

**JUDICIAL EXPENSE FUND FOR THE
TWELFTH JUDICIAL DISTRICT COURT**

**Component Unit of the
Avoyelles Parish Police Jury
Marksville, Louisiana**

Financial Statements

December 31, 2019

**DUCOTE & COMPANY
Certified Public Accountants
P. O. Box 309
219 North Washington St.
Marksville, LA 71351**

JUDICIAL EXPENSE FUND FOR THE TWELFTH JUDICIAL DISTRICT COURT

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Independent Auditors' Report

The Honorable William Bennett
The Honorable Kerry Spruill
Twelfth Judicial District Court
Marksville, Louisiana

Report on the Financial Statements

We have audited the accompanying basic financial statements of the Judicial Expense Fund of the Twelfth Judicial District Court of Louisiana, a component unit of the Avoyelles Parish Police Jury, as of and for the year ended December 31, 2019, and the related notes, as listed in the table of contents.

Management's Responsibility 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; this includes 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Judicial Expense Fund of the Twelfth Judicial District Court of Louisiana, a component unit of the Avoyelles Parish Police Jury, as of December 31, 2019, and the resulting changes in financial position, and the respective budgetary comparison of the 12th Judicial District Court Special Revenue Fund, for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

The Schedule of Compensation, Benefits, and Other Payments to Agency Head on page 27 is presented for purposes of additional analysis as required by Act 706 of the 2014 Regular Louisiana Legislative Session and as stated in LRS 24:513(A)(3). Such information is the responsibility of management. With the exception of the items marked “unaudited”, such information was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 14, 2020, on our consideration of the Judicial Expense Fund of the Twelfth Judicial District Court of Louisiana’s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal controls over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 Judicial Expense Fund of the Twelfth Judicial District Court of Louisiana’s internal control over financial reporting and compliance.

Ducote & Company

Marksville, Louisiana
September 14, 2020

**BASIC
FINANCIAL STATEMENTS**

GOVERNMENT WIDE FINANCIAL STATEMENTS

**JUDICIAL EXPENSE FUND FOR THE
TWELFTH JUDICIAL DISTRICT COURT
STATEMENT OF NET POSITION
December 31, 2019**

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$622,751
Accounts receivable	28,995
Machinery and equipment (net of accum depr)	30,363
TOTAL ASSETS	682,109
 LIABILITIES AND FUND BALANCE	
LIABILITIES:	
Accounts payable	4,127
Accrued expenses	1,200
Fines payable	342,392
TOTAL LIABILITIES	347,719
 NET POSITION	
Net investment in capital assets	30,363
Restricted:	
Court services	304,027
TOTAL NET POSITION	\$334,390

The accompanying notes are an integral part of this financial statement.

**JUDICIAL EXPENSE FUND FOR THE
TWELFTH JUDICIAL DISTRICT COURT
STATEMENT OF ACTIVITIES
Year Ended December 31, 2019**

FUNCTIONS/PROGRAMS

Governmental Activities

	Expenses	Program Operating Grants and Contributions	Net Revenues (Expenses)
General Government			
Salaries	\$371,065	\$404,099	\$33,034
Payroll taxes and insurance	54,469	59,318	4,849
Contract labor	17,565	19,129	1,564
Education and travel	2,365	2,576	211
Professional fees	10,863	11,830	967
Depreciation	9,651	10,510	859
Other expenses	132,107	143,868	11,761
TOTAL GOVERNMENTAL ACTIVITIES	\$598,085	\$651,329	53,243
General Revenues:			
Interest			799
Changes in net assets			54,042
Net position - beginning of year			280,348
Net position - end of year			\$334,390

The accompanying notes are an integral part of this financial statement.

FUND FINANCIAL STATEMENTS

**JUDICIAL EXPENSE FUND FOR THE
TWELFTH JUDICIAL DISTRICT COURT
BALANCE SHEET
GOVERNMENTAL FUND
December 31, 2019**

	Special Revenue Fund
	<u> </u>
ASSETS	
Cash	\$622,751
Accounts receivable	<u>28,995</u>
TOTAL ASSETS	<u><u>\$651,746</u></u>
LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable	\$4,127
Accrued expenses	1,200
Fines payable	<u>342,392</u>
Total Liabilities	<u>347,719</u>
Fund Balance:	
Committed	<u>304,027</u>
TOTAL LIABILITIES AND FUND BALANCE	<u><u>\$651,746</u></u>

The accompanying notes are an integral part of this financial statement.

**JUDICIAL EXPENSE FUND FOR THE
 TWELFTH JUDICIAL DISTRICT COURT
 RECONCILIATION OF THE GOVERNMENTAL FUNDS
 BALANCE SHEET TO THE STATEMENT OF NET POSITION
 December 31, 2019**

Total fund balances for governmental funds at December 31, 2019	\$304,027
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Total net position reported for governmental activities in the statement of net position is different because:

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

Equipment	\$81,099	
Accumulated depreciation	<u>(50,736)</u>	<u>\$30,363</u>

Total net position of governmental funds at December 31, 2019	<u><u>\$334,390</u></u>
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The accompanying notes are an integral part of this financial statement.

**JUDICIAL EXPENSE FUND FOR THE
TWELFTH JUDICIAL DISTRICT COURT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
GOVERNMENTAL FUND
Year Ended December 31, 2019**

	SPECIAL REVENUE FUND		
	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Special assessment fees	\$318,825	\$363,207	\$44,382
Intergovernmental grants	125,000	104,717	(20,283)
Federal grants	180,000	181,917	1,917
Miscellaneous revenues	0	2,287	2,287
	<u>623,825</u>	<u>652,128</u>	<u>28,303</u>
TOTAL REVENUES			
EXPENDITURES			
General Government			
Salaries	370,000	371,065	(1,065)
Payroll taxes and insurance	57,500	54,469	3,031
Contract labor	15,400	17,565	(2,165)
Education and travel	11,350	2,365	8,985
Capital outlay	17,700	7,175	10,525
Professional fees	13,400	10,863	2,537
Rent	19,620	19,620	0
Other expenses	103,790	112,487	(8,697)
	<u>608,760</u>	<u>595,610</u>	<u>13,150</u>
TOTAL EXPENDITURES			
EXCESS (DEFICIENCY) OF			
REVENUES OVER EXPENDITURES	<u>15,065</u>	56,518	<u>\$41,453</u>
FUND BALANCE, BEGINNING OF YEAR		<u>247,509</u>	
FUND BALANCE, END OF YEAR		<u>\$304,027</u>	

The accompanying notes are an integral part of this financial statement.

**JUDICIAL EXPENSE FUND FOR THE
 TWELFTH JUDICIAL DISTRICT COURT
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS
 TO THE STATEMENT OF ACTIVITIES
 Year Ended December 31, 2019**

Total net changes in fund balances for the year ended December 31, 2019
 statement of revenues, expenditures, and changes in fund balances \$56,518

The change in net position reported for governmental activities in the
 statement of activities is different because:

Capital outlays are reported as expenditures in the governmental
 funds. However, in the statement of activities, the cost of
 capital assets is allocated over their estimated useful lives
 as depreciation expense. In the current year, these amounts
 as:

Capital Outlay	\$7,175	
Depreciation Expense	(9,651)	(2,476)

Total change in net position for the year ended December 31, 2019
 per the Statement of Activities \$54,042

NOTES TO THE FINANCIAL STATEMENTS

JUDICIAL EXPENSE FUND FOR THE TWELFTH JUDICIAL DISTRICT COURT

NOTES TO FINANCIAL STATEMENTS December 31, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Judicial Expense Fund of the Twelfth Judicial District Court was created by Louisiana R.S. 13:996.33. The accounting and reporting policies of the Judicial Expense Fund for the Twelfth Judicial District Court conform to generally accepted accounting principles as applicable to governmental units. Such accounting and reporting procedures also conform to requirements of Louisiana Revised Statutes 24:517.

The following is a summary of the more significant policies:

FINANCIAL REPORTING ENTITY

Section 2100 of the 2011 Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, "Defining the Reporting Entity" establishes criteria for determining component units of an oversight entity. The basic - but not the only - criterion for determining a component unit is the oversight's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but is not limited to,: 1) selection of governing authority; 2) the designation of management; and 3) the ability to significantly influence operations and accountability for fiscal matters.

The Judicial Expense Fund is a part of the operations of the district court system. The district court system is fiscally dependent on the police jury for office space and courtrooms. The substance of the relationship between the district court system and the police jury is that the police jury has approval authority over its capital budget. Based on the above criteria it has been determined that the Judicial Expense Fund of the Twelfth Judicial District Court of Louisiana is a component unit of the Avoyelles Parish Police Jury.

While the Judicial Expense Fund is an integral part of the Avoyelles Parish Police Jury and should be included within the financial statements of the Parish reporting entity, GASB Codification Section 2600 provides that a component unit may also issue financial statements separate from those of the reporting entity. According, the accompanying financial statements present information only on the funds maintained by the 12th Judicial District Court and do not present information on the Avoyelles Parish Police Jury, the general governmental services provided by that governmental unit, or other governmental units that comprise the financial reporting entity.

JUDICIAL EXPENSE FUND FOR THE TWELFTH JUDICIAL DISTRICT COURT

**NOTES TO FINANCIAL STATEMENTS (continued)
December 31, 2019**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GOVERNMENT WIDE FUND FINANCIAL STATEMENTS

The government wide fund financial statements report the information on all of the non-fiduciary activities of the Judicial Expense Fund of the Twelfth Judicial District Court. Governmental activities are normally supported by taxes and assessments which are reported separately from the business-type activities, which relay to a significant extent on fees and user charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include fines and assessments charge for various violations.

The government wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

Governmental 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. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

FUND ACCOUNTING:

The accounts of the Court are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund or account group are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are to be controlled.

JUDICIAL EXPENSE FUND FOR THE TWELFTH JUDICIAL DISTRICT COURT

**NOTES TO FINANCIAL STATEMENTS (continued)
December 31, 2019**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GOVERNMENTAL FUND

Governmental funds account for all or most of the Judicial Expense Fund of the Twelfth Judicial District Court's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term obligations. Governmental funds include:

Special Revenue Fund

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

BUDGETARY PRACTICES

In accordance with Louisiana Revised Statute 39:1301 through 39:1314, the Judicial Expense Fund of the Twelfth Judicial District Court is required to adopt an annual budget. All annual appropriations lapse at year end. Encumbrance accounting is not utilized.

CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Judicial Expense Fund of the Twelfth Judicial District Court may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

Under state law, the Judicial Expense Fund of the Twelfth Judicial District Court may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost.

**JUDICIAL EXPENSE FUND FOR THE
TWELFTH JUDICIAL DISTRICT COURT**

**NOTES TO FINANCIAL STATEMENTS (continued)
December 31, 2019**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FIXED ASSETS

Fixed assets of governmental funds are recorded as expenditures at the time they are purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost if historical cost is not available. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

Machinery and equipment	5-7 years
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RESTRICTED NET POSITION

In the government-wide statement of net position, net position is reported as restricted when constraints placed on net position that either are:

- a) Externally imposed by creditors (such as debt covenants), grants, contributors, laws, or regulations of other governments; or
- b) Imposed by law through constitutional provisions or enabling legislation.

Restrictions on net position are:

Net investment in capital assets – consists of capital assets including restricted assets, net of accumulated depreciation

Restricted for court services – funds to be used strictly for the operation of court services

USE OF 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 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.

**JUDICIAL EXPENSE FUND FOR THE
TWELFTH JUDICIAL DISTRICT COURT**

**NOTES TO FINANCIAL STATEMENTS (continued)
December 31, 2019**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GOVERNMENTAL FUND BALANCES

In the governmental fund financial statements, fund balances are classified as follows:

Non-spendable fund balance – amounts that cannot be spent either because they are in a non-spendable form or because they are legally or contractually required to be maintained intact.

Restricted fund balances – amounts that can be spent only for specific purposes because of state or federal laws or externally imposed conditions by grantors, creditors, or citizens.

Committed fund balance – amounts that can be used only for specific purposes determined by a formal action by the judges of the Twelfth Judicial District Court.

Assigned fund balance – amounts that are constrained by the Fund's intent that they will be used for specific purpose.

Unassigned fund balance - all other amounts not included in the other spendable classifications.

The Fund considers restricted fund balances to be spent for governmental expenditures first when both restricted and unrestricted resources are available. The Fund also considers committed fund balances to be spent first when other unrestricted fund balance classifications are available for use.

NOTE 2. FAIR VALUE

The District measures and reports the financial assets at fair value. Fair value is defined as the prices that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date.

**JUDICIAL EXPENSE FUND FOR THE
TWELFTH JUDICIAL DISTRICT COURT**

**NOTES TO FINANCIAL STATEMENTS (continued)
December 31, 2019**

NOTE 2. FAIR VALUE (continued)

The three-level hierarchy discussed below indicates the extent and level of judgment used to estimate fair market value.

Level 1 – Uses unadjusted quoted prices that are available in active markets for identical assets as of the reporting date;

Level 2 – Uses inputs other than Level 1 that are either directly or indirectly observable as of the reporting date through correlation with market data, including quoted prices for similar assets in active markets and quoted prices in markets that are not active. Level 2 also includes assets that are valued using models or other pricing methodologies that do not require significant judgment since the input assumptions used in the models are corroborated by readily observable data;

Level 3 - Uses inputs that are unobservable, supported by little or no market activity and reflect the use of significant management judgment. These values are generally determined using pricing models that utilize management estimates of market participant assumptions. The District did not have any Level 3 assets as of the report date.

The following are the assets of the District that were accounted for at fair value on a recurring basis as of December 31, 2019. This table does not include assets and liabilities that are measured at historical cost or any other basis other than fair value.

Description	12/31/2019	Fair Value at Reporting Date Using		
		Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs Level (2)	Significant Unobservable Inputs Level (3)
Cash/money market funds	\$622,751	\$622,751	\$0	\$0

**JUDICIAL EXPENSE FUND FOR THE
TWELFTH JUDICIAL DISTRICT COURT**

**NOTES TO FINANCIAL STATEMENTS (continued)
December 31, 2019**

NOTE 3 – CASH

At December 31, 2019, the Judicial Expense Fund for the Twelfth Judicial District Court has cash and cash equivalents (book balances) totaling \$622,751. *Custodial Credit Risk* is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. At December 31, 2019, the Judicial Expense Fund for the Twelfth Judicial District Court has \$645,921 in deposits (collected bank balances), \$446,275 was covered by federal depository insurance (GASB Category 1), and \$199,645 was collateral by pledged securities, exposed to credit risk as follows:

<u>Depository Account</u>	<u>Bank Balance</u>
Insured	\$446,275
Collateralized:	
Collateral held by pledging bank's trust department not in the agency's name	199,645
Uninsured and uncollateralized	0
Total Deposits	\$645,920

NOTE 4 – CAPITAL ASSETS

The following is a summary of changes in the capital assets and depreciation activity for the year ended December 31, 2019:

	<u>Balance 12/31/2018</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance 12/31/2019</u>
Machinery & equipment	\$73,924	\$7,175	\$0	\$81,099
Total Capital Assets	73,924	\$7,175	\$0	81,099
Less: Accum Depr	(41,085)	(\$9,651)	\$0	(50,736)
Net Capital Assets	\$32,839			\$30,363

**JUDICIAL EXPENSE FUND FOR THE
TWELFTH JUDICIAL DISTRICT COURT**

**NOTES TO FINANCIAL STATEMENTS (continued)
December 31, 2019**

NOTE 5 – RECEIVABLES

The receivables of \$28,995, as of December 31, 2019, are as follows:

Intergovernmental:	
Local fees	\$ <u>28,995</u>
	\$ <u>28,995</u>

NOTE 6 – ACCOUNTS AND OTHER PAYABLES

The payables of \$342,501 at December 31, 2019, are as follows:

Accounts payable	\$ 4,127
Accrued expenses	1,200
Client fines collected	<u>342,392</u>
	<u>\$347,719</u>

NOTE 7 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

The statutes which created the Fund place certain limitations and restrictions on the collections and disbursements of the Fund. The Fund is in compliance with all significant limitations and restrictions for 2019.

NOTE 8 – FUND BALANCES

Fund balances for the Fund consisted of the following as of December 31, 2019:

Committed fund balance – The committed fund balance consists of divisional expenditures totaling \$304,027 that are committed by the Judges of the Twelfth Judicial District Court.

**JUDICIAL EXPENSE FUND FOR THE
TWELFTH JUDICIAL DISTRICT COURT**

**NOTES TO FINANCIAL STATEMENTS (continued)
December 31, 2019**

NOTE 9 – COMMITMENTS AND CONTINGENCIES

At December 31, 2019, the Judicial Expense Fund for the Twelfth Judicial District Court was not involved in any litigation that would materially affect the financial statements.

NOTE 10 – SUBSEQUENT EVENTS

Subsequent events were evaluated through September 14, 2020, which is the date the financial statements were available to be issued. No material subsequent events have occurred since December 31, 2019, that required recognition or disclosure in the financial statements. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

SUPPLEMENTARY INFORMATION

**REPORT ON COMPLIANCE AND INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

The Honorable William Bennett
The Honorable Kerry Spruill
Twelfth Judicial District Court
Marksville, 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 the Judicial Expense Fund of the Twelfth Judicial District Court (the Fund) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Judicial Expense Fund of the Twelfth Judicial District Court's basic financial statements, and have issued our report thereon dated September 14, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Judicial Expense Fund of the Twelfth Judicial District's Court's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Judicial Expense Fund of the Twelfth Judicial District Court's internal control. Accordingly, we do not express an opinion on the effectiveness of the Judicial Expense Fund of the Twelfth Judicial District Court's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or 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.

The Honorable William Bennett
The Honorable Kerry Spruill
Page 2
September 14, 2020

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 may exist that have not been identified.

Compliance and other matters

As part of obtaining reasonable assurance about whether the Judicial Expense Fund of the Twelfth Judicial District Court's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws and regulations, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is for the information and use of the management of the governing body 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.

Ducote & Company

Certified Public Accountants
Marksville, Louisiana
September 14, 2020

**JUDICIAL EXPENSE FUND FOR THE
TWELFTH JUDICIAL DISTRICT COURT
SUMMARY OF AUDIT RESULTS AND FINDINGS
Year Ended December 31, 2019**

Section I – Summary of Auditors’ Results

A. Financial Statement Audit

1. The independent auditors’ report expresses an unqualified opinion on the financial statements of the Judicial Expense Fund for the Twelfth Judicial District Court.
2. No significant deficiencies relating to the audit of the financial statements are reported in the report on compliance and internal control.
3. No instances of noncompliance material to the financial statements are disclosed during the examination.
4. No separate management letter was issued to the Judicial Expense Fund for the Twelfth Judicial District Court.

Section II – Financial Statement Findings

None

**JUDICIAL EXPENSE FUND FOR THE
TWELFTH JUDICIAL DISTRICT COURT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended December 31, 2019**

Section I – Internal Control and Compliance Material to the Financial Statements

None

Section II – Management Letter

None

**JUDICIAL EXPENSE FUND FOR THE
TWELFTH JUDICIAL DISTRICT COURT
SCHEDULE OF COMPENSATION, BENEFITS, AND
OTHER PAYMENTS TO AGENCY HEAD
December 31, 2019**

Agency Head: Honorable William Bennett, Chief Judge, Division B

<u>Purpose</u>		<u>Amount</u>
Salary	*	\$0
Benefits:		
Insurance	*	0
Retirement	*	0
Cell phone		2,436
Subscriptions		95
Conference travel		2,822
Continuing professional education fees		875
Professional dues		<u>760</u>
		<u><u>\$6,988</u></u>

The Judge's salary and employer portion of his insurance and retirement (indicated by an *) are paid by the Louisiana Supreme Court directly to the Judge. This information is not available in the 12th Judicial District records.

**JUDICIAL EXPENSE FUND FOR THE
TWELFTH JUDICIAL DISTRICT COURT**

**Component Unit of the
Avoyelles Parish Police Jury
Marksville, Louisiana**

Agreed-Upon Procedures Report

December 31, 2019

**DUCOTE & COMPANY
Certified Public Accountants
219 North Main Street
P. O. Box 309
Marksville, LA 71351**

INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

The Honorable William J Bennett
Chief Judge
12th Judicial District Court
Marksville, Louisiana

We have performed the procedures enumerated below, which were agreed to by the 12th Judicial District Judicial Expense Fund, Louisiana and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2019 through December 31, 2019. The District's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted 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.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain the District's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the District does not have any written policies and procedures), as applicable:
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
Written policies and procedures were obtained and do not address the function above
 - b) ***Travel and expense reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
Written policies and procedures were obtained and do not address the function above
 - c) ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the District's ethics policy.
Written policies and procedures were obtained and do not address the function above
 - d) ***Debt Service***, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
Written policies and procedures were obtained and do not address the function above
 - e) ***Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of backups, (2) storage of backups in a separate physical location isolated from the network; (3)

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periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems; (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event

Written policies and procedures were obtained and do not address the function above

Exception Noted: The 12th Judicial District Judicial Expense Fund did not have written policies and procedures as specified by the Louisiana Legislative Auditor that address

- **Budgeting**
- **Travel and Expense Reimbursement**
- **Ethics**
- **Debt Service**
- **Disaster Recover/Business Continuity**

Management's Response: Written policies and procedures are continuing to be formulated and adopted upon acceptance by the Chief Judge and Fiscal Administrator.

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 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.

The purpose of this report is 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.

DUCOTE & COMPANY

Marksville, Louisiana

September 14, 2020