
23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

FINANCIAL STATEMENTS

DECEMBER 31, 2021

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

FINANCIAL STATEMENTS

DECEMBER 31, 2021

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INDEPENDENT AUDITORS' REPORT

To the Honorable Judges of the 23RD Judicial District
Gonzales, Louisiana

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the 23RD Judicial District Judicial Expense Fund (the District), a component unit of the Ascension Parish Council as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of December 31, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 *District'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 District'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 schedules on pages 4-9 and 22-24 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 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 District's basic financial statements. The schedules of compensation, benefits and other payments to agency heads and justice system funding schedule- receiving entity are presented for the purposes of additional analysis and are not a required part of the basic financial statements. The schedules of compensation, benefits and other payments to agency heads and justice system funding schedule- receiving entity are the responsibility of management and were derived from and relate 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 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 schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 1, 2022, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Gonzales, Louisiana

June 1, 2022

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2021

This section of 23RD Judicial District Judicial Expense Fund's (the District) annual financial report presents our discussion and analysis of the District's financial performance during the year ended December 31, 2021. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information (where available). Please read it in conjunction with the District's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The District's total net position of \$1,465,610 decreased by 4.3 percent over the course of this year's operations.
- During the year, the District's expenses were \$65,914 more than the \$514,779 generated in charges for court fees, operating grants, and other general revenues.
- The District's expenses increased by \$91,672 or 18.7 percent.
- Current year revenues decreased compared to prior year by 1.7 percent to \$514,779.
- The General Fund reported fund balance of \$471,971, a decrease of 15.3 percent from last year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts - management's discussion and analysis (this section), the financial statements, required supplementary information, and other supplementary information. The financial statements include two kinds of statements that present different views of the District.

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District's government, reporting the District's operations in more detail than the government-wide statements.
 - The governmental fund statements tell how general government services were financed in the short-term as well as what remains for future spending.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and relate to one another.

Figure A-1 summarizes the major features of the District's financial statements, including the portion of the District's government they cover and types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure of contents of each of the statements.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2021

Figure A-1

Major Features of the District's Government-wide and Fund Financial Statements

	<u>Government-wide Statements</u>	<u>Governmental Funds</u>
Scope	Entire District government	The activities of the District
Required financial statements	<ul style="list-style-type: none">• Statement of net position• Statement of activities	<ul style="list-style-type: none">• Balance sheet• Statement of revenues, expenditures, and changes in fund balances
Accounting basis and measurements focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included
Type of Inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2021

Government-wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in accordance in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's net position and how they have changed. Net position—the difference between the District's assets and liabilities is one way to measure the District's financial health, or position.

- Over time, increases or decreases in the District's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District you need to consider additional nonfinancial factors such as the growth of Ascension Parish.

The government-wide financials of the District include:

- Governmental activities - most of the District's basic services are included here, such as operating activities. Court fees, operating grants, and interest finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant funds not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

The District has only governmental funds as described below:

- Governmental funds—Most of the District's basic services are included in the governmental fund, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information on the subsequent page that explains the relationship (or differences) between them.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2021

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net position. The District's net position decreased between fiscal years 2021 and 2020 to \$1,465,610 (See Table A-1)

Table A-1

Statement of Net Position-Governmental Activities

	2021	2020
Cash and other assets	\$ 1,412,166	\$ 1,555,029
Capital assets, net	121,858	70,630
Total assets	1,534,024	1,625,659
Current liabilities	68,414	94,135
Total liabilities	68,414	94,135
Net investment in capital assets	121,858	70,630
Restricted:		
Families in need of services	123,440	108,072
Child support services	748,341	795,792
Unrestricted	471,971	557,030
Total Net Position	\$ 1,465,610	\$ 1,531,524

Net position of the District's governmental activities decreased 4.3 percent or \$65,914 during the year. Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by enabling legislation or other legal requirements decreased from \$557,030 at December 31, 2020, to \$471,971 at the end of the current year end.

Changes in net position. The District's total revenues decreased by \$9,150 to \$514,779. (See Table A-2). Approximately 87 percent of the District's revenues comes from charges for services. Another 12 percent is from grants and the remaining is for interest income and miscellaneous income.

The total cost of all programs and services increased by \$91,672 mainly as a result of capital outlay purchased for the new courthouse. Total current year costs were \$580,693. The District's expenses cover all services performed by its office.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2021

Governmental Activities

Revenues for the District's governmental activities decreased 1.7 percent or by \$9,150 and total expenses increased by 18.7 percent to \$580,693 for the year. In the current year, the District purchased furniture and equipment for the new courthouse building. The revenue generated for 2021 was less than the total cost of operations as depicted in Table A-2.

**Table A-2
Changes in District's Net Position**

Revenues	2021	2020
Program revenues:		
Charges for services	\$ 448,506	\$ 445,106
Operating grants	63,192	74,154
General revenues:		
Miscellaneous	1,889	436
Interest income	1,192	4,233
Total revenues	514,779	523,929
Expenses		
Other operating	580,693	489,021
Total expenses	580,693	489,021
(Decrease) Increase in net position	\$ (65,914)	\$ 34,908

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As the District completed this year, its governmental funds reported a fund balance of \$1,343,752, a decrease from last year of \$117,142.

General Fund Budgetary Highlights

The General fund's budget was amended to decrease revenues by \$8,000 for court fees. Capital outlay increased by \$75,000 to cover furnishings and equipment needed for the courthouse. General government expenditures decreased by \$4,000 which can be attributed mainly to decreases in per diem and travel.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2021

CAPITAL ASSETS

At the end of 2021, the District had \$121,858 invested in capital assets. (See Table A-3).

**Table A-3
District's Capital Assets
(net of depreciation)**

	Governmental Activities	
	2021	2020
Equipment	\$ 31,570	\$ 31,439
Furniture & Fixtures	90,288	39,191
Total	<u>\$ 121,858</u>	<u>\$ 70,630</u>

This year's major capital assets additions include:

- The JE fund purchased new office furniture and equipment totaling \$74,172.
- The Child Support fund purchased furniture for new courthouse costing \$12,737.
- Equipment in the amount of \$1,780 was purchased for Child Support fund.
- Disposal of obsolete equipment for all funds totaled \$12,042.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The District is dependent on court costs for 23 percent of its revenues and 64 percent from administrative fees collected from the Department of Social Services for child support services. The economy is not expected to generate any significant growth. The District's future revenues are expected to remain relatively consistent with current years.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

The financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about the report or need additional financial information, contact Patricia Douglas at the Judicial Administrative Office, 607 East Worthey Road, Third Floor, Gonzales, LA 70737.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

STATEMENT OF NET POSITION

DECEMBER 31, 2021

ASSETS

Cash	\$ 955,578
Certificates of deposit	421,272
Receivables from other governments	35,316
Capital assets, net of accumulated depreciation	121,858
TOTAL ASSETS	<u><u>\$ 1,534,024</u></u>

LIABILITIES AND NET POSITION

LIABILITIES

Accounts payable	\$ 2,364
Due to other governments	66,050
TOTAL CURRENT LIABILITIES	<u><u>68,414</u></u>

NET POSITION

Investment in capital assets	121,858
Restricted:	
Families in need of services	123,440
Child support services	748,341
Unrestricted	471,971
TOTAL NET POSITION	<u><u>1,465,610</u></u>

TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 1,534,024</u></u>
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The accompanying notes are an integral part of this financial statement.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

FUNCTION/PROGRAM	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Change in Net Position Governmental Unit</u>
		<u>Charges for Services</u>	<u>Operating Grants</u>	
Governmental activities:				
General government	\$ 154,626	\$ 118,761	\$ -	\$ (35,865)
Families in Need of Service	50,004	-	63,192	13,188
Child Support	<u>376,063</u>	<u>329,745</u>	<u>-</u>	<u>(46,318)</u>
Total governmental activities	<u>\$ 580,693</u>	<u>\$ 448,506</u>	<u>\$ 63,192</u>	<u>(68,995)</u>
		General Revenues:		
		Interest		1,192
		Miscellaneous		<u>1,889</u>
		Total general revenues		<u>3,081</u>
		Change in net position		(65,914)
		Net position- January 1, 2021		<u>1,531,524</u>
		Net position- December 31, 2021		<u>\$ 1,465,610</u>

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

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2021

ASSETS

	<u>General Fund</u>	<u>Families in Need of Service</u>	<u>Child Support</u>	<u>Total Governmental Funds</u>
Cash	\$ 44,678	\$ 127,390	\$ 783,510	\$ 955,578
Certificates of deposit	421,272	-	-	421,272
Receivable from other governments	7,451	-	27,865	35,316
Total assets	<u>\$ 473,401</u>	<u>\$ 127,390</u>	<u>\$ 811,375</u>	<u>\$ 1,412,166</u>

LIABILITIES AND FUND BALANCES

Liabilities				
Accounts payable	\$ 1,430	\$ -	\$ 934	\$ 2,364
Due to other governments	-	3,950	62,100	66,050
Total liabilities	<u>1,430</u>	<u>3,950</u>	<u>63,034</u>	<u>68,414</u>
Fund balances				
Unassigned	471,971	-	-	471,971
Restricted:				
Families in need of service	-	123,440	-	123,440
Child support services	-	-	748,341	748,341
Total fund balances	<u>471,971</u>	<u>123,440</u>	<u>748,341</u>	<u>1,343,752</u>
Total liabilities and fund balances	<u>\$ 473,401</u>	<u>\$ 127,390</u>	<u>\$ 811,375</u>	<u>\$ 1,412,166</u>

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

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2021**

Total fund balances- Governmental Funds		\$ 1,343,752
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds:		
Cost of capital assets at December 31, 2021	281,108	
Less: accumulated depreciation as of December 31, 2021	<u>(159,250)</u>	<u>121,858</u>
Total net position at December 31, 2021 - Governmental Activities		<u>\$ 1,465,610</u>

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

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES**

YEAR ENDED DECEMBER 31, 2021

	<u>General Fund</u>	<u>Families in Need of Service</u>	<u>Child Support</u>	<u>Total Governmental Funds</u>
<u>REVENUES</u>				
Court fees	\$ 118,761	\$ -	\$ -	\$ 118,761
State grant	-	63,192	-	63,192
Department of Social Services	-	-	329,745	329,745
Miscellaneous	1,889	-	-	1,889
Interest income	912	-	280	1,192
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	121,562	63,192	330,025	514,779
<u>EXPENDITURES</u>				
Current:				
General government	132,449	46,044	364,739	543,232
Capital outlay	74,172	1,780	12,737	88,689
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	206,621	47,824	377,476	631,921
Excess of Revenues (under) over Expenditures	(85,059)	15,368	(47,451)	(117,142)
Fund Balances, January 1, 2021	557,030	108,072	795,792	1,460,894
	<hr/>	<hr/>	<hr/>	<hr/>
Fund Balances, December 31, 2021	\$ 471,971	\$ 123,440	\$ 748,341	\$ 1,343,752
	<hr/>	<hr/>	<hr/>	<hr/>

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

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES TO CHANGES IN NET POSITION OF
GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2021**

Net change in fund balances \$ (117,142)

Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense.

Capital Assets:

Capital outlay capitalized	88,689
Depreciation expense for year ended December 31, 2021	(35,404)
Loss on disposal of assets	<u>(2,057)</u>

Change in Net Position- Governmental Activities \$ (65,914)

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

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2021

INTRODUCTION

The 23RD Judicial District Judicial Expense Fund was established in 1995 under Act No. 435 which was an amendment to Title 13 of the Louisiana Revised Statutes on 1950. The Expense Fund was established for the purpose of paying expenses for the court deemed necessary by the Judges for efficient operations of the court.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

GASB Codification Section 2100, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. The district court judges are independently elected officials. However, the Judicial District is fiscally dependent on the Ascension Parish Council for office space, courtrooms, and related utility costs, as well as partial funding of salary costs. Because the Judicial District is fiscally dependent on the Council, the Judicial District was determined to be a component unit of the Ascension Parish Council, the financial reporting entity.

The accompanying financial statements present information only on the funds maintained by the Judicial District and do not present information on the Ascension Parish Council, the general government services provided by that governmental unit, or other governmental units that comprise the financial reporting entity.

B. BASIS OF PRESENTATION, BASIS OF ACCOUNTING

BASIS OF PRESENTATION

The accompanying financial statements of the 23rd Judicial District Judicial Expense Fund have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS):

The statement of net position and the statement of activities display information about the primary government (the District). These statements include the financial activities of the overall government, except for fiduciary net activities. Governmental activities generally are financed through charges for court fees, intergovernmental revenues and other nonexchange transactions. Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of Section N50.

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

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. BASIS OF PRESENTATION, BASIS OF ACCOUNTING (continued)

FUND FINANCIAL STATEMENTS (FFS):

The fund financial statements provide information about the District's funds. Separate statements for each fund category are presented. The emphasis of fund financial statements is on major governmental funds.

The District reports the following major governmental funds:

General Fund- The General fund is the primary operating fund of the District. It is used to account for all financial resources except those required to be accounted for in other funds. The General fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to District policy.

Families in Need of Services- This special revenue fund is designed to bring together and offer resources and services to help families of juveniles who are at risk of delinquency.

Child Support Fund- The Child Support fund is a special revenue fund that accounts for the proceeds of administrative court fees collected from enforcement of support obligations.

C. BASIS OF ACCOUNTING/MEASUREMENT FOCUS

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS):

The GWFS are reported using the economic resources measurement focus. The government wide financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants, and donations. Revenues from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

FUND FINANCIAL STATEMENTS (FFS):

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year end. Court fees, grants, administrative fees, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related liability is incurred, except for claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. BUDGETS AND BUDGETARY ACCOUNTING

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to December 15, the District completes and submits an operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing those expenditures.
2. Formal budgetary integration is employed as a management control device during the year for the General Fund and special revenue funds.
3. The budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
4. Budgeted amounts are as originally adopted, or as amended by the District. Individual amendments were not material in relation to the original appropriations.
5. All annual appropriations lapse at fiscal yearend.

E. CASH

Cash includes amounts in demand deposits. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

F. CAPITAL ASSETS

All capital assets are capitalized at historical cost, or estimated historical costs for assets where actual cost is not available. Donated fixed assets are recorded at their estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized.

Capital assets are recorded in the GWFS, but are not reported in the FFS. Since surplus assets are sold for an immaterial amount when declared no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Equipment	3-7
Furniture & Fixtures	5-7

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. CERTIFICATES OF DEPOSIT

State statutes authorize the District to invest in any direct obligation of the United States Treasury, other debt secured or guaranteed by the full faith and credit of the United States, certificates of deposit of any bank in Louisiana, mutual funds which are registered with the Securities and Exchange Commission and invest in securities of the U. S. government or its agencies, guaranteed investment contracts issued by banks or insurance companies or investment grade commercial paper of domestic U. S. Corporations.

H. NET POSITION IN THE GOVERNMENT-WIDE FINANCIAL STATEMENTS

For the government-wide statement of net position, the net position amount is classified and displayed in three components:

Net investment in capital assets- consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflow of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.

Restricted net position- net position is considered restricted if its use is constrained to a particular purpose. Restricted net position is restricted assets reduced by liabilities and deferred inflows of resources related to the restricted assets.

Unrestricted net position- consists of all other net position that does not meet the definition of the above two components and is available for general use by the District.

I. FUND EQUITY OF FUND FINANCIAL STATEMENTS

Accounting standards require governmental fund balances to be reported in as many as five classifications as listed below:

Nonspendable- represents amounts that are not expected to be converted to cash because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted- represents balances where constraints have been established by parties outside the District's office or imposed by law through constitutional provisions or enabling legislation.

Committed- represents balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision-making authority.

Assigned- represents balances that are constrained by the government's intent to be used for specific purposes, but are neither restricted or committed.

Unassigned- represents balances that have not been assigned to other funds and that have not been restricted, committed, or assigned to be specific purposes within the general fund.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. FUND EQUITY OF FUND FINANCIAL STATEMENTS (continued)

When an expense is incurred for the purposes for which both restricted and unrestricted net position are available, the District's office reduces restricted amounts first, followed by unrestricted amounts. When expenditures are incurred for purposes for committed, assigned, and unassigned amounts are available, the District's office reduces committed amounts first, followed by assigned amounts and then unassigned amounts.

J. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

2. CASH

Under state law, the District may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union or the laws of the United States.

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 District does not have a deposit policy for custodial credit risk. As of December 31, 2021, the District's bank balance was secured from risk by federal deposit insurance and pledged securities and was not exposed to custodial credit risk.

3. CERTIFICATES OF DEPOSIT

The District holds certificates of deposits at various financial institutions. The District may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. The certificates of deposit have maturities ranging from nine to twelve months. The District's certificates of deposit have a book value of \$421,272 as of December 31, 2021. The District's certificates of deposit were secured by federal deposit insurance and pledged securities and was not exposed to custodial credit risk.

4. OPERATING LEASE

The 23rd Judicial District Court Families in Need of Services Program leases office space for \$1,000 per month under a 2-year term. Payments under this lease totaled \$12,000 for the year ended December 31, 2021. The lease expired on January 31, 2021 and now is on a month-to-month basis. Future minimum rental payments required under the lease at December 31, 2021 is \$1,000.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2021

5. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2021, are as follows:

	<u>Equipment</u>	<u>Furniture & Fixtures</u>	<u>Total</u>
Cost of Capital Assets			
December 31, 2020	\$ 99,130	\$ 105,331	\$ 204,461
Additions	16,523	72,166	88,689
Disposals	<u>(10,654)</u>	<u>(1,388)</u>	<u>(12,042)</u>
Cost of Capital Assets, December 31, 2021	<u>\$ 104,999</u>	<u>\$ 176,109</u>	<u>\$ 281,108</u>
Accumulated depreciation,			
December 31, 2020	\$ 67,691	\$ 66,140	\$ 133,831
Additions	14,368	21,036	35,404
Disposals	<u>(8,630)</u>	<u>(1,355)</u>	<u>(9,985)</u>
Accumulated depreciation, December 31, 2021	<u>73,429</u>	<u>85,821</u>	<u>159,250</u>
Capital Assets, net of accumulated depreciation, December 31, 2021	<u>\$ 31,570</u>	<u>\$ 90,288</u>	<u>\$ 121,858</u>

For the year ended December 31, 2021, depreciation expense was \$ 35,404. Depreciation expense was allocated to general government, families in need of service, and child support in the amounts of \$20,454, \$3,626, and \$11,324; respectively.

6. SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 1, 2022, and has determined that no events occurred that require disclosure.

No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<u>REVENUES</u>			
Court fees	\$ 116,000	\$ 108,000	\$ 118,761
Miscellaneous	-	-	1,889
Interest	-	-	912
Total Revenues	<u>116,000</u>	<u>108,000</u>	<u>121,562</u>
<u>EXPENDITURES</u>			
Current:			
General government	126,500	122,500	132,449
Capital outlay	<u>15,000</u>	<u>90,000</u>	<u>74,172</u>
Total Expenditures	<u>141,500</u>	<u>212,500</u>	<u>206,621</u>
Excess of Revenues under Expenditures	(25,500)	(104,500)	(85,059)
Fund Balance, January 1, 2021	<u>557,030</u>	<u>557,030</u>	<u>557,030</u>
Fund Balance, December 31, 2021	<u>\$ 531,530</u>	<u>\$ 452,530</u>	<u>\$ 471,971</u>

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

BUDGETARY COMPARISON SCHEDULE
FAMILIES IN NEED OF SERVICE
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<u>REVENUES</u>			
State grant	\$ 63,192	\$ 63,192	\$ 63,192
Total Revenues	<u>63,192</u>	<u>63,192</u>	<u>63,192</u>
<u>EXPENDITURES</u>			
Current:			
General government	54,798	54,798	46,044
Capital outlay	5,000	5,000	1,780
Total Expenditures	<u>59,798</u>	<u>59,798</u>	<u>47,824</u>
Excess of Revenues over Expenditures	3,394	3,394	15,368
Fund Balance, January 1, 2021	<u>92,501</u>	<u>92,501</u>	<u>108,072</u>
Fund Balance, December 31, 2021	<u>\$ 95,895</u>	<u>\$ 95,895</u>	<u>\$ 123,440</u>

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

BUDGETARY COMPARISON SCHEDULE
CHILD SUPPORT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<u>REVENUES</u>			
Department of Social Services	\$ 340,000	\$ 340,000	\$ 329,745
Interest	800	800	280
Total Revenues	<u>340,800</u>	<u>340,800</u>	<u>330,025</u>
<u>EXPENDITURES</u>			
Current:			
General government	373,250	373,250	364,739
Capital outlay	<u>10,000</u>	<u>10,000</u>	<u>12,737</u>
Total Expenditures	<u>383,250</u>	<u>383,250</u>	<u>377,476</u>
Excess of Revenues under Expenditures	(42,450)	(42,450)	(47,451)
Fund Balance, January 1, 2021	<u>763,000</u>	<u>763,000</u>	<u>795,792</u>
Fund Balance, December 31, 2021	<u>\$ 720,550</u>	<u>\$ 720,550</u>	<u>\$ 748,341</u>

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO AGENCY HEADS
FOR THE YEAR ENDED DECEMBER 31, 2021

Agency Head

Honorable Jason Verdigets, Judge, Division A

Purpose	Amount
Car allowance	\$ 7,200
Dues	1,000
Per diem	1,462
Registration fees	1,750
Conference travel	3,735
Special meals	128
Total	<u>\$ 15,275</u>

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO AGENCY HEADS
FOR THE YEAR ENDED DECEMBER 31, 2021

Agency Head

Honorable Cody Martin, Judge, Division B

Purpose	Amount
Car allowance	\$ 7,200
Dues	990
Per diem	2,788
Special meals	88
Total	<u>\$ 11,066</u>

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO AGENCY HEADS
FOR THE YEAR ENDED DECEMBER 31, 2021

Agency Head

Honorable Katherine Tess Stromberg, Judge, Division C

Purpose	Amount
Car allowance	\$ 7,200
Dues	1,056
Per diem	1,156
Registration fees	1,075
Conference travel	3,551
Special meals	128
Total	<u>\$ 14,166</u>

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO AGENCY HEADS
FOR THE YEAR ENDED DECEMBER 31, 2021

Agency Head

Honorable Steven Tureau, Judge, Division D

Purpose	Amount
Car allowance	\$ 7,200
Dues	895
Per diem	1,564
Registration fees	650
Conference travel	2,547
Special meals	128
Total	<u>\$ 12,984</u>

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO AGENCY HEADS
FOR THE YEAR ENDED DECEMBER 31, 2021

Agency Head

Honorable Alvin Turner, Jr., Judge, Division E

Purpose	Amount
Car allowance	\$ 7,105
Dues	1,270
Per diem	408
Registration fees	870
Special meals	117
Total	<u>\$ 9,770</u>

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

JUSTICE SYSTEM FUNDING SCHEDULE- RECEIVING ENTITY

CASH BASIS PRESENTATION

FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>First Six Month Period Ended 6/30/2021</u>	<u>Second Six Month Period Ended 12/31/2021</u>
Receipts from:		
Ascension Parish Clerk of Court, Civil Fees	\$ 26,825	\$ 32,224
Ascension Parish Sheriff, Criminal Court Costs/Fees	13,475	11,780
City of Donaldsonville, Criminal Court Costs/Fees	2,290	1,650
St. James Parish Clerk of Court, Civil Fees	3,555	3,015
St. James Parish Sheriff, Criminal Court Costs/Fees	2,730	6,995
Assumption Parish Clerk of Court, Civil Fees	2,745	2,955
Assumption Parish Sheriff, Criminal Court Costs/Fees	5,678	4,685
Town of Sorrento, Civil Fees	85	60
Total Receipts	<u>\$ 57,383</u>	<u>\$ 63,364</u>
Ending balance of amounts assessed but not received	<u>\$ -</u>	<u>\$ -</u>



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

To the Honorable Judges of the 23RD Judicial District
Gonzales, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the 23RD Judicial District Judicial Expense Fund, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the 23RD Judicial District Judicial Expense Fund's basic financial statements, and have issued our report thereon dated June 1, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 23RD District Judicial Expense Fund's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 23RD Judicial District Judicial Expense Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the 23RD Judicial District Judicial Expense Fund's internal control.

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

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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 23RD Judicial District Judicial Expense Fund's financial statements are free from 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 financial statement. 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, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "D&E, Dupuy & Ruiz". The signature is written in a cursive, flowing style.

Gonzales, Louisiana
June 1, 2022

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

SCHEDULE OF FINDINGS AND RESPONSES

YEAR ENDED DECEMBER 31, 2021

SUMMARY OF AUDIT RESULTS

1. The independent auditors' report expresses an unmodified opinion on whether the financial statements of the 23RD Judicial District Judicial Expense Fund were prepared in accordance with GAAP.
2. No significant deficiencies relating to the audit of the financial statements are on the Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*. No material weaknesses noted.
3. No instances of noncompliance material to the financial statement of 23RD Judicial District Judicial Expense Fund which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.

FINDINGS-FINANCIAL STATEMENT AUDIT

None

COMPLIANCE

None

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED DECEMBER 31, 2021

FINDINGS- FINANCIAL STATEMENT AUDIT

None

COMPLIANCE

None

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

STATEWIDE AGREED-UPON PROCEDURES REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021



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

To the Honorable Judges of the 23rd Judicial District Judicial Expense Fund 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 January 1, 2021 through December 31, 2021. 23rd Judicial District Judicial Expense Fund's management is responsible for those C/C areas identified in the SAUPs.

23rd Judicial District Judicial Expense Fund 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 January 1, 2021 through December 31, 2021. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and entity's operations:

a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

Written policies and procedures were obtained and address the functions noted above.

b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.

Written policies and procedures were obtained and address the functions noted above.

c) ***Disbursements***, including processing, reviewing, and approving.

Written policies and procedures were obtained and address the functions noted above.

d) ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

Written policies and procedures were obtained and address the functions noted above.

e) ***Payroll/Personnel***, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.

Written policies and procedures were obtained and address the functions noted above.

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

Written policies and procedures were obtained and address the functions noted above.

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of the statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

Written policies and procedures were obtained and address the functions noted above.

- h) **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 address the functions noted above.

- i) **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 documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

Written policies and procedures were obtained and address the functions noted above.

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

This section is not applicable as the District does not have any debt.

- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from 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.

Written policies and procedures were obtained and address the functions noted above.

- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Written policies and procedures were obtained and address the functions noted above with the exception of annual training and reporting.

Management's responses: The District requires annual employee training and performs annual reporting. The District intends to amend its sexual harassment policy to specifically address training and reporting.

Board (or Finance Committee, if applicable)

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

- a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws or other equivalent document.

The Board met with a quorum as required.

- b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

No exceptions noted.

- c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

Not applicable, the District did not have a negative unassigned fund balance in the prior year.

Bank Reconciliations

3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

Obtained listing of bank accounts for the fiscal period from management and management's representation that listing is complete.

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

No exceptions noted.

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

Bank reconciliations did not include evidence of review; however, we noted the bank statements included evidence of review before sent to third party CPA for bank reconciliation preparation.

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

Not applicable, the entity did not have any reconciling items that have been outstanding for more than 12 months.

Collections (excluding electronic funds transfers)

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

Obtained a listing of deposit sites and management's representation that listing is complete.

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

Obtained a listing of collection locations and management's representation that listing is complete.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

- 6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was enforced during the fiscal period.

The District does not receive cash payments; therefore, there is no policy for theft or bond coverage.

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

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).

No exceptions noted.

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

No exceptions noted.

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

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

Obtained listing of locations that process payments and management's representation that listing is complete.

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

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

The employee who processes payments also mails the checks after signatures are obtained.

Management's response: Due to the limited number of resources available, the District is unable to adequately segregate these duties. All purchase orders are initiated and invoices are approved by two judges prior to forwarding to the individual responsible for processing payments. All checks contain two authorized signatures. The individual responsible for processing checks for payment and for mailing checks is not an authorized signor; however, the checks are returned to the employee to mail. In addition, the Judicial Administrator reviews monthly financial statements as well as bank reconciliations prepared by the external CPA in efforts to mitigate risk associated with the lack of segregation of duties related to this function.

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

- a) Observe that the disbursement matched the related original itemized invoice and that supporting documentation indicates that deliverables included on the invoice were received by the entity.

No exceptions noted.

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

The disbursement documentation included evidence of segregation of duties tested under #9 with the exception of 9d as noted above.

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

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

Obtained listing of the credit cards and management's representation that listing is complete.

12. Using the listing prepared by management, randomly select 5 cards (or all 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:

- a) 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. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

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

Obtained listing of travel and related expense reimbursements and management's representation that listing is complete.

- a) If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

Not applicable.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

Contracts

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

Obtained listing of contracts initiated or renewed during the fiscal period and management's representation that listing is complete.

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

Not applicable.

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

No exceptions noted.

- c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.

Not applicable.

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

No exceptions noted.

Payroll and Personnel

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

Not applicable. Payroll procedures are addressed by the Parish of Ascension as all staff are considered parish employees.

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

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

Even though there are no official employees of the District, we obtained leave records for 5 staff members since the records are maintained by the District. Only leave is documented by the District, not time worked.

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

No exceptions noted.

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

No exceptions noted.

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

Not applicable.

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

Not applicable. Payroll procedures are addressed by the Parish of Ascension as all staff are considered parish employees.

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

Not applicable. Payroll procedures are addressed by the Parish of Ascension as all staff are considered parish employees.

Ethics

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

- a. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

No exceptions noted.

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

No exceptions noted.

Debt Service

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

Not applicable, no debt issued during fiscal year.

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

Not applicable.

Fraud Notice

23. 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.

Management asserted that the entity did not have any misappropriations of public funds or assets.

24. 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.

No exceptions noted.

Information Technology Disaster Recovery/Business Continuity

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

- a. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

We performed the procedure and discussed the results with management.

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

We performed the procedure and discussed the results with management.

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

We performed the procedure and discussed the results with management.

Sexual Harassment

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

No exceptions noted.

27. 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).

No exceptions noted.

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

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

No exceptions noted.

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

No exceptions noted.

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

No exception noted.

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

No exceptions noted.


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

No exceptions noted.

We were engaged by 23rd Judicial District Judicial Expense Fund 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 23rd Judicial District Judicial Expense Fund 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.

A handwritten signature in black ink, reading "Diez, Dupuy & Ruiz". The signature is written in a cursive, flowing style.

Gonzales, Louisiana
June 1, 2022