

**FORTY-SECOND JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
DeSoto Parish, Louisiana**

Annual Financial Report

For the Year Ended June 30, 2020

FORTY-SECOND JUDICIAL DISTRICT COURT – JUDICIAL EXPENSE FUND
DeSoto Parish, Louisiana
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As of and for the Year Ended June 30, 2020

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Independent Accountant's Review Report

To the Honorable Amy B. McCartney, Chief District Judge
Forty-second Judicial District Court Judicial Expense Fund
Mansfield, Louisiana 71052

We have reviewed the accompanying financial statements of the governmental activities and the major fund of Forty-second Judicial District Court Judicial Expense Fund, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Judicial Expense Fund's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the management of the Forty-second Judicial District Court Judicial Expense Fund. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

The Judicial Expense Fund's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review in accordance with the *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the AICPA and applicable standards of *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements of the Forty-second Judicial District Court Judicial Expense Fund in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Required and Other Supplemental Information

Our review was made primarily for the purpose of expressing a conclusion that there are no material modifications that should be made to the financial statements for them to be in conformity with accounting principles generally accepted in the United States of America. The management's discussion and analysis and budgetary comparison information are presented for purposes of additional analysis and are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context.

The supplementary information included in the budgetary comparison and schedule of compensation, benefits, and other payments has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and we are not aware of any material modifications that should be made thereto. The information included in the management's discussion and analysis has not been subjected to the inquiry and an analytical procedure applied in the review of the basic financial statements, but was compiled from information that is the representation of management, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on the management's discussion and analysis.

Report on Other Legal and Regulatory Requirements

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report, dated January 5, 2021, on the results of our agreed-upon procedures. Also presented as required is the Louisiana Attestation Questionnaire.

Dees Gardner, Certified Public Accountants, LLC

Mansfield, Louisiana
January 5, 2021

REQUIRED SUPPLEMENTAL INFORMATION (PART I)

FORTY-SECOND JUDICIAL DISTRICT COURT - JUDICIAL EXPENSE FUND
DeSoto Parish, Louisiana

Management's Discussion and Analysis
For the Year Ending June 30, 2020

This section of the Forty-second Judicial District Court - Judicial Expense Fund's (the Fund) annual financial report presents our discussion and analysis of the Fund's financial performance during the year ending June 30, 2020. We encourage readers to consider the information presented here in conjunction with the Fund's basic financial statements and supplementary information in assessing the efficiency and effectiveness of our stewardship of public resources.

FINANCIAL HIGHLIGHTS

The Forty-second Judicial District Court - Judicial Expense Fund's net position increased by \$8,763 or 3.62% during the year ended June 30, 2020.

The Fund's revenues of \$381,456 for the year ending June 30, 2020, are a 15.26% decrease from \$450,134 for the year ended June 30, 2019.

During the year ended June 30, 2020, the Fund had expenses of \$372,693, including depreciation, compared to \$482,378 in the year ended June 30, 2019. This reflects an decrease of 22.74% during the year ended June 30, 2020.

OVERVIEW OF FINANCIAL STATEMENTS

This Management Discussion and Analysis document introduces the basic financial statements which include 1) government fund financial statements, 2) government-wide financial statements and 3) notes to the financial statements. The two types of financial statements present the Fund's financial position and results of operations from differing perspectives. A reconciliation is provided to facilitate the comparison between the governmental fund statements and the government-wide statements. The components of the financial statements are described below:

Fund Financial Statements

Fund financial statements provide detailed information regarding the Fund's most significant activities and are not intended to provide information for the Fund as a whole. Funds are accounting devices that are used to account for specific sources of revenues. Our funds are limited to its *general fund*, which is classified as a Governmental Fund. The *general fund* uses a modified accrual basis of accounting that focuses on near-term inflows, outflows, and balances of spendable resources. Assets reported by the *general fund* are limited to amounts that are available for current needs. In addition, liabilities are limited to amounts that are expected to be paid from currently available assets. Unassigned fund balance may serve as a useful measure of a government's net resources at the end of the fiscal year.

Government-Wide Financial Statements

The *government-wide financial statements* report information about the Fund as a whole using accounting methods similar to those used by private-sector companies. These report all revenues and expenses regardless of when cash is received or paid. The *statement of net position* presents information of all the Fund's assets and liabilities, with the difference between the two reported as net position. Overtime, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Fund is improving or deteriorating. The *statement of activities* presents information showing how the net position changed during the most recent period. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Supplemental Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplemental information*. The Fund adopts an annual budget for the general fund. A budgetary comparison statement is provided to demonstrate budgetary compliance.

Other Supplemental Information

The schedule of compensation, benefits and other payments to agency head or chief executive officer is presented to fulfil the requirements of Louisiana Revised Statute 24:513(A)(3).

FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE FINANCIAL STATEMENTS

Net position may serve over time as a useful indicator of the Judicial Expense Fund's financial position. The Fund's total net position changed from a year ago, increasing from \$241,949 to \$250,712. The largest portion of the Fund's net position, \$243,979 (97.31%) as of June 30, 2020, is unrestricted and may be used to meet the ongoing obligations to the citizens of DeSoto Parish.

The Fund continues to maintain a high level of liquidity with \$242,414 (99.36%) of the Fund's unrestricted net position invested in demand deposits with various financial institutions as of June 30, 2020. Accounts receivable decreased 36.30% from \$56,496 to \$35,990. Accounts payable decreased 35.34% from \$53,240 to \$34,425. At June 30, 2020, \$6,733 (2.69%) of the Fund's net position reflects capital assets with a historical cost of \$117,077 and accumulated depreciation of \$110,344.

A summary of the Statement of Net Position is below:

ASSETS	Governmental Activities	
	June 30, 2020	June 30, 2019
Cash and cash equivalents	\$ 206,756	\$ 192,685
LAMP account	35,658	35,095
Accounts receivable	35,990	56,496
Capital assets, net	6,733	10,913
Total Assets	<u>\$ 285,137</u>	<u>\$ 295,189</u>
LIABILITIES		
Accounts payable	\$ 34,425	\$ 53,240
Total Liabilities	<u>\$ 34,425</u>	<u>\$ 53,240</u>
NET POSITION		
Net investment in capital assets	\$ 6,733	\$ 10,913
Unrestricted	<u>243,979</u>	<u>231,036</u>
Total Net Position	<u>\$ 250,712</u>	<u>\$ 241,949</u>

An analysis of the government-wide Statement of Activities is presented as follows:

	For the year ended June 30, 2020	For the year ended June 30, 2019
Program Revenues	\$ 376,678	\$ 419,359
General Revenues	4,778	30,775
Total Revenues	<u>381,456</u>	<u>450,134</u>
Expenses:		
Judicial: Administrative	115,353	149,280
FINS	30,000	30,240
Probation	206,142	291,944
Restitution	21,198	10,914
Total Expenses	<u>372,693</u>	<u>482,378</u>
Increase/(Decrease) in Net Position	8,763	(32,244)
Net Position beginning	241,949	274,193
Net Position ending	<u>\$ 250,712</u>	<u>\$ 241,949</u>

As the accompanying presentation demonstrates, the Fund has increased its reserves by \$8,763 or 3.62% at June 30, 2020. Approximately 62.40% (\$238,041) of the Fund's total revenues were derived through charges for services compared to 63.48% (\$285,739) in the year ended June 30, 2019.

Beginning July, 2014, the DeSoto Parish Police Jury Criminal Court fund began reimbursing the Judicial Expense Fund for the Juvenile Probation Officer's Salary that they pay to the DeSoto Parish Sheriff. Total receipts for this salary reimbursement for the year end June 30, 2020, was \$98,821 or 25.91% of total revenues.

The Fund received \$39,816 (10.44%) and \$39,816 (8.85%) of its total revenues from a Louisiana state FINS grant during the years ended June 30, 2020, and June 30, 2019, respectively.

The Fund's expenses decreased \$109,685 (22.74%) to \$372,693 for the year ended June 30, 2020, from \$482,378 for the year ended June 30, 2019.

FINANCIAL ANALYSIS OF THE FUND'S FUND

For the year ended June 30, 2020, differences between the government-wide presentation and the fund financial statements were depreciation changes associated with capital assets.

BUDGETARY HIGHLIGHTS

Formal budgetary integration is employed as a management control device during the fiscal year. The budget policy of the Fund complies with state law, as amended, and as set forth in Louisiana Revised Statutes Title 39, Chapter 9, Louisiana Local Government Budget Act (LSA-RS 39:1301 et seq.). The Fund's budget was amended once during the year ended June 30, 2020. The actual revenues were \$5,698 (1.52%) less than the budgeted amounts and actual expenditures were \$1,105 (0.30%) more than the budgeted amounts.

CAPITAL ASSET ADMINISTRATION

The Fund acquired \$2,130 of new capital assets during the year ended June 30, 2020. This was for two new computers.

DEBT ADMINISTRATION

For the year ended June 30, 2020, there is no debt activity and no debts are outstanding at year-end.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Due to the COVID-19 pandemic, the United States has experienced volatile economic conditions and disruption of general business activities. At the present time, the Judicial Expense Fund has experienced negative impacts on operations and a reduction in revenues.

REQUEST FOR INFORMATION

This report is designed to provide a general overview of the Forty-second Judicial District – Judicial Expense Fund, DeSoto Parish, Louisiana, and seeks to demonstrate the Judicial Expense Fund's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Chief Judge Amy McCartney, P. O. Box 1299, Mansfield, Louisiana, 71052.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

STATEMENT A

FORTY-SECOND JUDICIAL DISTRICT COURT - JUDICIAL EXPENSE FUND

DeSoto Parish, Louisiana

STATEMENT OF NET POSITION

For the Year Ended June 30, 2020

	<u>GOVERNMENTAL ACTIVITIES</u>
ASSETS	
Cash and cash equivalents	\$ 206,756
LAMP deposits	35,658
Accounts receivable	35,990
Capital assets (net)	<u>6,733</u>
TOTAL ASSETS	\$ <u>285,137</u>
LIABILITIES	
Accounts, salaries, and other payables	\$ 6,456
Due to DeSoto Parish Sheriff	<u>27,969</u>
TOTAL LIABILITIES	\$ <u>34,425</u>
NET POSITION	
Net investment in capital assets	\$ 6,733
Unrestricted	<u>243,979</u>
TOTAL NET POSITION	\$ <u><u>250,712</u></u>

The notes to the financial statements are an integral part of this statement.
See the accompanying independent accountant's review report.

STATEMENT B

FORTY-SECOND JUDICIAL DISTRICT COURT - JUDICIAL EXPENSE FUND
DeSoto Parish, Louisiana
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2020

		Program Revenues			Net (Expenses) Revenues and Change in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions		Governmental Activities
Governmental Activities:					
Administrative	\$ 115,353	\$ 158,860	\$ 98,821	\$	142,328
Probation	206,142	57,593	-		(148,549)
FINS	30,000	-	39,816		9,816
Restitution	21,198	21,588	-		390
Total Governmental Activities	\$ 372,693	\$ 238,041	\$ 138,637		3,985
General Revenues:					
					691
					4,087
					4,778
				Change in Net Position	8,763
					241,949
				\$	250,712

The notes to the financial statements are an integral part of this statement.
See the accompanying independent accountant's review report.

FUND FINANCIAL STATEMENTS

STATEMENT C

FORTY-SECOND JUDICIAL DISTRICT COURT - JUDICIAL EXPENSE FUND
DeSoto Parish, Louisiana
BALANCE SHEET, GOVERNMENTAL FUND
 June 30, 2020

		GENERAL FUND
ASSETS		
Cash and cash equivalents	\$	206,756
LAMP deposits		35,658
Accounts receivable		35,990
TOTAL ASSETS	\$	278,404
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts, salaries, and other payables	\$	6,456
Due to other governments		27,969
Total Liabilities		34,425
Fund Balances:		
Assigned		
FINS		27,088
Probation		42,587
CNF		14,559
Unassigned		159,745
Total Fund Balances		243,979
TOTAL LIABILITIES AND FUND BALANCES	\$	278,404

The notes to the financial statements are an integral part of this statement.
 See the accompanying independent accountant's review report.

STATEMENT D

**FORTY-SECOND JUDICIAL DISTRICT COURT - JUDICIAL EXPENSE FUND
DeSoto Parish, Louisiana**

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

June 30, 2020

Amounts reported for governmental activities in the Statement of Net Position are different because:

Total Fund Balances for Governmental Funds (Statement C) \$ 243,979

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the government funds. Those assets consist of:

Furniture, fixtures and equipment (\$117,077), net of accumulated depreciation (\$110,344). 6,733

Total Net Position of Governmental Activities (Statement A) \$ 250,712

The notes to the financial statements are an integral part of this statement.
See the accompanying independent accountant's review report.

STATEMENT E

FORTY-SECOND JUDICIAL DISTRICT COURT - JUDICIAL EXPENSE FUND
DeSoto Parish, Louisiana
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-
GOVERNMENTAL FUND
For the Year Ended June 30, 2020

	GENERAL FUND
Revenues:	
Bond fees, forfeitures, and court costs	\$ 158,860
Restitution collected	21,588
Probation and related fees	57,593
Intergovernmental:	
Grant - State FINS	39,816
Parish juvenile officer salary reimbursement	98,821
Miscellaneous	4,087
Interest earnings	691
	381,456
Total Revenues	381,456
Expenditures:	
Current:	
Judicial administration	
Personnel and related benefits	57,170
Operating and administrative	51,945
Probation	206,070
FINS	30,000
Restitution paid to others	21,198
Capital outlays	2,130
	368,513
Total Expenditures	368,513
Excess (Deficiency) of Revenues over Expenditures before Other Financing Sources	12,943
Fund balance, beginning of year	231,036
Fund balance, end of year	\$ 243,979

The notes to the financial statements are an integral part of this statement.
See the accompanying independent accountant's review report.

STATEMENT F

FORTY-SECOND JUDICIAL DISTRICT COURT - JUDICIAL EXPENSE FUND
DeSoto Parish, Louisiana

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

For the Year Ended June 30, 2020

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

Net Change in Fund Balances- Total Governmental Funds (Statement E) \$ 12,943

Governmental funds report capital outlays as expenditures and the sales price of assets as revenue. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense and gain or loss on disposition of assets is recorded.

Capital outlays (\$2,130) less than depreciation (\$6,310) in the current period. (4,180)

Change in Net Assets of Governmental Activites (Statement B) \$ 8,763

The notes to the financial statements are an integral part of this statement.
See the accompanying independent accountant's review report.

NOTES TO THE FINANCIAL STATEMENTS

FORTY-SECOND JUDICIAL DISTRICT COURT – JUDICIAL EXPENSE FUND

DeSoto Parish, Louisiana

Notes to the Financial Statements

June 30, 2020

INTRODUCTION

The Forty-second Judicial District Court – Judicial Expense Fund (the Fund) was created by LSA-RS 13:996.65. **The purpose of the fund is to provide sufficient funding to expedite efficient operation of the court.** In general, the fund is established and may be used for any purpose or purposes connected with, incidental to or related to the proper administration of the court.

The Forty-second Judicial District Court (the District) was created by LSA-RS 13:477(42). The District is comprised of DeSoto Parish with the courthouse and judges' offices in Mansfield. The District's purpose is general jurisdiction judgeship for the approximately 27,435 people in the parish. The voters of the parish elect the two judges of the District to six-year terms. The two elected judges, who have all general trial jurisdiction throughout the district, are Judge Charles Adams and Judge Amy McCartney. There are no full-time employees paid by the Fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of the Forty-second Judicial District Court – Judicial Expense Fund have been prepared in conformity with governmental accounting principles generally accepted (GAAP) in the United States of America. The Governmental Accounting Standards Board (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; Statement 63, *Financial Reporting of Deferred Outflows of Resources, and Net Position* and Statement 65, *Items Previously Reported as Assets and Liabilities*. Such accounting and reporting policies also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the *Louisiana Governmental Audit Guide*.

The significant accounting policies established in GAAP and used by the Forty-second Judicial District Court – Judicial Expense Fund are discussed below.

A. REPORTING ENTITY

Governmental Accounting Standards Board Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. The basic criterion for including a potential component unit within the reporting entity is financial accountability. Oversight responsibility is determined on the basis of appointment of governing body, ability to significantly influence operations, accountability for fiscal matters, and the nature and significance of an organization's relationship with the primary government. For financial reporting purposes, in conformance with GASB Statement No. 14, the Judicial Expense Fund includes all funds that are within the oversight responsibility of the Forty-second District Court. Based on consideration of the foregoing criteria, the Forty-second Judicial District Court – Judicial Expense Fund is deemed to be a separate reporting entity.

B. BASIS OF PRESENTATION

The Forty-second Judicial District Court – Judicial Expense Fund's basic financial statements consists of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-Wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include the fund of the reporting entity, which is considered to be a governmental activity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

FORTY-SECOND JUDICIAL DISTRICT COURT – JUDICIAL EXPENSE FUND
DeSoto Parish, Louisiana
Notes to the Financial Statements
June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. BASIS OF PRESENTATION (continued)

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Judicial Expense Fund's governmental activities. Direct expenses are those that are specifically associated with a program or function. Program revenues include (a) fees and charges paid by the recipients for goods or services offered by the programs, 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

The accounts of the Fund are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. These funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations. The minimum number of funds is maintained consistent with legal and managerial requirements.

A fund is considered major if it is the primary operating fund of the entity. The only and major fund of the Judicial Expense Fund is classified as a governmental fund and is described below:

General Fund. The General Fund, as provided by Louisiana Revised Statute 47:1906 is the primary operating fund of the Fund and is used to account for the operations of the Fund. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to the Fund's policy.

C. 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" revenues, expenditures, expenses, transfers of assets, deferred outflows of resources, liabilities, and deferred inflows of resources—are recognized in the accounts and reported in the financial statements.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery) and financial position. All assets and liabilities (whether current or non-current) associated with its activities are reported. Government-wide fund equity is classified as net position.

In the fund financial statements, the "current financial resources" measurement focus is used. Only current financial assets and liabilities are generally included on its balance sheet. Their statement of revenues, expenditures, and changes in fund balance reports sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of available spendable financial resources during a given period. This approach is then reconciled, through adjustment, to a government-wide view of the operations.

FORTY-SECOND JUDICIAL DISTRICT COURT – JUDICIAL EXPENSE FUND
DeSoto Parish, Louisiana
Notes to the Financial Statements
June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. MEASUREMENT FOCUS/ BASIS OF ACCOUNTING (continued)

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 current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues are classified by source and expenditures are classified by function and character. Expenditures (including capital outlays) generally are recorded when a liability is incurred, as under accrual accounting.

D. ASSETS, LIABILITIES, AND EQUITY

Cash and Investments

Cash includes amounts in demand deposits and interest-bearing demand deposits. The cash includes amounts in time deposits and investments with original maturities of 90 days or less as cash equivalents. Under state law (LSA R.S. 33:2955), the Judicial Expense Fund may deposit funds with a fiscal agent organized under Louisiana law or any other state of the United States, or under the laws of the United States. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a non-profit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool.

Receivables / Payables

Receivables consist of all revenues earned at year-end and not yet received. Major receivables for the governmental activities include fines and bond forfeitures. All receivables are current and therefore due within one year. Allowances are reported when accounts are proven to be uncollectible. There are no allowances reported.

Payables consist of necessary and ordinary expenses of the Fund. Due to the Sheriff is probation officer salary reimbursements payable.

Capital Assets

Capital Assets which include computer and office equipment and furniture and fixtures are reported in the government-wide financial statements. All capital assets are depreciated using the straight-line method over their estimated useful lives, ranging from five to ten years depending upon the expected durability of the particular asset. Depreciation of all exhaustible capital assets is recorded as an expense in the statement of net position. The Judicial Expense Fund maintains a threshold level of \$1,000 or more for capitalizing capital assets for reporting purposes.

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

FORTY-SECOND JUDICIAL DISTRICT COURT – JUDICIAL EXPENSE FUND

DeSoto Parish, Louisiana

Notes to the Financial Statements

June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, LIABILITIES, AND EQUITY (continued)

Capital assets and depreciation expenses are reported in the Statement of Net Position and Statement of Activities. In the fund financial statements, fixed assets are accounted for as capital outlay expenditures upon acquisition.

Assets purchased under the FINS Grant Program are currently being accounted for by the Forty-second Judicial District Court – Judicial Expense Fund. However, under the provisions of the Grant contracts the assets are the property of the State of Louisiana. The State of Louisiana has instructed the Forty-second Judicial District Court – Judicial Expense Fund to maintain control and ownership. The State of Louisiana, Office of Social Services retains reversion rights in those assets.

Equity Classifications

Net Position

The Fund classifies net position in the government-wide financial statements, as follows:

- Net investment in capital assets – Consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.
- Restricted net position – net position is considered restricted if their use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws or buyers of the Fund's bonds. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.
- Unrestricted net position – consists of all other net position that does not meet the definition of the above two components and is available for general use by the Fund.

The Expense Fund's policy is to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Balances

In accordance with GASB 54, the Fund classifies fund balances in governmental funds as follows:

- *Nonspendable* – Amounts that are not in spendable form (such as prepaid expenses) because they are legally and contractually required to be maintained intact.
- *Restricted* – Amounts constrained to specific purposes by their providers (such as grantors or higher levels of government), through constitutional provisions, or by enabling legislation.
- *Committed* – Amounts constrained by the Judicial Expense Fund itself. To be reported as committed, amounts cannot be used for any other purpose unless the Judges take the action to remove or change the constraint.
- *Assigned* – Amounts the Judicial Expense Fund intends to use for a specific purpose. Intent can be expressed by an official or body to which the governing body delegates the authority.
- *Unassigned* – All amounts not included in other spendable.

The Expense Fund would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

The General Fund, the Fund's only governmental fund, has an unassigned fund balance of \$159,745.

FORTY-SECOND JUDICIAL DISTRICT COURT – JUDICIAL EXPENSE FUND
DeSoto Parish, Louisiana
Notes to the Financial Statements
June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. ESTIMATES

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

2. CASH

At June 30, 2020, the Forty-second Judicial District Court – Judicial Expense Fund has cash (book balances) totaling \$242,414.

Interest bearing demand deposits	\$ 165,109
Demand deposits	41,647
LAMP	35,658
	<u>\$ 242,414</u>

The cash of the Forty-second Judicial District Court – Judicial Expense Fund is subject to the following risks:

Custodial Credit Risk: Custodial risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent.

At June 30, 2020, the Forty-second Judicial District Court – Judicial Expense Fund has \$211,738 in deposits (collected bank balances). These deposits are secured from risk by \$250,000 of federal deposit insurance.

Cash held at June 30, 2020, also includes \$35,658 invested with the Louisiana Asset Management Pool (LAMP), a local government investment pool. The Louisiana Asset Management Pool is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955. LAMP, Inc. is not registered with the SEC as an investment company, but is subject to the regulatory oversight of the state treasurer and the board of directors.

Interest Rate Risk: This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value is to changes in market interest rates. The Judicial Expense Fund does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, as a means of offsetting exposure to interest rate risk, the Fund diversifies its investments by security type and institution. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

Credit Risk: Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. The Judicial Expense Fund complies with Louisiana Statutes (LSA R. S. 33:2955). The investments are stated at fair value based upon quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares. LAMP is rated AAA by Standard and Poor's.

FORTY-SECOND JUDICIAL DISTRICT COURT – JUDICIAL EXPENSE FUND
DeSoto Parish, Louisiana
Notes to the Financial Statements
June 30, 2020

3. ACCOUNTS RECEIVABLE

Accounts Receivable at June 30, 2020 consists of the following:

Fines and court costs	\$	7,996	
Parish salary reimbursement		27,994	
	\$	<u>35,990</u>	

4. CAPITAL ASSETS

A summary of the Forty-second Judicial District Court – Judicial Expense Fund's capital assets at June 30, 2020, follows:

Governmental Activities:	Balance 6/30/2019	Additions	Deletions/ Reclassifications	Balance 6/30/2020
Capital assets, being depreciated				
Equipment	\$ 28,363	\$ -	\$ (28,363)	\$ -
Computers	64,701	2,130	(34,718)	32,113
Furniture and fixtures	86,749	-	(1,785)	84,964
Vehicles	14,250	-	(14,250)	-
Total capital assets, being depreciated	<u>\$ 194,063</u>	<u>\$ 2,130</u>	<u>\$ (79,116)</u>	<u>\$ 117,077</u>
Less accumulated depreciation for				
Equipment	\$ 28,363	\$ -	\$ (28,363)	\$ -
Computers	58,526	4,874	(34,718)	28,682
Furniture and fixtures	82,011	1,436	(1,785)	81,662
Vehicles	14,250	-	(14,250)	-
Total accumulated depreciation	<u>183,150</u>	<u>\$ 6,310</u>	<u>\$ (79,116)</u>	<u>110,344</u>
Total capital assets being depreciated, net \$	<u>10,913</u>			<u>\$ 6,733</u>

Depreciation expense of \$6,310 for the year ended June 30, 2020, was charged to the following functions:

Administrative	\$	6,238	
Probation		72	
FINS		-	
	\$	<u>6,310</u>	

5. JOINT VENTURE

The Misdemeanor Probation program entered into an agreement with the DeSoto Parish Sheriff to reimburse the salary, payroll taxes, group insurance, retirement, and workman's compensation of the probation officers. The fund reimbursed the Sheriff's office \$172,885. Beginning July, 2014, the DeSoto Parish Police Jury Criminal Court Fund, in the form of a court order, began reimbursing the Judicial Expense Fund for the juvenile probation officer's salary only. The Police Jury reimbursed the Judicial Expense Fund \$98,821.

6. LITIGATION

Management has advised that there is no litigation pending against the Forty-second Judicial District Court — Judicial Expense Fund at June 30, 2020.

7. EXPENDITURES OF THE JUDICIAL EXPENSE FUND PAID BY OTHERS

The accompanying financial statements do not include certain salary or administrative expenditures of the District Court paid out of the funds of the DeSoto Parish Police Jury or directly by the State.

FORTY-SECOND JUDICIAL DISTRICT COURT – JUDICIAL EXPENSE FUND
DeSoto Parish, Louisiana
Notes to the Financial Statements
June 30, 2020

8. SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 5, 2021, which is the date the financial statements were available to be issued, and has concluded that there are no significant events requiring recognition or disclosure through that date.

In the spring of 2020, there was a global outbreak of a new strain on coronavirus, COVID-19. The public health crisis caused volatile economic conditions, impacting financial markets and disrupting general business activities across the United States. At the present time, the Judicial Expense Fund has experienced negative impacts on operations and a reduction in revenues.

REQUIRED SUPPLEMENTAL INFORMATION (PART II)

FORTY-SECOND JUDICIAL DISTRICT COURT - JUDICIAL EXPENSE FUND
DeSoto Parish, Louisiana
BUDGETARY COMPARISON SCHEDULE -- GENERAL FUND

For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Final Budget to Actual Positive (Negative)
	Original	Final		
Revenues:				
Bond fees, forfeitures, and court costs	\$ 196,485	\$ 158,115	\$ 158,860	\$ 745
Restitution collected	9,792	21,445	21,588	143
Probation and related fees	85,814	58,698	57,593	(1,105)
Intergovernmental:				
Grant - State FINS	39,816	39,816	39,816	-
Parish juvenile officer salary reimbursement	93,019	96,366	98,821	2,455
Miscellaneous	450	630	4,087	3,457
Interest earnings	1,158	688	691	3
	<u>426,534</u>	<u>375,758</u>	<u>381,456</u>	<u>5,698</u>
Total Revenues				
Expenditures:				
Current:				
Administrative				
Personnel and related benefits	59,074	62,294	57,170	5,124
Operating and administrative	51,312	44,166	51,945	(7,779)
Probation	256,263	219,319	206,070	13,249
FINS	30,000	30,000	30,000	-
Restitution paid to others	10,544	21,569	21,198	371
Capital outlays	22,877	(9,940)	2,130	(12,070)
	<u>430,070</u>	<u>367,408</u>	<u>368,513</u>	<u>(1,105)</u>
Total Expenditures				
Excess (Deficiency) of Revenues over Expenditures	(3,536)	8,350	12,943	4,593
Fund balance, beginning of year	231,036	231,036	231,036	-
Fund balance, end of year	<u>\$ 227,500</u>	<u>\$ 239,386</u>	<u>\$ 243,979</u>	<u>\$ 4,593</u>

The accompanying notes are an integral part of the financial statements.
 See the independent accountant's review report.

**FORTY-SECOND JUDICIAL DISTRICT COURT – JUDICIAL EXPENSE FUND
DeSoto Parish, Louisiana**

NOTE TO BUDGETARY COMPARISON SCHEDULE

As of and for the Year Ended June 30, 2020

Budgetary Information

The Forty-second Judicial District Court – Judicial Expense Fund’s budget is prepared in accordance with accounting principles generally accepted in the United States of America.

The Louisiana Local Government Budget Act provides that “the total proposed expenditures shall not exceed the total of estimated funds available for the ensuing year.” The “total estimated funds available” is the sum of the respective estimated fund balances at the beginning of the year and the anticipated revenues for the current year.

Expenditures may not legally exceed appropriations at the fund level. Appropriations that are not expended lapse at year-end. The budget comparison schedule presents the original budget and the final amended budget. The Judicial Expense Fund did not formally adopt the original budget and the amended budget

Budgeted revenues exceeded actual revenues by 1.5%. Actual expenditures exceeded budgeted expenditures by less than a one percent variance. The budget was amended during the year ended June 30, 2020. The Judicial Expense Fund is not in compliance with the Louisiana Local Government Budget Act because the original budget and amended budget were not formally adopted.

The Forty-second Judicial District Court - Judicial Expense Fund follows these budget procedures:

The Chief Judge prepares a proposed budget for the fund on the modified accrual basis of accounting. Due to the uncertainties of the budgeting, at least one of the judges is involved in the transfer of funds from one program or function to another or for increased expenditures resulting from revenues exceeding amounts estimated. All budgetary appropriations lapse at the end of each fiscal year. If budgeted expenditures exceed \$500,000 or more, per R.S. 39:1307, the budget is to be made available for public inspection prior to the 15th day of the new fiscal year by a public hearing. At least ten days prior to the public hearing, a notice is published that a public meeting is to be held, including the date, time, and place of the hearing. If budgeted expenditures are less than \$500,000, the proposed budget shall be adopted prior to the beginning of the budgeted year.

OTHER SUPPLEMENTAL INFORMATION

SCHEDULE 2

**FORTY-SECOND JUDICIAL DISTRICT COURT - JUDICIAL EXPENSE FUND
DeSoto Parish, Louisiana**

**SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER**

For the Year Ended June 30, 2020

	Charles B. Adams, Chief Judge <u>7/1/2019 to 6/15/2020</u>	Amy B. McCartney, Chief Judge <u>6/15/2020 to 6/30/2020</u>
Purpose:		
Salary	\$ -	\$ -
Benefits- Insurance	1,989	-
Benefits- retirement	-	-
Benefits- other	-	-
Car Allowance	-	-
Vehicle provided by government	-	-
Per diem	-	-
Reimbursements	99	-
Travel	-	-
Registration fees	-	-
Conference travel	565	-
Continuing professional education fees	-	-
Cellphone and internet	243	-
Dues	100	-
Meals	59	-
Total	\$ <u>3,055</u>	\$ <u>-</u>

See the independent accountant's review report.

OTHER REPORTS REQUIRED BY
LOUISIANA GOVERNMENTAL AUDIT GUIDE



Dees Gardner, Certified Public Accountants, LLC

Deborah D. Dees, CPA/CFF
Maura Dees Gardner, CPA, CFE

122 Jefferson Street
Mansfield, Louisiana
318-872-3007

Independent Accountant's Report on Applying Agreed-Upon Procedures

The Honorable Amy B. McCartney, Chief District Judge
Forty-second Judicial District Court Judicial Expense Fund
Mansfield, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed upon by the management of the Forty-second Judicial District Judicial Expense Fund and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Forty-second Judicial District Judicial Expense Fund's compliance with certain laws and regulations during the year ended June 30, 2020, included in the accompanying *Louisiana Attestation Questionnaire*. Management of the Forty-second Judicial District Judicial Expense Fund is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Obtain documentation for all expenditures made during the year for material and supplies exceeding \$30,000, and public works exceeding \$250,000. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1755 (the state procurement code) or R.S. 38:2211-2296 (the public bid law), whichever is applicable; and report whether the expenditures were made in accordance with these laws.

No expenditures were made during the year for materials and supplies exceeding \$30,000 or public works exceeding \$250,000.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each judge as defined by LSA-RS 42:1101-1124 (the code of ethics).

Management provided us with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the fiscal year.

Management provided us with the required list.

4. Report whether any employees' names appear on both lists obtained Procedures 2 and 3.

None of the employees included on the list of employees provided by management (agreed-upon procedure No. 3) appeared on the list provided by management in agreed-upon procedure No. 2.

5. Obtain a list of all disbursements made during the year, and a list of outside business interests of board members, employees, and board members' and employees' immediate families. Report whether any vendors appear on both lists.

Management provided the requested information. None of the businesses of the judges' immediate families appeared as vendors on the list of disbursements.

Budgeting

6. Obtain a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original budget and one amended budget.

7. Trace documentation for the adoption of the budget and approval of any amendments to the minute book, and report whether there are any exceptions.

Management provided us with a copy of an original budget and one amended budget, however, neither budget was formally adopted or approved.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures. Report whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditures exceeded budgeted amounts by 5% or more.

We compared the revenues and expenditures of the final budget to actual revenue and expenditures. Actual revenues exceeded budgeted amounts. Total actual expenditures were less than one percent more than budgeted amounts.

Recommendation: Management should formally adopt and document approval of the budget and any amendments thereto.

Management response: In prior years the Judicial Expense Fund had budgeted expenditures exceeding \$500,000 and was subject to the public participation rules regarding Budgeting. There was confusion concerning protocols for budgeting for proposed expenditures below \$500,000. Management has familiarized itself with the Local Government Budget Act.

Accounting and Reporting

9. Obtain the list of disbursements made during the fiscal year. Randomly select six disbursements, and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation, and

- (a) Report whether the six disbursements agree to the amount and payee in the supporting documentation.

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

- (b) Report whether the six disbursement are coded to the correct fund and general ledger account

All payments were properly coded to the correct fund and general ledger account.

- (c) Report whether the six disbursements were approved in accordance with policies and procedures

All payments were properly approved.

Meetings

10. Obtain evidence from management to support that agendas for meetings recorded in the minute book were posted or advertised as required by RS 42:11 through 42:28 (the open meeting law) and report whether there are any exceptions.

Not Applicable.

Debt

11. Obtain bank deposit slips for the fiscal year, and scan the deposit slips in order to identify and report whether there are any deposits that appear to be proceeds of bank loans, bonds, or like indebtedness. If any such proceeds are identified, obtain from management evidence of approval by the State Bond Commission, and report any exceptions.

We scanned deposits for the period under examination and found no indication of new bank loans, bonds, or like indebtedness in the fiscal year ended June 30, 2020.

Advances and Bonuses

12. Obtain the list of payroll disbursements and meeting minutes of the governing board, if applicable. Scan these documents to identify and report whether there are any payments or approval of payments to employees that may constitute bonuses, advances, or gifts.

We scanned payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

State Audit Law

13. Report whether the agency provided for a timely report in accordance with R.S. 24:513.

The report was filed timely.

14. Inquire of management and report whether the agency entered into any contracts that utilized state funds as defined in R.S. 39:72.1 A(2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Management did not enter into any contracts that utilized state funds.

Other Matters, Concerns, Suggestions, Recommendations, and/ or Comments

15. Discuss any other matters, concerns, suggestions, recommendations and/ or comments determined during the performance of attestation procedures.

None.

Prior-Year Comments and Recommendations

16. Review any prior-year suggestions, recommendations, and or comments to determine the extent to which such matters have been resolved.

There were no prior year suggestions, recommendations, and or comments for the year ending June 30, 2019.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the District's compliance with the foregoing matters. 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.

The purpose of this report is solely to describe the scope of testing performed on the District's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, 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 Louisiana Legislative Auditor as a public document.

Dees Gardner, Certified Public Accountants, LLC

Dees Gardner, Certified Public Accountants, LLC
Mansfield, Louisiana
January 5, 2021

LOUISIANA ATTESTATION QUESTIONNAIRE

11/20/2020 Date Completed

Dees Gardner, Certified Public Accountants, LLC
122 Jefferson Street
Mansfield, LA 71052

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of June 30, 2020, and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Public Bid Law

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes No []

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.

Yes No []

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.

Yes No []

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes No []

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Yes No []

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.

Yes No []

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes No []

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes No []

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes No []

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28.
Yes [] No []

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

n/a

Yes [X] No []

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes [X] No []

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes [X] No []

General

We are responsible for our compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes [X] No []

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes [X] No []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.

Yes [X] No []

We have made available to you all records that we believe are relevant to the foregoing agreed-upon procedures.

Yes [X] No []

We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of your report.

Yes [X] No []

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

Yes [X] No []

The previous responses have been made to the best of our belief and knowledge.

 _____ Chief Judge 11/20/20 _____ Date