

RUSTON CITY MARSHAL'S OFFICE

Component Unit Financial Statements
For the Year Ended September 30, 2023



Ruston City Marshal's Office
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For the Year Ended September 30, 2023

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Independent Auditors' Report

Honorable Curtis Hawkins
Ruston City Marshal's Office
P.O. Box 1582
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Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Ruston City Marshal's Office, a component unit of the City of Ruston, Louisiana, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Ruston City Marshal's Office's basic financial statements as listed in the Table of Contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Ruston City Marshal's Office as of September 30, 2023, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Ruston City Marshal's Office and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Ruston City Marshal Office's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Ruston City Marshal Office's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4-7 and 23-24 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with the auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Ruston City Marshal Office's basic financial statements. The accompanying other supplemental information consisting of the Schedules of Compensation, Reimbursements, Benefits, and Other Payments to Agency Head on Page 31, Justice System Funding – Collecting/Disbursing Schedule and Justice System Funding – Receiving Entity on Pages 32-33 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The other supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic 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 March 22, 2024, on our consideration of Ruston City Marshal Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Ruston City Marshal Office's internal control over financial reporting and compliance.

Cameron Hines & Company (APAC)

West Monroe, Louisiana
March 22, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Ruston City Marshal's Office (the Marshal) provides an overview of the Marshal's activities for the year ended September 30, 2023. Please read it in conjunction with the Marshal's financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Marshal's basic financial statements. The Marshal's basic financial statements include three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. These components are described below:

BASIC FINANCIAL STATEMENTS

The basic financial statements include two kinds of financial statements that present different views of the Marshal – the *Government-wide Financial Statements* and *Fund Financial Statements*. These financial statements also include the *Notes to the Financial Statements* that explain some of the information in the financial statements and provide additional detail.

Government-Wide Financial Statements

The government-wide financial statements provide a broad view of the Marshal's operations in a manner similar to a private-sector business. The statements provide both short-term and long-term information about the Marshal's financial position, which assists users in assessing the Marshal's economic condition at the end of the year. These statements are prepared using the economic resources measurement focus and the accrual basis of accounting similar to methods used by most businesses. These statements report all revenues and expenditures connected with the year even if cash has not been received or paid. The Marshal's financial statements contain only governmental activities. The government-wide financial statements include two statements.

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

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Marshal, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the Marshal are divided into two categories: governmental funds and fiduciary funds.

- **Governmental Funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources at the end of the year. Such information may be useful in evaluating the Marshal's near term financing requirements. This approach is known as using the flow of financial resources measurement focus and the modified accrual basis of accounting. These statements provide a detailed short-term view of the Marshal's finances and assists in determining whether there will be adequate financial resources available to meet the current needs of the Marshal.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, users may better understand the long-term impact of the Marshal's near-term financing decisions. Due to the nature of the operations there were no differences between the fund financial statements and the government-wide financial statements.

The Marshal has one governmental fund: the General Fund.

- **Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside of the Marshal. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Marshal's own programs. The accrual basis of accounting is used for fiduciary funds.

The Marshal has three fiduciary funds: the Bond Fund, the Civil Fund, and the Fines Fund.

The funds financial statements can be found immediately following the government-wide financial statements.

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. The notes to the financial statements can be found immediately following the fund financial statements.

FINANCIAL ANALYSIS OF GOVERNMENT-WIDE ACTIVITIES

Net Position

Net position may serve over time as a useful indicator of the Marshal's financial position. The Marshal's net assets were \$321,470 and \$315,769 as of September 30, 2023 and 2022, respectively.

The Marshal's assets totaling \$327,242 consists mostly of cash and cash equivalents and net capital assets.

	<u>Governmental Activities</u>	
	<u>2023</u>	<u>2022</u>
Assets	\$ 327,242	\$ 325,837
Current Liabilities	<u>5,772</u>	<u>10,068</u>
Total Net Position	<u>\$ 321,470</u>	<u>\$ 315,769</u>

Changes in Net Position

The Marshal's net position increased by \$5,701 during the year ended September 30, 2023 compared to an increase of \$35,727 during the prior year. The Marshal's total revenues derived from program revenue during the current year increased \$317,949 from the prior year, mainly due to a increase in court costs and commissions. Expenses increased \$347,975 due primarily to an increase in fines disbursed.

	<u>Governmental Activities</u>	
	<u>2023</u>	<u>2022</u>
Revenues:		
Program Revenues:		
Court Costs and Commissions	\$1,476,453	\$1,243,357
On-Behalf	439,076	356,365
General Revenues:		
Interest	2,190	136
Other Income	<u>266</u>	<u>178</u>
Total Revenues	1,917,985	1,600,036
Program Expenses		
Operating Expenses	1,473,208	1,207,944
On-Behalf Expenses	<u>439,076</u>	<u>356,365</u>
Total Expenses	<u>1,912,284</u>	<u>1,564,309</u>
Increase/(Decrease) in Net Position	5,701	35,727
Net Position – Beginning of Year	<u>315,769</u>	<u>280,042</u>
Net Position – End of Year	<u>\$ 321,470</u>	<u>\$ 315,769</u>

FINANCIAL ANALYSIS OF THE MARSHAL'S INDIVIDUAL FUNDS

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

Governmental Funds

The focus of the Marshal's governmental fund is to provide information on the near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Marshal's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the Marshal's net resources available for spending at September 30, 2023.

The General Fund accounts for receipts and disbursements of funds received from City Court costs and used in connection with City Marshal operating expenditures including paying for the Marshal's staff supplemental salaries. Unassigned fund balance increased \$9,511 to \$164,544 at the end of the current fiscal year compared to a decrease of \$65,330 in the prior year.

The ending governmental fund balance is unassigned and available for spending in the coming year.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the Marshal revised the budget one time. The difference between the original expenditure budget and the actual amount of expenditures was an increase of \$51,210. The difference between the original revenue budget and the actual amount of revenue was an increase of \$96,003.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The fiscal year-ended 2024 budget reflects estimated receipts based on past receipts. The Marshal's office has no control over the amount of receipts each year. Receipts are dependant on several factors: number of arrests and tickets given by the local police departments; the number of cases successfully prosecuted by the prosecuting attorney; the number of defendants who pay, etc. Fines and court costs are set by the state legislature and by the Ruston City Judge. The fiscal year-ended 2024 budget reflects estimated amounts of expenditures for the coming year based upon past expenditures, current inflation rates, and known increases or decreases in expenditures for the coming year. Also, as per Statement No. 24 of the Governmental Accounting Standards Board, the fiscal year-ended 2024 budget includes payments to be made by the City of Ruston and State of Louisiana on behalf of the Marshal's office.

CONTACTING THE MARSHAL'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the Marshal's finances and to show the Marshal's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Ruston City Marshal's Office at 401 N. Trenton Street, Room 223, Ruston, LA 71270.

Basic Financial Statements

RUSTON CITY MARSHAL'S OFFICE
STATEMENT OF NET POSITION
SEPTEMBER 30, 2023

	Governmental Activities
<u>ASSETS</u>	
Cash	\$ 277,820
Accounts Receivable	720
Capital Assets, Net	48,702
Total Assets	\$ 327,242
<u>LIABILITIES</u>	
Accounts Payable	\$ 5,772
Total Liabilities	5,772
<u>NET POSITION</u>	
Invested in Capital Assets	48,702
Restricted For:	
Civil	18,817
Fines	89,407
Equipment & Training	-
Unrestricted Net Position	164,544
Total Net Position	\$ 321,470

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

RUSTON CITY MARSHAL'S OFFICE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

<u>Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense)</u>
		<u>Charges</u>	<u>On-Behalf</u>	<u>Revenue and Changes</u>
		<u>for</u>	<u>Revenue</u>	<u>in Net Position</u>
		<u>Services</u>		<u>Government Activities</u>
Judicial:				
On-Behalf Salaries	\$ 439,076	\$ -	\$439,076	\$ -
Operating Expenses	<u>1,473,208</u>	<u>1,476,453</u>	<u>-</u>	<u>3,245</u>
 Total Judicial Activities	 <u>\$ 1,912,284</u>	 <u>\$ 1,476,453</u>	 <u>\$439,076</u>	 <u>\$ 3,245</u>
 General Revenue:				
Interest Earned				2,190
Other Income				<u>266</u>
Total General Revenue				<u>2,456</u>
 <u>Change in Net Position</u>				 5,701
 <u>Net Position October 1, 2022</u>				 <u>315,769</u>
 <u>Net Position September 30, 2023</u>				 <u>\$ 321,470</u>

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

RUSTON CITY MARSHAL'S OFFICE
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

<u>ASSETS</u>	<u>General</u>	<u>Civil</u>	<u>Fines</u>	<u>Equipment & Training</u>	<u>Total</u>
Cash	\$ 4,561	\$ 20,781	\$ 89,407	\$ 1,300	\$ 116,049
Savings	161,771	-	-	-	161,771
Accounts Receivable	720	-	-	-	720
Due From/(To) Other Funds	1,300	-	-	(1,300)	-
<u>TOTAL ASSETS</u>	<u>\$ 168,352</u>	<u>\$ 20,781</u>	<u>\$ 89,407</u>	<u>\$ -</u>	<u>\$ 278,540</u>
<u>LIABILITIES</u>					
Accounts Payable	\$ 3,808	\$ 1,964	\$ -	\$ -	\$ 5,772
<u>FUND BALANCE</u>					
Restricted for:					
Civil	-	18,817	-	-	18,817
Fines	-	-	89,407	-	89,407
Equipment & Training	-	-	-	-	-
Unassigned Fund Balance	164,544	-	-	-	164,544
Total Fund Balance	<u>164,544</u>	<u>18,817</u>	<u>89,407</u>	<u>-</u>	<u>272,768</u>
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>\$ 168,352</u>	<u>\$ 20,781</u>	<u>\$ 89,407</u>	<u>\$ -</u>	<u>\$ 278,540</u>

*Amounts reported for governmental activities
in the statement of net assets are different
because:*

Total Governmental Fund Balance	\$ 164,544	\$ 18,817	\$ 89,407	\$ -	\$ 272,768
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	<u>48,702</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>48,702</u>
Net Position of Governmental Activities	<u>\$ 213,246</u>	<u>\$ 18,817</u>	<u>\$ 89,407</u>	<u>\$ -</u>	<u>\$ 321,470</u>

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

RUSTON CITY MARSHAL'S OFFICE
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>General</u>	<u>Civil</u>	<u>Fines</u>	<u>Equipment & Training</u>	<u>Total</u>
Revenues:					
Court Costs and Commissions	\$ 120,999	\$411,897	\$930,534	\$ -	\$ 1,463,430
Bonding Fees	9,630	-	-	-	9,630
Service Fees	3,393	-	-	-	3,393
Interest Earned	1,424	231	535	-	2,190
Other Fees	266	-	-	-	266
Other Income	-	-	-	-	-
On-Behalf	439,076	-	-	-	439,076
Total Revenues	<u>574,788</u>	<u>412,128</u>	<u>931,069</u>	<u>-</u>	<u>1,917,985</u>
Expenditures:					
Capital Outlay	1,088	-	-	-	1,088
Co-op Agreement w/City of Ruston	-	-	-	-	-
Community Service Programs	2,400	-	-	-	2,400
Supplemental Pay	24,300	-	-	-	24,300
Uniforms	510	-	-	-	510
Professional Fees	20,055	-	-	-	20,055
Retirement	33,915	-	-	-	33,915
Law Enforcement Supplies	78	-	-	-	78
Office Supplies	33,606	-	-	-	33,606
Repairs and Maintenance	-	-	-	-	-
On-Behalf Salaries and Expenses	439,076	-	-	-	439,076
Telephone and Utilities	2,476	-	-	-	2,476
Vehicle Expense	7,773	-	-	-	7,773
Fees and Commissions	-	114,766	-	-	114,766
Other Reductions	-	304,309	929,656	-	1,233,965
Total Expenditures	<u>565,277</u>	<u>419,075</u>	<u>929,656</u>	<u>-</u>	<u>1,914,008</u>
Excess of Revenues Over Expenditures	9,511	(6,947)	1,413	-	3,977
Fund Balance at Beginning of Year	<u>155,033</u>	<u>25,764</u>	<u>87,994</u>	<u>-</u>	<u>268,791</u>
Fund Balance at End of Year	<u>\$ 164,544</u>	<u>\$ 18,817</u>	<u>\$ 89,407</u>	<u>\$ -</u>	<u>\$ 272,768</u>

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

RUSTON CITY MARSHAL'S OFFICE
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Net Change in Fund Balances - Total		
Governmental Funds	\$	3,977

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

Government funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:

Capital asset purchases capitalized		1,088
Other		6,285
Depreciation expense		(5,649)
		1,724
Change in Net Position in Governmental Activities	\$	5,701

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

RUSTON CITY MARSHAL'S OFFICE
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
SEPTEMBER 30, 2023

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	<u>\$ 24,808</u>
<u>TOTAL ASSETS</u>	<u><u>\$ 24,808</u></u>
<u>LIABILITIES</u>	
Deposits Due to Others	<u>\$ 24,808</u>
<u>TOTAL LIABILITIES</u>	<u><u>\$ 24,808</u></u>

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

Ruston City Marshal's Office
Notes to Financial Statements
For The Year Ended September 30, 2023

Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Ruston City Marshal's Office receives fees and costs for services rendered on civil and criminal cases, in accordance with state law, for the administration and staff support of the elected position of the Ruston City Marshal. The elected position of Ruston City Marshal was created by special legislative Act RS 13; 1952 (20). Its territorial jurisdiction extends throughout Lincoln Parish, Louisiana. The Marshal is the executive officer of the court executing the orders and mandates of the Ruston City Court. He also acts as custodian of cash bail bonds, fines and court costs, and civil amounts collected. The Marshal can appoint deputy marshals to help him fulfill his responsibilities. The fees and costs received by this office are dedicated to the administration and support of this elected position and cannot be used to compensate the holder of the elected position. The holder of the elected position of Ruston City Marshal receives fees for services rendered on civil cases, in accordance with state law, from the civil fund he administers for the Ruston City Court. The accompanying basic financial statements of the Ruston City Marshal's Office are prepared in accordance with governmental accounting principles generally accepted 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 more significant accounting policies used by the Marshal's Office are discussed below:

A. Reporting Entity

The Ruston City Marshal's Office is fiscally dependent on the City of Ruston for office space, related utility costs, and providing the primary funding of salary costs. Because the Marshal's Office is fiscally dependent on the City, the Marshal's Office was determined to be a component unit of the City of Ruston. For the purposes of this financial report this component unit serves as the nucleus for its own financial reporting entity and issues separate financial statements.

B. Measurement Focus, Basis of Accounting and Financial Statement Presentation

Basis of accounting refers to when revenues and expenditures/expenses are recognized in the accounts and reported in the financial statements. 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 liabilities are incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current *financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Ruston City Marshal's Office
Notes to Financial Statements
For The Year Ended September 30, 2023

Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Fund Accounting

The Marshal's Office uses the fund accounting method to maintain its financial records. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain custodian functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The following funds are used by the Marshal's Office:

Governmental Funds

Governmental funds account for all or most of the Marshal's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities 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 of the Ruston City Marshal's Office. The Marshal's Office uses one fund, the General Fund, to account for all financial resources, except those required to be accounted for in other funds. The General Fund resources are available for any purpose provided they are expended or transferred in accordance with state and federal laws and according to the policy of the Marshal's Office.

Fiduciary Funds

Fiduciary funds reporting focuses on net assets and changes in net assets. The only funds accounted for in this category by the Marshal's Office are agency funds. The agency funds account for assets held by the Marshal's Office in a trustee capacity or as an agent for individuals and other governments. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the agency funds have no measurement focus, but use the modified accrual basis of accounting. Since these assets are being held for a third party and cannot be used for the activities or obligations of the government, these funds are not incorporated into the government-wide statements.

D. Measurement Focus/Basis of Accounting

Fund Financial Statements

The amounts reflected in the general fund financial statements and agency fund statements are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources and uses of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the Marshal's operations. For the year ended September 30, 2023, there were no differences between the fund financial statements and the government-wide financial statements.

Ruston City Marshal's Office
Notes to Financial Statements
For The Year Ended September 30, 2023

Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Measurement Focus/Basis of Accounting (continued)

The amounts reflected in the general fund financial statements and agency fund statements use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become measurable and available). Measurable means the amount of the transaction can be determined, and available means the amount of the transaction is collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Marshal's Office considers all revenues available if they are collected within sixty days after the fiscal year end. Expenditures are recorded when the related fund is incurred.

Government-Wide Financial Statements

The column labeled Statement of Net Position and the column labeled Statement of Activities display information about the Marshal's Office as a whole. These statements included all the financial activities of the Marshal's Office. Information contained in these columns reflect the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program Revenues – Program revenues included in the column labeled Statement of Activities are derived directly from court defendants and plaintiffs as a fee for services and from on-behalf payments made by other governmental units for salaries and benefits of employees of the Marshal's Office; program revenues reduce the net cost of the function to be financed from other sources of the Marshal's general revenues.

E. Compensated Absences

Vacation and sick leave are noncumulative. There are no accumulated and vested benefits relating to vacation and sick leave that require accrual or disclosure at year end.

F. Budgetary Practices

The Marshal's Office prepared an operating budget on its General Fund for the year ended September 30, 2023. Budgetary data is prepared based on prior year actual operating revenues and expenditures, and expected differences between actual and anticipated revenues and expenditures. It is monitored by management and amended throughout the year as necessary. The Marshal's Office performs only a custodial function in the case of agency funds and therefore a budget for these funds is not appropriate. Appropriations lapse at year-end and must be reappropriated for the following year to be expended.

Ruston City Marshal's Office
Notes to Financial Statements
For The Year Ended September 30, 2023

Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Budgetary Practices (continued)

The 2023 general fund budget was authorized by the Marshal, made available for public inspection at the Marshal's Office, and adopted by the Marshal on September 30, 2022. The budget was legally amended by the Marshal for the year ended September 30, 2023.

G. Cash and Certificates of Deposit

Cash on hand, demand deposits, and time deposits with original maturities of three months or less from the date of acquisition are reported as cash. Time deposits with original maturities in excess of three months from the date of acquisition are reported as certificates of deposit. State law and the investment policy allows the Marshal's Office to invest in collateralized certificates of deposit. Bank deposits (or 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. Pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Cash and certificates of deposit are carried at cost which approximates market value.

H. Capital Assets – Governmental-Wide Financial Statements

Capital assets, with an original cost of \$250 or more, are capitalized at cost. Salvage value is estimated at 5% to 10% of historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expenses as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Office Equipment	5 – 10 years
Communication	10 years
Law Enforcement	10 years
Furniture and Fixtures	5 years
Vehicles	5 years
Computers	5 years
Weapons	10 years

Ruston City Marshal's Office
Notes to Financial Statements
For The Year Ended September 30, 2023

Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure 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.

J. Fund Equity

GASB Statement No. 54 establishes standards for five fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in governmental funds. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned and unassigned.

Restricted Fund Balance - This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the government's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless removed by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned Fund Balance – This classification reflects the amounts constrained by the Marshal's "intent" to be used for specific purposes, but are neither restricted nor committed. Management has the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the general fund, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned Fund Balance - This fund balance is the residual classification for the general fund. It is used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the Marshal's policy to use externally restricted resources first, then unrestricted resources – committed, assigned and unassigned – in order as needed.

Ruston City Marshal's Office
Notes to Financial Statements
For The Year Ended September 30, 2023

NOTE 2 – CASH AND CASH EQUIVALENTS

At September 30, 2023, the Marshal's Office has under its control general fund cash, general fund savings, and fiduciary fund cash (book balances) totaling \$302,628. The general fund cash includes \$300 in petty cash. The Marshal's collected balances with financial institutions at September 30, 2023 is \$306,346 is secured by federal deposit insurance, and the remaining \$56,346 is secured by pledged securities held by the bank's agent in the name of the bank.

NOTE 3 – CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended September 30, 2023, are as follows:

	<u>Balance</u> <u>10/01/22</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>09/30/23</u>
<u>Capital Assets at Cost</u>				
Communications	\$ 20,163	\$ -	\$ -	\$ 20,163
Computers	14,012	1,088	700	14,400
Furniture and Fixtures	4,998	-	-	4,998
Law Enforcement	9,330	-	-	9,330
Office Equipment	2,835	-	-	2,835
Vehicles	106,875	-	-	106,875
Weapons	9,822	-	-	9,822
Office Renovations	14,838	-	-	14,838
Totals	<u>182,873</u>	<u>1,088</u>	<u>700</u>	<u>183,261</u>
<u>Less Accumulated Depreciation</u>				
Communications	7,250	1,929	-	9,179
Computers	8,043	1,552	664	8,931
Furniture and Fixtures	3,627	313	-	3,940
Law Enforcement	3,842	600	-	4,442
Office Equipment	2,004	175	-	2,179
Vehicles	95,765	-	-	95,765
Weapons	6,957	709	-	7,666
Office Renovations	2,086	371	-	2,457
Totals	<u>129,574</u>	<u>5,649</u>	<u>664</u>	<u>134,559</u>
Net Capital Assets	<u>\$ 53,299</u>	<u>\$ (4,561)</u>	<u>\$ (36)</u>	<u>\$ 48,702</u>

Ruston City Marshal's Office
Notes to Financial Statements
For The Year Ended September 30, 2023

**NOTE 4 – RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE GOVERNMENTAL-WIDE STATEMENT OF NET POSITION**

At September 30, 2023, assets reported as available for government activities in the Statement of Net Position are different from the Governmental Funds Balance Sheet as follows:

Fund Balance – Governmental Funds	\$ 272,768
Adjustment for Capital Assets – Capital assets used in governmental activities are not financial resources and therefore are not reported in the general fund balance sheet nor reflected in fund balance for the general fund.	<u>48,702</u>
Total Net Assets of Governmental Activities	<u>\$ 321,470</u>

**NOTE 5 – RECONCILIATION OF THE STATEMENT OF GOVERNMENTAL FUND
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE TO
THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES**

At September 30, 2023, amounts reported for government activities in the Statement of Activities are different from the Governmental Funds Revenues, Expenditures, and Changes in Fund Balance as follows:

Net Change in Fund Balance – General Fund	\$ 3,977
Adjustment for Difference in Capital Outlays and Depreciation – Governmental funds report capital outlays as expenditures while in the Statement of Activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense. An adjustment is required for the amount by which capital outlays exceeded depreciation expense in the current period.	<u>1,724</u>
Change in Net Assets of Governmental Activities	<u>\$ 5,701</u>

NOTE 6 – RETIREMENT COMMITMENTS

The Ruston City Marshal's Office employees are paid by the City of Ruston and receive supplemental wages from the State of Louisiana and the Ruston City Marshal's Office. Wages paid for these employees by the City and the Marshal's Office are covered under the City's participation in the Municipal Employees' Retirement System of Louisiana and retirement contributions are paid by the City. The Ruston City Marshal's Office receives fees and commissions, as an elected municipal official, that are covered under the Ruston City Marshal's Office's participation in the Municipal Employees' Retirement System of Louisiana. The Municipal Employees' Retirement System of Louisiana (the System) is a cost sharing, multiple employee defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions.

Ruston City Marshal's Office
Notes to Financial Statements
For The Year Ended September 30, 2023

NOTE 6 – RETIREMENT COMMITMENTS (continued)

All permanent employees working at least 35 hours per week who are not covered by another pension plan and are paid wholly or in part from municipal funds and all elected municipal officials are eligible to participate in the System.

Under Plan A, members are required by state statute to contribute 10% of their annual covered salary and the Marshal's Office is required to contribute at an actuarially determined rate. The rate was 29.5% from October 1, 2022 through June 30, 2023 and 29.5% from July 1, 2023 through September 30, 2023. The contribution requirements of plan members and the Marshal's Office are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Marshal's Office contributions to the System under Plan A for the year ending September 30, 2023, were \$33,915.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Employees' Retirement System of Louisiana, 6750 Van Gogh, Baton Rouge, Louisiana 70806, or by calling (504) 925-4810.

NOTE 7 – ON-BEHALF PAYMENTS

Employees of the Ruston City Marshal's Office received salaries and fringe benefits from the City of Ruston and the State of Louisiana. The following is a summary of these on-behalf payments:

Salaries	\$ 316,906
Fringe Benefits	<u>122,170</u>
Totals	<u>\$ 439,076</u>

Fringe benefits paid by the City of Ruston include pension plan contributions to the Municipal Employees' Retirement System of Louisiana.

Ruston City Marshal's Office
Notes to Financial Statements
For The Year Ended September 30, 2023

NOTE 8 – CHANGES IN AGENCY FUND DEPOSITS DUE OTHERS

A summary of changes in agency fund deposits due others follows:

	<u>Balance at Beginning of Year</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at End of Year</u>
Agency Funds:				
Bonds Fund	\$ 17,058	\$ 35,750	\$ 28,000	\$ 24,808
	<u>\$ 17,058</u>	<u>\$ 35,750</u>	<u>\$ 28,000</u>	<u>\$ 24,808</u>

NOTE 9 – SUBSEQUENT EVENTS

Subsequent events have been evaluated through March 22, 2024, which is the day the financial statements were available to be issued, and it has been determined that no significant events have occurred for disclosure.

Supplemental Information

RUSTON CITY MARSHAL'S OFFICE
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Court Cost Commissions	\$ 96,000	\$ 118,854	\$ 120,999	\$ 2,145
Bonding Fees	5,438	9,756	9,630	(126)
Service Fees	2,465	2,729	3,393	664
Interest Earned	88	971	1,424	453
Other	96	158	266	108
On-Behalf	374,698	408,663	439,076	30,413
Total Revenues	<u>478,785</u>	<u>541,131</u>	<u>574,788</u>	<u>33,657</u>
<u>Expenditures</u>				
Capital Outlay	-	-	1,088	(1,088)
Community Service Programs	2,400	2,400	2,400	-
Supplemental Pay	24,300	24,300	24,300	-
Uniforms	1,323	446	510	(64)
Professional Fees	38,272	24,266	20,055	4,211
Retirement	24,650	34,418	33,915	503
Law Enforcement Supplies	3,142	94	78	16
Office Supplies	28,250	32,511	33,606	(1,095)
Repairs and Maintenance	992	-	-	-
On-Behalf Salaries and Expenses	374,698	408,663	439,076	(30,413)
Telephone and Utilities	2,834	2,626	2,476	150
Vehicle Expense	13,206	7,753	7,773	(20)
Fees & Commissions	-	-	-	-
Other Reductions	-	-	-	-
Total Expenditures	<u>514,067</u>	<u>537,477</u>	<u>565,277</u>	<u>(27,800)</u>
<u>Excess (Deficiency) of Revenues Over</u>				
<u>Expenditures</u>	(35,282)	3,654	9,511	5,857
<u>Net Change in Fund Balance</u>	(35,282)	3,654	9,511	5,857
<u>Fund Balance at Beginning of Year</u>	<u>155,033</u>	<u>155,033</u>	<u>155,033</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 119,751</u>	<u>\$ 158,687</u>	<u>\$ 164,544</u>	<u>\$ 5,857</u>

See the following notes to budgetary comparison schedule.

Ruston City Marshal's Office
Notes to Budgetary Comparison Schedule
For The Year Ended September 30, 2023

The Marshal's Office uses the following budget practices:

1. In August of each year, the Marshal prepares an operating budget for the succeeding year.
2. Final adoption of the budget by the Marshal is in September.
3. The Marshal may authorize budget revisions periodically throughout the year.
4. Operating appropriations and non-major capital appropriations, to the extent not expended, lapse at year end.
5. All legally adopted budgets of the Marshal's Office are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). A Budget is adopted for the General Fund.

Budget comparison statement included in the accompanying financial statements includes the original adopted budget and subsequent adopted amendment.

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDIT STANDARDS

Honorable Curtis Hawkins
Ruston City Marshal's Office
Ruston, 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 component unit financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Ruston City Marshal's Office, a component unit of the City of Ruston, Louisiana, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City Marshal's of Ruston, Louisiana, component unit financial statements and have issued our report thereon dated March 22, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Ruston City Marshal's Office'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 Ruston City Marshal's internal control. Accordingly, we do not express an opinion on the effectiveness of the Ruston City Marshal's Office'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.

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Ruston City Marshal's Office's component unit financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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, the communication is not suitable for any other purpose.

Cameron Hines & Company (APAC)

West Monroe, Louisiana
March 22, 2024

Ruston City Marshal's Office
Schedule of Findings and Responses
For The Year Ended September 30, 2023

Honorable Curtis Hawkins
Ruston City Marshal's Office
Ruston, Louisiana

We have audited the component unit financial statements of the Ruston City Marshal's Office as of and for the year ended September 30, 2023, and have issued our report thereon dated March 22, 2024. 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 *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the component unit financial statements as of September 30, 2023, resulted in an unmodified opinion.

Section I- Summary of Auditors' Reports

A. Report on Internal Control and Compliance Material to the Financial Statements

Deficiencies in Internal Control

Material Weakness _____ yes X no

Significant Deficiencies not considered to be
Material Weaknesses _____ yes X no

Compliance

Compliance Material to Financial Statements _____ yes X no

B. Federal Awards – N/A

Material Weakness Identified _____ yes _____ no

Significant Deficiencies not considered to be
Material Weaknesses _____ yes _____ no

Type of Opinion on Compliance For Major Programs

Unmodified _____ Modified _____

Disclaimer _____ Adverse _____

Are their findings required to be reported in accordance with the Uniform
Guidance?

C. Identification of Major Programs – N/A

Dollar threshold used to distinguish between Type A and Type B Programs.

Is the auditee a “low-risk” auditee, as defined by the Uniform Guidance?

Ruston City Marshal's Office
Schedule of Findings and Responses
For The Year Ended September 30, 2023

Section II- Financial Statement Findings

There were no financial statement findings for the year ended September 30, 2023.

Section III- Federal Award Findings and Question Costs

This section is not applicable for this entity.

Ruston City Marshal's Office
Management's Corrective Action Plan
For the Year Ended September 30, 2023

Internal Control and Compliance Material to the Financial Statements

There were no financial statement findings for the year ended September 30, 2023.

Ruston City Marshal's Office
Schedule of Prior Year Findings
For the Year Ended September 30, 2023

Internal Control and Compliance Material to the Financial Statements

There were no findings for the year ended September 30, 2022.

Management Letter

No management letter was issued.

RUSTON CITY MARSHAL'S OFFICE
SCHEDULE OF COMPENSATION, REIMBURSEMENTS,
BENEFITS, AND OTHER PAYMENTS TO AGENCY HEAD
FOR THE FISCAL YEAR ENDED SEPTEMBER 20, 2023

Schedule 2

Agency Head:

Curtis Hawkins
City Marshal

Paid by the City of Ruston, Louisiana

Salary	\$	28,800
Benefits - Health Insurance		17,120
Benefits - Retirement		10,266

Paid by the Ruston Marshal's Office

Service Fees & Commissions		114,766
Benefits - Retirement		33,915

Paid by the State of Louisiana

State Supplemental Pay		7,500
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Total Compensation, Benefits and Other Payments	\$	<u>212,367</u>
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See independent auditors' report.

RUSTON CITY MARSHAL
JUSTICE SYSTEM FUNDING SCHEDULE - COLLECTING/DISBURSING ENTITY
AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	First Six Month Period Ended <u>3/31/2023</u>	Second Six Month Period Ended <u>9/30/2023</u>
Cash Basis Presentation		
Beginning Balance of Amounts Collected (i.e. cash on hand)	\$ 138,801	\$ 140,538
Add: Collections		
Civil Fees	217,416	194,481
Bond Fees	11,000	24,500
Criminal Court Costs/Fees	474,027	456,507
Subtotal Collections	<u>702,443</u>	<u>675,488</u>
Less: Disbursements to Governments & Nonprofits		
City of Ruston - DWI - Criminal Court Costs/Fees	589	789
City of Ruston - Fines - Criminal Court Costs/Fees	129,412	123,889
City of Ruston - Probation Fund - Criminal Court Costs/Fees	24,078	18,966
City of Ruston - Witness Fund - Criminal Court Costs/Fees	6,720	6,632
City of Ruston - Littering Fund - Criminal Court Costs/Fees	-	38
Crime Stoppers Fund - Criminal Court Costs/Fees	3,925	4,142
Disability Affairs Trust Fund - Criminal Court Costs/Fees	833	1,459
DWI Equipment Testing Fund - Criminal Court Costs/Fees	884	1,182
Judicial College Fund - Criminal Court Costs/Fees	981	1,136
Law Enforcement Training Fund - Criminal Court Costs/Fees	3,846	4,059
Law Enforcement Training Fund - Victim Reparation Fund - Criminal Court Costs/Fees	1,462	1,168
Law Enforcement Training Fund - Drug Abuse Fund - Criminal Court Costs/Fees	1,332	1,395
Lincoln Parish Coroner - Criminal Court Costs/Fees	1,462	1,168
North Louisiana Criminalistics Lab - Criminal Court Costs/Fees	56,467	55,978
Ruston City Court - Judge's Clerk Fund - Criminal Court Costs/Fees	3,582	3,895
Ruston City Court - Judge's Court Cost Fund - Criminal Court Costs/Fees	58,872	62,127
Ruston City Court - Judge's Crime Fund - Criminal Court Costs/Fees	2,498	3,022
Sex Offender Registry Fund - Criminal Court Costs/Fees	3,915	3,024
Third Judicial District Public Defender Fund - Criminal Court Costs/Fees	88,308	93,191
Traumatic Injury Trust Fund - Criminal Court Costs/Fees	5,123	5,124
Trial Court Case Management - Criminal Court Costs/Fees	5,887	6,213
Less: Amounts Retained by Collecting Agency		
Collection Fee for Collecting/Disbursing to Others Based on a Percentage of Collection	61,277	53,489
Court Costs/Fees - Self Disbursed	60,377	64,176
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Bond Fee Refunds	8,500	19,500
Other Disbursements to Individuals (additional detail is not required)	170,376	145,268
Subtotal Disbursements/Retainage	<u>700,706</u>	<u>681,030</u>
Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)	<u>\$ 140,538</u>	<u>\$ 134,996</u>

See independent auditors' report.

RUSTON CITY MARSHAL
JUSTICE SYSTEM FUNDING SCHEDULE - RECEIVING ENTITY
AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	First Six Month Period Ended <u>3/31/2023</u>	Second Six Month Period Ended <u>9/30/2023</u>
Cash Basis Presentation		
Receipts From:		
Ruston City Court - Criminal Court Costs/Fees	\$ 58,872	\$ 62,127
Total Receipts	<u>\$ 58,872</u>	<u>\$ 62,127</u>

See independent auditors' report.

RUSTON CITY MARSHAL

*Independent Accountants' Report on
Applying Agreed-Upon Procedures*

For the Year Ended September 30, 2023



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Honorable Curtis Hawkins, City Marshal of Ruston, Louisiana,
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period October 1, 2022, through September 30, 2023. The Ruston City Marshal's (Marshal) management is responsible for those C/C areas identified in the SAUPs.

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

The procedures and associated findings are as follows:

1) *Written Policies and Procedures*

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:¹
 - i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - ii. ***Purchasing***, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.
 - iii. ***Disbursements***, including processing, reviewing, and approving.
 - iv. ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g.,

¹ For governmental organizations, the practitioner may eliminate those categories and subcategories not applicable to the organization's operations. For quasi-public organizations, including nonprofits, the practitioner may eliminate those categories and subcategories not applicable to public funds administered by the quasi-public.

periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

- v. **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.
- vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- vii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- viii. **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- ix. **Ethics**², including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Findings: No exceptions noted.

2) Board or Finance Committee³

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and

² The Louisiana Code of Governmental Ethics (Ethics Code) is generally not applicable to nonprofit entities but may be applicable in certain situations, such as councils on aging. If the Ethics Code is applicable to a nonprofit, the nonprofit should have written policies and procedures relating to ethics.

³ These procedures are not applicable to entities managed by a single elected official, such as a sheriff or assessor.

- i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
- ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds⁴, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds⁵ if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
- iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.⁶

Findings: The Marshal is managed by a single elected official. These procedures are not applicable.

3) *Bank Reconciliations*

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts⁷ (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
 - ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
 - iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

⁴Proprietary fund types are defined under GASB standards and include enterprise and internal service funds. The related procedure addresses these funds as a way to verify that boards are provided with financial information necessary to make informed decisions about entity operations, including proprietary operations that are not required to be budgeted under the Local Government Budget Act.

⁵ R.S. 24:513 (A)(1)(b)(iv) defines public funds.

⁶ No exception is necessary if management's opinion is that the cost of taking corrective action for findings related to improper segregation of duties or inadequate design of controls over the preparation of the financial statements being audited exceeds the benefits of correcting those findings.

⁷ Accounts selected may exclude savings and investment accounts that are not part of the entity's daily business operations.

Findings: No exceptions noted.

4) Collections (excluding electronic funds transfers)⁸

- A. Obtain a listing of deposit sites⁹ for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
- B. For each deposit site selected, obtain a listing of collection locations¹⁰ and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that
 - i. Employees responsible for cash collections do not share cash drawers/registers;
 - ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;
 - iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and
 - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.
- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.
- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
 - i. Observe that receipts are sequentially pre-numbered.¹¹
 - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

⁸ The Collections category is not required to be performed if the entity has a third-party contractor performing all collection functions (e.g., receiving collections, preparing deposits, and making deposits).

⁹ A deposit site is a physical location where a deposit is prepared and reconciled.

¹⁰ A collection location is a physical location where cash is collected. An entity may have one or more collection locations whose collections are brought to a deposit site for deposit. For example, in a school district a collection location may be a classroom and a deposit site may be the school office. For school boards only, the practitioner should consider the deposit site and collection location to be the same if there is a central person (secretary or bookkeeper) through which collections are deposited.

¹¹ The practitioner is not required to test for completeness of revenues relative to classroom collections by teachers.

- iii. Trace the deposit slip total to the actual deposit per the bank statement.
- iv. Observe that the deposit was made within one business day of receipt¹² at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
- v. Trace the actual deposit per the bank statement to the general ledger.

Findings: No exceptions noted.

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

- A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
- B. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that
 - i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;
 - ii. At least two employees are involved in processing and approving payments to vendors;
 - iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;
 - iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and
 - v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

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

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

¹² As required by Louisiana Revised Statute 39:1212.

- ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.
- D. Using the entity’s main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity’s policy, and (b) approved by the required number of authorized signers per the entity’s policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

Findings: No exceptions noted.

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

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards¹³. Obtain management’s representation that the listing is complete.
- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and
 - i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and
 - ii. Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under procedure #7B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection)¹⁴. For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

¹³ Including cards used by school staff for either school operations or student activity fund operations.

¹⁴ For example, if 3 of the 5 cards selected were fuel cards, transactions would only be selected for each of the 2 credit cards. Conceivably, if all 5 cards randomly selected under procedure #7B were fuel cards, procedure #7C would not be applicable.

Findings: No exceptions noted.

7) *Travel and Travel-Related Expense Reimbursements*¹⁵ (excluding card transactions)

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected
- i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov);
 - ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
 - iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii); and
 - iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Findings: No exceptions noted.

8) *Contracts*

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management’s representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner’s contract, and
- i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law¹⁶ (e.g., solicited quotes or bids, advertised), if required by law;
 - ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);
 - iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and

¹⁵ Non-travel reimbursements are not required to be inspected under this category.

¹⁶ If the entity has adopted the state Procurement Code, replace “Louisiana Public Bid Law” with “Louisiana Procurement Code.”

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

Findings: No exceptions noted.

9) Payroll and Personnel

- A. Obtain a listing of employees and officials¹⁷ employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and
 - i. Observe that all selected employees or officials¹⁸ documented their daily attendance and leave (e.g., vacation, sick, compensatory);
 - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
 - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
 - iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.
- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Findings: All payroll functions for employees of the Marshal are performed by the City of Ruston. These procedures are not applicable.

¹⁷ "Officials" would include those elected, as well as board members who are appointed.

¹⁸ Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.

10) *Ethics*¹⁹

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and
 - i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
 - ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

Findings: All ethics requirements for employees of the Marshal are performed by the City of Ruston. These procedures are not applicable.

11) *Debt Service*²⁰

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Findings: The Marshal did not have any debt instruments during the fiscal year. These procedures are not applicable.

12) *Fraud Notice*²¹

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.

¹⁹ The Louisiana Code of Governmental Ethics (Ethics Code) is generally not applicable to nonprofit entities but may be applicable in certain situations, such as councils on aging. If the Ethics Code is applicable to a nonprofit, the procedures should be performed.

²⁰ This AUP category is generally not applicable to nonprofit entities. However, if applicable, the procedures should be performed.

²¹ Observation may be limited to those premises that are visited during the performance of other procedures under the AUPs and the notice is available for download at www.la.gov/hotline

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

Findings: No exceptions noted.

13) Information Technology Disaster Recovery/Business Continuity

- A. Perform the following procedures, **verbally discuss the results with management, and report “We performed the procedure and discussed the results with management.”**
 - i. Obtain and inspect the entity’s most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government’s local server or network, and (c) was encrypted.
 - ii. Obtain and inspect the entity’s most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
 - iii. Obtain a listing of the entity’s computers currently in use and their related locations, and management’s representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

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

14) Prevention of Sexual Harassment²²

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
- B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity’s premises if the entity does not have a website).

²² While it appears to be a good practice for charter schools to ensure it has policies and training for sexual harassment, charter schools do not appear required to comply with the Prevention of Sexual Harassment Law (R.S. 42:341 et seq). An individual charter school, through the specific provisions of its charter, may mandate sexual harassment training.

- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:
- i. Number and percentage of public servants in the agency who have completed the training requirements;
 - ii. Number of sexual harassment complaints received by the agency;
 - iii. Number of complaints which resulted in a finding that sexual harassment occurred;
 - iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - v. Amount of time it took to resolve each complaint.

Findings: No exceptions noted.

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

We are required to be independent of the Marshal and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Cameron, Hines & Company (APAC)

West Monroe, Louisiana
March 13, 2024