was provided by management. Only one was employee terminated during the fiscal period. The employee tested was paid in accordance with the Clerk's termination policy without exception.

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

Management provided verification that all payments were made timely and required forms were filed timely without exception.

10) Ethics

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and
- i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
The documentation provided demonstrated that all 5 employees tested had completed their one hour of ethics training during the fiscal period.
 - ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
There was documentation demonstrating that each employee selected, attested through signature verification, that they had read the Clerk's policy. Since there were no changes in the entity's ethics policy during the fiscal year, there was no need for any notifications.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.
Upon inquiry, the Clerk confirmed that she has appointed one of her employees as the Clerk's ethics designee.

11) 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.
The Clerk has no long-term debt during the fiscal year. Not applicable.
- 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).
The Clerk has no bonds/notes outstanding at the end of the fiscal period. Not applicable.

12) Fraud Notice

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting

documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.

The Clerk informed us that the office did not have any misappropriation of public funds or assets during the fiscal year.

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

The Clerk of Court's office did have the required notice posted in a conspicuous place upon its premises and on the Clerk's website.

13) Information Technology Disaster Recovery/Business Continuity

- A. Perform the following procedures, verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."

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

The Clerk's critical data is backed up daily to an internet-based program. The accounting function of the Clerk's office is also backed up monthly. These backups are tested regularly and accessible to each employee as needed. The additional accounting backups are reviewed before a new one is created. The Clerk performed the procedure of retrieving the backups and through observation, verified that the backups opened and operated correctly. The data is not stored on a local medium, but it is encrypted during the transfer. We performed the procedure and discussed the results with the Clerk.

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

The Clerk's data backups are tested regularly and accessible to each employee as needed. We observed evidence that the testing/verifying backup restoration was successfully performed within the past 3 months. We performed the procedure and discussed the results with the Clerk.

- iii. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

The listing was provided by the Clerk. The Clerk's office pays an IT company on a monthly basis for services to maintain/update all computer software (including antivirus) and hardware. Each of the computers selected had current and active antivirus software, operating systems, and accounting software system that were currently supported by the vendor without exception. We performed the procedure and discussed the results with the Clerk.

- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

Only one employee was terminated and we verified that all login credentials for such employee are no longer valid.

14) Prevention of Sexual Harassment

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

Each of the 5 employees tested verified with documentation that they had completed at least one hour of sexual harassment training within the fiscal year.

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

We visually observed that the Clerk's sexual harassment policy and complaint procedure was posted in a conspicuous location on the premises and on the Clerk's website without exception.

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

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

The number (11) and percentage (100%) of public servants who have completed the training were included in the annual sexual harassment report provided without exception.

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

There were no sexual harassment complaints received by the Clerk during the fiscal year. Not applicable.

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

Not applicable.

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

Not applicable.

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

Not applicable.

We were engaged by the Clerk to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and

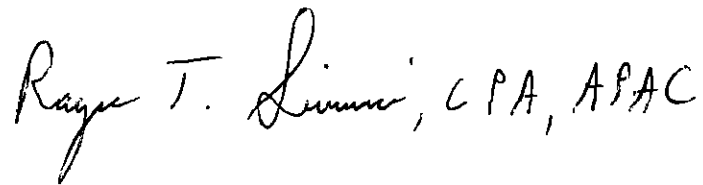
Independent Accountant's Report on Applying Agreed Upon Procedures – Continued
Honorable Stacey C. Hurst
Allen Parish Clerk of Court
December 29, 2023

applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Clerk 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.

Royce T. Scimemi, CPA, APAC
Oberlin, Louisiana
December 29, 2023

A handwritten signature in black ink that reads "Royce T. Scimemi, CPA, APAC". The signature is written in a cursive style with a large initial 'R'.