

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT  
JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2018

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INDEPENDENT AUDITOR'S REPORT

The Honorable Judges of the  
 Louisiana Twenty-seventh Judicial District  
 Judicial Expense Fund  
 Opelousas, Louisiana

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Louisiana Twenty-seventh Judicial District Judicial Expense Fund as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Louisiana Twenty-seventh Judicial Expense Fund's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

The Honorable Judges of the  
Louisiana Twenty-seventh Judicial District  
Judicial Expense Fund  
Opelousas, Louisiana  
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### **Opinions**

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 Louisiana Twenty-seventh Judicial District Judicial Expense Fund, as of December 31, 2018 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.

### **Other Matters**

#### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules on pages 24-27 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.

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

#### Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Louisiana Twenty-seventh Judicial District Judicial Expense Fund's basic financial statements. The other supplementary information on pages 28-43 is presented for the purpose 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 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 directly to the underlying accounting and other records used to prepare the basic financial statements or 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 as a whole.

The Honorable Judges of the  
Louisiana Twenty-seventh Judicial District  
Judicial Expense Fund  
Opelousas, Louisiana  
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**Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated June 17, 2019, on our consideration of the Louisiana Twenty-seventh Judicial District Judicial Expense Fund'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 the Judicial Expense Fund's internal control over financial reporting and compliance.

**Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of the Louisiana Legislative Auditor, we have issued a report, dated June 17, 2019 on the results of our state wide agreed-upon procedures performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in Government Auditing Standards. The purpose of that report is solely to describe the scope of testing performed on those control compliance areas identified in the Louisiana Legislative Auditor's statewide agreed-upon procedures, and the results of that testing, and not to provide an opinion on control or compliance.

  
Opelousas, Louisiana  
June 17, 2019

## BASIC FINANCIAL STATEMENTS

The Louisiana Twenty-seventh Judicial District Judicial Expense Fund's basic financial statements comprise the following three components:

Government-wide financial statements - provide readers with a broad overview of the Judicial Expense Fund's finances in a manner similar to a private sector business.

Fund financial statements - provide readers information with an emphasis on inflows and outflows of resources useful for making decisions in a budgetary context where the focus is on meeting the Judicial Expense Fund's near-term financial needs.

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

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
STATEMENT OF NET POSITION  
DECEMBER 31, 2018

	<u>GOVERNMENTAL ACTIVITIES</u>
 <u>ASSETS</u>	
Petty cash	\$ 34
Cash	470,484
Investments, at cost	1,164,093
Accrued interest receivable	978
Due from Clerk of Court	561
Due from Sheriff's Department	8,549
Due from Racino	8,698
Due from other governmental units	640,127
Utility deposit	20
Capital assets, net	<u>133,647</u>
<u>Total assets</u>	<u>2,427,191</u>
 <u>LIABILITIES</u>	
Accounts payable	15,715
Payroll taxes payable	<u>4,403</u>
<u>Total liabilities</u>	<u>20,118</u>
 <u>NET POSITION</u>	
Net investment in capital assets	133,647
Restricted for grant	928,353
Unrestricted	<u>1,345,073</u>
<u>Total net position</u>	<u>2,407,073</u>

The accompanying notes are an integral part of this statement.

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2018

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expenses)</u>
		<u>Charges for</u>	<u>Operating</u>	<u>Revenues</u>
		<u>Services</u>	<u>Grants and</u>	<u>Change in Net</u>
			<u>Contributions</u>	<u>Position</u>
				<u>Governmental</u>
				<u>Activities</u>
<u>Governmental Activities</u>				
District Court	\$ 437,867	\$ 11,811	\$ 383,681	\$ (42,375)
Hearing Officer	224,568	-	255,995	31,427
Drug Court	<u>325,151</u>	<u>45,178</u>	<u>326,312</u>	<u>46,339</u>
<u>Total governmental activities</u>	<u>987,586</u>	<u>56,989</u>	<u>965,988</u>	<u>35,391</u>
General Revenues				
Interest				5,145
Intergovernmental - racino income				51,797
Other income				<u>8,232</u>
<u>Total general revenues</u>				<u>65,174</u>
				<u>Change in net position</u>
				<u>100,565</u>
				Net position – January 1, 2018
				2,335,225
				Prior period adjustment
				<u>(28,717)</u>
				Net position - January 1, 2018, restated
				<u>2,306,508</u>
				Net position – December 31, 2018
				<u>2,407,073</u>

FUND FINANCIAL STATEMENTS

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
BALANCE SHEET – GOVERNMENTAL FUNDS  
DECEMBER 31, 2018

	<u>GENERAL FUND</u>	<u>HEARING OFFICER FUND</u>	<u>ADULT DRUG COURT FUND</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
<u>ASSETS</u>					
Petty cash	\$ -	\$ -	\$ 34	\$ -	\$ 34
Cash	237,777	62,238	115,323	55,146	470,484
Investments, at cost	540,334	590,873	-	32,886	1,164,093
Accrued interest receivable	80	-	-	-	80
Due from Clerk of Court	-	-	-	561	561
Due from Sheriff's Department	8,549	-	-	-	8,549
Due from Racino	8,698	-	-	-	8,698
Due from other governmental units	2,000	41,640	37,881	-	81,521
Utility deposit	-	20	-	-	20
Due from other funds	-	5,000	-	1,279	6,279
	<u>797,438</u>	<u>699,771</u>	<u>153,238</u>	<u>89,872</u>	<u>1,740,319</u>
<u>Total assets</u>					
<u>LIABILITIES AND FUND BALANCES</u>					
<u>LIABILITIES</u>					
Accounts payable	\$ 8,184	\$ 2,374	\$ 5,157	\$ -	\$ 15,715
Payroll taxes payable	1,814	-	2,589	-	4,403
Due to other funds	6,279	-	-	-	6,279
<u>Total liabilities</u>	<u>16,277</u>	<u>2,374</u>	<u>7,746</u>	<u>-</u>	<u>26,397</u>
<u>FUND BALANCES</u>					
Restricted	-	697,397	145,492	85,464	928,353
Committed	-	-	-	4,408	4,408
Unassigned	781,161	-	-	-	781,161
<u>Total fund balances</u>	<u>781,161</u>	<u>697,397</u>	<u>145,492</u>	<u>89,872</u>	<u>1,713,922</u>
<u>Total liabilities and fund balances</u>	<u>797,438</u>	<u>699,771</u>	<u>153,238</u>	<u>89,872</u>	<u>1,740,319</u>

The accompanying notes are an integral part of this statement.

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
RECONCILIATION OF THE GOVERNMENTAL FUNDS' BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
DECEMBER 31, 2018

Total fund balances for governmental funds at December 31, 2018		\$ 1,713,922
Cost of capital assets at December 31, 2018	\$ 506,514	
Less: Accumulated depreciation as of December 31, 2018	<u>(372,867)</u>	133,647
Certain revenues in the governmental funds are deferred because they are not collected within the prescribed time period after year-end. However, the revenues are included on the accrual basis used in the government-wide statements.		558,606
Additional accrued interest receivable on accrual basis		<u>898</u>
Net position at December 31, 2018		<u><u>2,407,073</u></u>

The accompanying notes are an integral part of this statement.

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>GENERAL FUND</u>	<u>HEARING OFFICER FUND</u>	<u>ADULT DRUG COURT FUND</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
<u>REVENUES</u>					
Intergovernmental					
Court cost collections from					
Clerk of Court	\$ 30,878	\$ -	\$ -	\$ -	\$ 30,878
Sheriff's Department	136,327	-	-	-	136,327
Parish Government expense reimbursement	129,587	-	-	-	129,587
Grant from Louisiana Children's Cabinet	40,860	-	-	-	40,860
Racino revenue	51,797	-	-	-	51,797
Federal grants	-	-	70,199	-	70,199
State grants	-	255,995	191,613	-	447,608
Job readiness income	-	-	64,500	-	64,500
Parish Law Library collections					
from District Attorney	-	-	-	5,118	5,118
Charges for services					
Indigent Fund collections					
Transcripts	-	-	-	5,801	5,801
Pro Bono revenue	-	-	-	6,010	6,010
Adult Drug Court Fund collections					
Urine analysis fees	-	-	45,178	-	45,178
Interest income	3,104	2,312	-	138	5,554
Other income	8,295	-	(63)	-	8,232
<u>Total revenues</u>	<u>400,848</u>	<u>258,307</u>	<u>371,427</u>	<u>17,067</u>	<u>1,047,649</u>

Continued on next page.

The accompanying notes are an integral part of this statement.

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2018

<u>EXPENDITURES</u>	<u>GENERAL</u> <u>FUND</u>	<u>HEARING</u> <u>OFFICER</u> <u>FUND</u>	<u>ADULT</u> <u>DRUG COURT</u> <u>FUND</u>	<u>OTHER</u> <u>GOVERNMENTAL</u> <u>FUNDS</u>	<u>TOTAL</u> <u>GOVERNMENTAL</u> <u>FUNDS</u>
Judicial					
Current operating					
Insurance	\$ 11,545	\$ -	\$ 2,954	\$ -	\$ 14,499
Office supplies	20,291	6,932	13,586	-	40,809
Transcripts	31,143	-	-	755	31,898
Minute clerks	-	21,600	-	-	21,600
Law material	15,636	-	-	14,377	30,013
Pro Bono fees	-	-	-	6,000	6,000
Professional services	33,330	112,365	7,600	-	153,295
Miscellaneous	3,528	-	-	-	3,528
Licensing fee	-	-	600	-	600
Wages	143,276	73,013	194,275	-	410,564
Travel	-	4,538	-	-	4,538
Payroll taxes	10,601	-	13,304	-	23,905
Seminars	1,305	1,526	750	-	3,581
Telephone	11,545	368	1,624	-	13,537
Equipment maintenance	-	-	8,565	-	8,565
Internet	732	-	-	-	732
Dues and subscriptions	2,781	901	-	-	3,682
Judges travel	5,416	-	-	-	5,416
Contract labor	150	-	-	-	150
FINS expense	45,328	-	-	-	45,328
Travel	-	-	3,378	-	3,378

Continued on next page.

The accompanying notes are an integral part of this statement.

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>GENERAL FUND</u>	<u>HEARING OFFICER FUND</u>	<u>ADULT DRUG COURT FUND</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
<u>EXPENDITURES - (CONTINUED)</u>					
Utilities	\$ -	\$ -	\$ 7,737	\$ -	\$ 7,737
Rent	-	-	15,600	-	15,600
Adult treatment expense	-	-	9,300	-	9,300
Drug testing expense	-	-	41,605	-	41,605
Leases	7,849	-	1,856	-	9,705
Computer services	43,998	920	-	-	44,918
Capital outlay	1,359	-	6,207	-	7,566
<u>Total expenditures</u>	<u>389,813</u>	<u>222,163</u>	<u>328,941</u>	<u>21,132</u>	<u>962,049</u>
<u>EXCESS (DEFICIENCY) OF REVENUES</u>					
<u>OVER (UNDER) EXPENDITURES</u>	<u>11,035</u>	<u>36,144</u>	<u>42,486</u>	<u>(4,065)</u>	<u>85,600</u>
<u>OTHER FINANCING SOURCES (USES)</u>					
Transfers in (out)	(5,200)	(5,118)	-	10,318	-
<u>Total other financing sources (uses)</u>	<u>(5,200)</u>	<u>(5,118)</u>	<u>-</u>	<u>10,318</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES</u>	<u>5,835</u>	<u>31,026</u>	<u>42,486</u>	<u>6,253</u>	<u>85,600</u>
<u>FUND BALANCES, beginning of year</u>	<u>775,326</u>	<u>666,371</u>	<u>103,006</u>	<u>83,619</u>	<u>1,628,322</u>
<u>FUND BALANCES, end of year</u>	<u>781,161</u>	<u>697,397</u>	<u>145,492</u>	<u>89,872</u>	<u>1,713,922</u>

The accompanying notes are an integral part of this statement.

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2018

Total net change in fund balances for the year ended December 31, 2018 per Statement of Revenues, Expenditures and Changes in Fund Balances		\$ 85,600
Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 7,566	
Depreciation expense for year ended December 31, 2018	<u>(33,103)</u>	(25,537)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds		40,911
Difference between accrued interest receivable on modified accrual basis versus accrual basis		<u>(409)</u>
<u>Total changes in net position for the year ended</u> <u>December 31, 2018 per Statement of Activities</u>		<u><u>100,565</u></u>

The accompanying notes are an integral part of this statement.

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES – FIDUCIARY FUND  
AGENCY FUND  
DECEMBER 31, 2018

	2018
<u>ASSETS</u>	
Cash	\$ 46,666
<u>Total assets</u>	46,666
 <u>LIABILITIES</u>	
Due to litigants	\$ 46,666
<u>Total liabilities</u>	46,666

The accompanying notes are an integral part of this statement.

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of the Louisiana Twenty-seventh Judicial District Judicial Expense Fund have been prepared in conformity with generally accepted accounting principles (GAAP) 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.

GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in the subsequent subsection of this note.

A. FINANCIAL REPORTING ENTITY

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of another entity for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the parish government to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the parish government.
2. Organizations for which the parish government does not appoint a voting majority but are fiscally dependent on the parish government.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Governmental Accounting Standards Board Statement No. 14 also states that a special purpose government is fiscally independent if it has the ability to complete certain essential fiscal events without substantive approval by a primary government. A special purpose government is fiscally independent if it has the authority to do all three of the following:

- a. Determine its budget without another government having the authority to approve and modify that budget.
- b. Levy taxes or set rates or charges without approval by another government.
- c. Issue bonded debt without approval by another government.

The Louisiana Twenty-seventh Judicial District Judicial Expense Fund was created by state statute individually and is governed by the four independently elected district judges. The Judicial Expense Fund is a special purpose government which is fiscally independent and therefore is not a component unit of any other governmental unit, including the parish government. The Judicial Expense Fund is fiscally independent because,

- a. The judges determine the budget for the Judicial Expense Fund and no other government has the authority to approve and/or modify the budget.
- b. The judges determine the amount of court costs to be levied in civil and criminal cases.

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. FINANCIAL REPORTING ENTITY (Continued)

- c. The state statute which created the Judicial Expense Fund cite the type of expenditures which can be made out of the Fund and the judges determine these expenditures.

B. BASIS OF PRESENTATION

Government-wide Financial Statements (GWFS). The Statement of Net Position and the Statement of Activities display information on all of the nonfiduciary activities of the Louisiana Twenty-seventh Judicial District Judicial Expense Fund. They include the funds of the reporting entity, which is considered to be a governmental activity. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the Statement of Fiduciary Assets and Liabilities at the fund financial statement level.

The Statement of Activities demonstrates the degree in which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are specifically associated with a program or function, and therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operation or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements. Fund financial statements of the Louisiana Twenty-seventh Judicial District Judicial Expense Fund are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements report detailed information about the Louisiana Twenty-seventh Judicial District Judicial Expense Fund. As a general rule, interfund eliminations are not made in the fund financial statements.

The various funds of the Louisiana Twenty-seventh Judicial District Judicial Expense Fund are classified as governmental funds or fiduciary funds. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Judicial District or meets the following criteria:

1. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise funds are at least ten percent of the corresponding total for all funds of that category or type; and
2. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise funds are at least five percent of the corresponding total for all governmental and enterprise funds combined.

The Louisiana Twenty-seventh Judicial District Judicial Expense Fund reports the following major governmental funds:

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIS OF PRESENTATION (Continued)

The General Fund is the general operating fund of the Louisiana Twenty-seventh Judicial District Judicial Expense Fund. It accounts for all financial resources, except those required to be accounted for in other funds.

The Hearing Officer Fund accounts for revenues and expenditures for the enforcement of child support services.

The Adult Drug Court Fund accounts for revenues and expenditures for the treatment and supervision of drug offenders as an alternative to a prison sentence.

Additionally, the Louisiana Twenty-seventh District Judicial Expense Fund reports the following fund type.

Governmental Funds

Special Revenue Funds. Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purpose.

Fiduciary Fund. Fiduciary fund types are used to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. Following is the Judicial District's fiduciary fund type:

Agency Fund. Agency funds function to account for assets held by the Judicial District as an agent for fees and expenses of the special master for the Lawtell Train Derailment.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Measurement Focus

The fund financial statements utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

The government-wide financial statements utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position and financial position. All assets and liabilities (whether current or noncurrent) associated with their activities are reported.

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (Continued)

Basis of Accounting

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

In the fund financial statements, governmental funds and agency funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting.

Revenues

Revenues consist primarily of court costs, grants, entitlements, or shared revenues.

Expenditures

Purchases of various operating supplies are regarded as expenditures at the time purchased, and inventories of such supplies, if any, are not recorded as assets at the close of the year, unless material. Expenditures for insurance and similar services which extend over more than one accounting period are accounted for as expenditures of the period of acquisition.

D. ENCUMBRANCES

The Louisiana Twenty-seventh Judicial District Judicial Expense Fund does not employ the encumbrance system of accounting.

E. 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 amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

F. CASH AND INVESTMENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Under state law, the Judicial Expense Fund may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

Investments are stated at cost or amortized cost, which approximates fair value.

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. RECEIVABLES AND PAYABLES

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "interfund receivables and payables." Long-term interfund loans (non-current portion) are reported as "advances from and to other funds". Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position.

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include amounts due from the Clerk of Court, the Sheriff's Department, the Racino, and other governmental units.

Receivables are included in the fund financial statements if they are both measurable and available. Revenues are recorded when earned only if paid within 60 days since they would be considered both measurable and available.

H. CAPITAL ASSETS

In the government-wide financial statements, capital assets are capitalized at historical cost, or estimated historical cost if actual is unavailable. Donated assets are recorded at their estimated fair value at the date of donation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Other structures and improvements	10-20 years
Equipment and furniture	5-20 years

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

In the fund financial statements, capital assets used in governmental fund operations are accounted for as facilities acquisition and construction expenditures of the governmental fund upon acquisition. The Louisiana Twenty-seventh Judicial District Judicial Expense Fund does not have public domain or infrastructure outlays. Interest costs on fixed assets have not been incurred. Capital assets consist of acquisitions since 1987 for the Parish Law Library and equipment. Prior to 1987, the cost of the Parish Law Library was accounted for on the books of the St. Landry Parish Government.

I. COMPENSATED ABSENCES

The Judicial Expense Fund does not provide its employees with accumulated vacation or sick leave.

J. RETIREMENT

The Judicial Expense Fund's employees contribute to the Social Security System.

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. BUDGETS AND BUDGETARY ACCOUNTING

The Louisiana Twenty-seventh Judicial District adopted budgets for its General Fund and Special Revenue Funds as required by state law. The budgetary practices included public notice of the proposed budgets, public inspection of the proposed budgets, and a public hearing on the budgets prior to adoption.

Any amendments involving the transfer of monies from one function to another or increases in expenditures at the functional level must be approved by the four judges of the Louisiana Twenty-seventh Judicial District. All budget amounts which are not expended, or obligated through contracts, lapse at year-end.

The General and Special Revenue Funds' budgets were adopted and amended on a basis consistent with generally accepted accounting principles (GAAP). The budgeted amounts of the General Fund and Special Revenue Funds presented in the accompanying financial statements are in the original adopted budget and subsequently adopted amendments.

L. EQUITY CLASSIFICATIONS

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

1. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted net position - Consist of net position with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
3. Unrestricted net position - All other net position that do not meet the definition of "restricted" or "net investment in capital assets".

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance reports aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. 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.

1. Restricted – 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.
2. Committed – Consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the Judges – the government's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the Judges remove the specified use 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.

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. EQUITY CLASSIFICATIONS (Continued)

1. Assigned – Reflects the amounts constrained by the District's "intent" to be used for specific purposes but are neither restricted nor committed. The Judges have 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.
2. Unassigned – This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

The Judicial Expense Fund considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the Judicial Expense Fund would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

M. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

The Judicial Expense Fund does not provide any post-employment benefits to retirees and therefore is not required to report under GASB Statement No. 45, Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions.

2. CASH AND INVESTMENTS

Cash consists of cash on hand, demand deposits, and savings accounts. At December 31, 2018, the carrying amount of the Judicial Expense Fund's cash was \$470,518 and the carrying amounts of investments, which consisted of certificates of deposit was \$1,164,093.

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Judicial Expense Fund's deposits may not be recovered or will not be able to recover the collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting balances) must be secured by federal deposit insurance or similar federal security 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 the amount on deposit with the fiscal agent bank. These securities are held in the name of the Judicial Expense Fund or the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties.

At December 31, 2018, the Judicial Expense Fund had \$1,688,853 in bank deposits, \$1,395,704 of the bank deposits was covered by FDIC insurance, and \$293,148 was exposed to custodial credit risk. Deposits exposed to custodial credit risk are collateralized with securities held by the pledging institutions' trust department or agent, but not in the Judicial Expense Fund's name. The Judicial Expense Fund does not have a policy for custodial credit risk.

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit accounts (interest bearing and non-interest bearing).

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018

3. INTERFUND RECEIVABLES AND PAYABLE

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds" in the fund financial statements. In the government-wide financial statements, interfund receivables and payables are eliminated within the governmental activities. All of these accounts are expected to be repaid within one year from the date of the financial statements. Interfund receivables and payables in the fund financial statements are as follows:

Interfund receivables and payables in the fund financial statements are as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ -	\$ 6,279
Special Revenue Fund:		
Hearing Officer Fund	5,000	-
Law Library Fund	<u>1,279</u>	<u>-</u>
	<u>6,279</u>	<u>6,279</u>

4. TRANSFERS IN AND OUT

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ 5,200
Special Revenue Fund:		
Hearing Officer Fund	-	5,118
Law Library Fund	<u>10,318</u>	<u>-</u>
	<u>10,318</u>	<u>10,318</u>

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to (b) use unrestricted revenues collected in one fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018

5. CAPITAL ASSETS

Capital assets and depreciation activity, as of and for the year ended December 31, 2018, for the Louisiana Twenty-seventh Judicial District Judicial Expense Fund are as follows:

Governmental Activities	Balance 1/1/2018	Additions	Deductions	Balance 12/31/2018
Other structures and improvements	\$ 88,006	\$ -	\$ -	\$ 88,006
Equipment and furniture	410,942	7,566	-	418,508
<u>Total at historical cost</u>	<u>498,948</u>	<u>7,566</u>	<u>-</u>	<u>506,514</u>
Accumulated depreciation				
Other structures and improvements	(74,346)	(4,822)	-	(79,168)
Equipment and furniture	(265,418)	(28,281)	-	(293,699)
<u>Total accumulated depreciation</u>	<u>(339,764)</u>	<u>(33,103)</u>	<u>-</u>	<u>(372,867)</u>
Governmental Activities				
Capital assets, net	<u>159,184</u>	<u>(25,537)</u>	<u>-</u>	<u>133,647</u>

6. COMPENSATION

The judges do not receive compensation from the Louisiana Twenty-seventh Judicial District Judicial Expense Fund.

7. LEASE COMMITMENTS

Commitments under operating lease arrangements for copy machines provide for future minimum rental payments as follows:

	TOTAL
2019	\$ 8,099
2020	6,226
2021	2,709
2022	<u>1,713</u>
<u>Total</u>	<u>18,747</u>

Lease expenditures incurred for the year ended December 31, 2018 were \$ 9,705.

8. SUBSEQUENT EVENTS

Subsequent events were evaluated through June 17, 2019, which is the date the financial statements were available to be issued. As of June 17, 2019, there were no subsequent events noted.

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018

9. FUND BALANCE CONSTRAINTS

The constraints on fund balance as listed in aggregate in the Statement of Revenues, Expenditures, and Changes in Fund Balances are detailed according to balance classification and fund.

	<u>General Fund</u>	<u>Hearing Officer Fund</u>	<u>Adult Drug Court Fund</u>	<u>Other Governmental Funds</u>
Fund Balances:				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	-	697,397	145,492	85,464
Committed - Law Library	-	-	-	4,408
Assigned	-	-	-	-
Unassigned	781,161	-	-	-
<u>Total fund balances</u>	<u>781,161</u>	<u>697,397</u>	<u>145,492</u>	<u>89,872</u>

10. DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units at December 31, 2018, consisted of the following:

	<u>General Fund</u>	<u>Special Revenue Funds</u>
Parish Government	\$ 560,606	\$ -
Louisiana Supreme Court	-	22,881
Louisiana Workforce Commission	-	15,000
Louisiana Department of Social Services	-	41,640
<u>Totals</u>	<u>560,606</u>	<u>79,521</u>

11. PRIOR PERIOD ADJUSTMENT

A prior period adjustment was made to correct the prior year receivable balance of mandated expenses.

<u>Net Position, as Previously Reported</u>	<u>Prior Period Adjustment</u>	<u>Net Position, as Restated</u>
\$ 2,335,225	\$ (28,717)	\$ 2,306,508

The effect on the prior year's Statement of Net Position was an overstatement of Net Position of \$28,717.

REQUIRED SUPPLEMENTARY INFORMATION

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES</u>				
Intergovernmental				
Court cost collections from				
Clerk of Court	\$ 30,000	\$ 32,500	\$ 30,878	\$ (1,622)
Sheriff's Department	150,000	138,000	136,327	(1,673)
Parish Government	137,700	142,200	129,587	(12,613)
Grant from Louisiana Children's				
Cabinet	40,400	40,860	40,860	-
Racino revenue	50,000	52,000	51,797	(203)
Interest income	500	1,000	3,104	2,104
Other income	-	-	8,295	8,295
	<u>408,600</u>	<u>406,560</u>	<u>400,848</u>	<u>(5,712)</u>
<u>EXPENDITURES</u>				
Judicial				
Current operating				
Insurance	7,000	11,379	11,545	(166)
Office supplies	18,000	17,867	20,291	(2,424)
Lease	8,000	9,319	7,849	1,470
Transcripts	28,000	31,658	31,143	515
Law material	12,990	15,731	15,636	95
Professional services	30,500	31,906	33,330	(1,424)
Miscellaneous	2,600	3,323	3,528	(205)
Wages	147,000	143,276	143,276	-
Payroll taxes	12,000	11,993	10,601	1,392
Seminars	1,000	3,831	1,305	2,526
Telephone	5,000	8,815	11,545	(2,730)
Internet	-	-	732	(732)
Dues and subscriptions	1,200	1,200	2,781	(1,581)
Judges travel	-	-	5,416	(5,416)
Judges advances	12,000	12,000	-	12,000
Contract labor	-	-	150	(150)

Continued on next page.  
See Independent Auditor's Report.

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGETARY COMPARISON SCHEDULE (CONTINUED)  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>EXPENDITURES - (CONTINUED)</u>				
Licensing fee	\$ 1,250	\$ 1,250	\$ -	\$ 1,250
Computer services	50,000	47,400	43,998	3,402
FINS expense	45,160	45,390	45,328	62
Capital outlay	20,000	4,000	1,359	2,641
<u>Total expenditures</u>	<u>401,700</u>	<u>400,338</u>	<u>389,813</u>	<u>10,525</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	<u>6,900</u>	<u>6,222</u>	<u>11,035</u>	<u>4,813</u>
<u>OTHER FINANCING USES</u>				
Transfers out	(5,118)	(5,200)	(5,200)	-
<u>Total other financing uses</u>	<u>(5,118)</u>	<u>(5,200)</u>	<u>(5,200)</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCE</u>				
	<u>1,782</u>	<u>1,022</u>	5,835	<u>4,813</u>
<u>FUND BALANCE, beginning of year</u>			<u>775,326</u>	
<u>FUND BALANCE, end of year</u>			<u>781,161</u>	

See Independent Auditor's Report.

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGETARY COMPARISON SCHEDULE  
HEARING OFFICER FUND  
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES</u>				
State grants	\$ 255,000	\$ 252,757	\$ 255,995	\$ 3,238
Interest income	1,000	1,000	2,312	1,312
<u>Total revenues</u>	<u>256,000</u>	<u>253,757</u>	<u>258,307</u>	<u>4,550</u>
<u>EXPENDITURES</u>				
Judicial				
Current operating				
Office supplies	7,882	7,316	6,932	384
Minute clerks	21,600	21,600	21,600	-
Professional services	117,350	111,709	112,365	(656)
Wages	85,182	73,013	73,013	-
Travel	-	4,765	4,538	227
Seminars	2,000	992	1,526	(534)
Telephone	500	432	368	64
Dues and subscriptions	900	901	901	-
Computer services	1,000	1,895	920	975
<u>Total expenditures</u>	<u>236,414</u>	<u>222,623</u>	<u>222,163</u>	<u>460</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	<u>19,586</u>	<u>31,134</u>	<u>36,144</u>	<u>5,010</u>
<u>OTHER FINANCING USES</u>				
Transfers out	(5,118)	(4,586)	(5,118)	(532)
<u>Total other financing uses</u>	<u>(5,118)</u>	<u>(4,586)</u>	<u>(5,118)</u>	<u>(532)</u>
<u>NET CHANGE IN FUND BALANCE</u>				
	<u>14,468</u>	<u>26,548</u>	31,026	<u>4,478</u>
<u>FUND BALANCE, beginning of year</u>			<u>666,371</u>	
<u>FUND BALANCE, end of year</u>			<u>697,397</u>	

See Independent Auditor's Report.

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGETARY COMPARISON SCHEDULE  
ADULT DRUG COURT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES</u>				
Intergovernmental				
Federal grants	\$ 66,000	\$ 74,500	\$ 70,199	\$ (4,301)
State grants	170,000	165,000	191,613	26,613
Job readiness income	41,500	48,500	64,500	16,000
Charges for services				
Urine analysis fees	20,000	43,000	45,178	2,178
Restitution income	500	-	-	-
Miscellaneous	-	-	(63)	(63)
<u>Total revenues</u>	<u>298,000</u>	<u>331,000</u>	<u>371,427</u>	<u>40,427</u>
<u>EXPENDITURES</u>				
Judicial				
Current operating				
Wages	194,550	202,975	194,275	8,700
Equipment maintenance	4,500	6,245	8,565	(2,320)
Computer services	-	12,000	-	12,000
Utilities	6,500	7,342	7,737	(395)
Adult treatment expense	7,000	10,433	9,300	1,133
Drug testing expense	45,000	40,793	41,605	(812)
Office supplies	10,000	14,454	13,586	868
Payroll taxes	15,100	16,374	13,304	3,070
Lease Expense	-	-	1,856	(1,856)
Rent	15,600	15,600	15,600	-
Seminars	2,000	3,378	750	2,628
Telephone	1,800	1,842	1,624	218
Professional services	7,900	8,364	7,600	764
Insurance	5,700	6,919	2,954	3,965
Licensing fee	600	600	600	-
Travel	750	750	3,378	(2,628)
Restitution expense	500	-	-	-
Capital outlay	-	-	6,207	(6,207)
<u>Total expenditures</u>	<u>317,500</u>	<u>348,069</u>	<u>328,941</u>	<u>19,128</u>
<u>NET CHANGE IN FUND BALANCE</u>	<u>(19,500)</u>	<u>(17,069)</u>	42,486	<u>59,555</u>
<u>FUND BALANCE</u> , beginning of year			<u>103,006</u>	
<u>FUND BALANCE</u> , end of year			<u>145,492</u>	

See Independent Auditor's Report.

OTHER SUPPLEMENTARY INFORMATION

### GENERAL FUND

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund. The General Fund has a greater number and variety of revenue sources than any other fund, and its resources normally finance a wider range of activities. The resources of the General Fund are ordinarily largely expended and replenished on an annual basis.

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
COMPARATIVE BALANCE SHEET - GENERAL FUND  
DECEMBER 31, 2018 AND 2017

<u>ASSETS</u>	<u>2018</u>	<u>2017</u>
Cash	\$ 237,777	\$ 232,801
Investments, at cost	540,334	537,425
Accrued interest receivable	80	80
Due from Sheriff's Department	8,549	8,008
Due from Racino	8,698	4,414
Due from other governmental units	2,000	6,867
<u>Total assets</u>	<u>797,438</u>	<u>789,595</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
<u>LIABILITIES</u>		
Accounts payable	\$ 8,184	\$ 6,402
Payroll taxes payable	1,814	1,588
Due to other funds	6,279	6,279
<u>Total liabilities</u>	<u>16,277</u>	<u>14,269</u>
 <u>FUND BALANCE</u>		
Unassigned	781,161	775,326
<u>Total fund balance</u>	<u>781,161</u>	<u>775,326</u>
 <u>Total liabilities and fund balance</u>	 <u>797,438</u>	 <u>789,595</u>

See Independent Auditor's Report.

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE  
GENERAL FUND  
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
<u>REVENUES</u>		
Intergovernmental		
Court cost collections from		
Clerk of Court	\$ 30,878	\$ 37,984
Sheriff's Department	136,327	158,114
Parish Government	129,587	163,167
Grant from Louisiana Children's Cabinet	40,860	45,065
Racino revenue	51,797	47,963
Interest income	3,104	2,400
Other income	8,295	99
<u>Total revenues</u>	<u>400,848</u>	<u>454,792</u>
<u>EXPENDITURES</u>		
Judicial		
Current operating		
Insurance	11,545	6,912
Office supplies	20,291	22,427
Lease	7,849	8,492
Transcripts	31,143	30,951
Law material	15,636	11,872
Professional services	33,330	30,007
Miscellaneous	3,528	4,117
Wages	143,276	135,150
Payroll taxes	10,601	11,989
Seminars	1,305	(435)
Telephone	11,545	7,281
Internet	732	564
Dues and subscriptions	2,781	2,544
Judges travel	5,416	5,241
Contract labor	150	-
Computer services	43,998	47,325
FINS expense	45,328	45,160
Capital outlay	1,359	3,988
<u>Total expenditures</u>	<u>389,813</u>	<u>373,585</u>

Continued on next page.  
See Independent Auditor's Report.

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE (CONTINUED)  
GENERAL FUND  
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

<u>EXCESS OF REVENUES</u>		
<u>OVER EXPENDITURES</u>	<u>\$ 11,035</u>	<u>\$ 81,207</u>
<u>OTHER FINANCING USES</u>		
Transfers out	<u>(5,200)</u>	<u>(5,118)</u>
<u>Total other financing uses</u>	<u>(5,200)</u>	<u>(5,118)</u>
<u>NET CHANGE IN FUND BALANCE</u>	5,835	76,089
<u>FUND BALANCE</u> , beginning of year, as restated	<u>775,326</u>	<u>699,237</u>
<u>FUND BALANCE</u> , end of year	<u><u>781,161</u></u>	<u><u>775,326</u></u>

See Independent Auditor's Report.

### SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for resources legally restricted to expenditures for particular purposes.

The Hearing Officer Fund accounts for revenues and expenditures for the enforcement of child support services.

The Adult Drug Court Fund accounts for revenues and expenditures for the treatment and supervision of drug offenders as an alternative to a prison sentence.

The Law Library Fund accounts for the Law Library which is utilized and supported by the St. Landry Parish District Attorney, Hearing Officer, and the Judicial Expense Fund.

The Indigent Transcript Fund accounts for revenues and expenditures in support of indigent defendants.

The FINS Fund accounts for revenues and expenditures to provide interagency social work services to assist children and families.

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
COMPARATIVE BALANCE SHEET  
MAJOR SPECIAL REVENUE FUND  
HEARING OFFICER FUND  
DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
<u>ASSETS</u>		
Cash	\$ 62,238	\$ 55,728
Investments, at cost	590,873	588,561
Due from other governmental units	41,640	20,032
Utility deposit	20	20
Due from other funds	<u>5,000</u>	<u>5,000</u>
<u>Total assets</u>	<u>699,771</u>	<u>669,341</u>
<u>LIABILITIES AND FUND BALANCE</u>		
<u>LIABILITIES</u>		
Accounts payable	<u>\$ 2,374</u>	<u>\$ 2,970</u>
<u>Total liabilities</u>	<u>2,374</u>	<u>2,970</u>
<u>FUND BALANCE</u>		
Restricted for grant	<u>697,397</u>	<u>666,371</u>
<u>Total fund balance</u>	<u>697,397</u>	<u>666,371</u>
<u>Total liabilities and fund balance</u>	<u>699,771</u>	<u>669,341</u>

See Independent Auditor's Report.

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE  
MAJOR SPECIAL REVENUE FUND  
HEARING OFFICER FUND  
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
<u>REVENUES</u>		
State grants	\$ 255,995	\$ 255,324
Interest income	2,312	1,524
<u>Total revenues</u>	<u>258,307</u>	<u>256,848</u>
<u>EXPENDITURES</u>		
Judicial		
Current operating		
Office supplies	6,932	7,851
Minute clerks	21,600	21,600
Professional services	112,365	120,642
Miscellaneous	-	3
Wages	73,013	79,098
Travel	4,538	-
Seminars	1,526	1,761
Telephone	368	374
Dues and subscriptions	901	892
Computer services	920	1,083
Capital outlay	-	14,755
<u>Total expenditures</u>	<u>222,163</u>	<u>248,059</u>
<u>EXCESS OF REVENUES</u> <u>OVER EXPENDITURES</u>	<u>36,144</u>	<u>8,789</u>
<u>OTHER FINANCING USES</u>		
Transfers out	(5,118)	(4,586)
<u>Total other financing uses</u>	<u>(5,118)</u>	<u>(4,586)</u>
<u>NET CHANGE IN FUND BALANCE</u>	31,026	4,203
<u>FUND BALANCE, beginning of year</u>	<u>666,371</u>	<u>662,168</u>
<u>FUND BALANCE, end of year</u>	<u>697,397</u>	<u>666,371</u>

See Independent Auditor's Report.

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
COMPARATIVE BALANCE SHEET  
MAJOR SPECIAL REVENUE FUND  
ADULT DRUG COURT FUND  
DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
<u>ASSETS</u>		
Petty cash	\$ 34	\$ 34
Cash	115,323	53,625
Due from other governmental units	<u>37,881</u>	<u>56,001</u>
<u>Total assets</u>	<u>153,238</u>	<u>109,660</u>
<u>LIABILITIES AND FUND BALANCE</u>		
<u>LIABILITIES</u>		
Accounts payable	\$ 5,157	\$ 3,650
Payroll taxes payable	<u>2,589</u>	<u>3,004</u>
<u>Total liabilities</u>	<u>7,746</u>	<u>6,654</u>
<u>FUND BALANCE</u>		
Restricted for grant	<u>145,492</u>	<u>103,006</u>
<u>Total fund balance</u>	<u>145,492</u>	<u>103,006</u>
<u>Total liabilities and fund balance</u>	<u>153,238</u>	<u>109,660</u>

See Independent Auditor's Report.

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE  
MAJOR SPECIAL REVENUE FUND  
ADULT DRUG COURT FUND  
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
<u>REVENUES</u>		
Intergovernmental		
Federal grants	\$ 70,199	\$ 74,784
State grants	191,613	164,612
Job readiness income	64,500	48,500
Charges for services		
Urine analysis fees	45,178	24,268
Restitution income	-	1,304
Other income	(63)	-
<u>Total revenues</u>	<u>371,427</u>	<u>313,468</u>
<u>EXPENDITURES</u>		
Judicial		
Current operating		
Wages	194,275	185,042
Equipment maintenance	8,565	5,548
Utilities	7,737	7,052
Adult treatment expense	9,300	11,508
Drug testing expense	41,605	45,658
Office supplies	13,586	10,020
Payroll taxes	13,304	15,001
Lease Expense	1,856	-
Rent	15,600	15,600
Seminars	750	-
Telephone	1,624	1,964
Professional services	7,600	7,745
Insurance	2,954	2,428
Licensing fee	600	600
Travel	3,378	2,510
Restitution expense	-	1,304
Capital outlay	6,207	1,895
<u>Total expenditures</u>	<u>328,941</u>	<u>313,875</u>
<u>NET CHANGE IN FUND BALANCE</u>	42,486	(407)
<u>FUND BALANCE</u> , beginning of year	<u>103,006</u>	<u>103,413</u>
<u>FUND BALANCE</u> , end of year	<u>145,492</u>	<u>103,006</u>

See Independent Auditor's Report.

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
COMPARATIVE BALANCE SHEET  
NON-MAJOR SPECIAL REVENUE FUND  
LAW LIBRARY FUND  
DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
<u>ASSETS</u>		
Cash	\$ 3,129	\$ 3,363
Due from other funds	<u>1,279</u>	<u>1,279</u>
<u>Total assets</u>	<u><u>4,408</u></u>	<u><u>4,642</u></u>
<u>LIABILITIES AND FUND BALANCE</u>		
<u>LIABILITIES</u>		
Accounts payable	<u>\$ -</u>	<u>\$ 1,300</u>
<u>Total liabilities</u>	<u>-</u>	<u>1,300</u>
<u>FUND BALANCE</u>		
Committed	<u>4,408</u>	<u>3,342</u>
<u>Total fund balance</u>	<u>4,408</u>	<u>3,342</u>
<u>Total liabilities and fund balance</u>	<u><u>4,408</u></u>	<u><u>4,642</u></u>

See Independent Auditor's Report.

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE  
NON-MAJOR SPECIAL REVENUE FUND  
LAW LIBRARY FUND  
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
<u>REVENUES</u>		
Parish Law Library collections from District Attorney	\$ 5,118	\$ 4,368
Interest income	7	5
<u>Total revenues</u>	<u>5,125</u>	<u>4,373</u>
<u>EXPENDITURES</u>		
Judicial		
Current operating		
Law material	14,377	13,598
<u>Total expenditures</u>	<u>14,377</u>	<u>13,598</u>
<u>DEFICIENCY OF REVENUES</u>		
<u>UNDER EXPENDITURES</u>	<u>(9,252)</u>	<u>(9,225)</u>
<u>OTHER FINANCING SOURCES</u>		
Transfers in	10,318	9,705
<u>Total other financing sources</u>	<u>10,318</u>	<u>9,705</u>
<u>NET CHANGE IN FUND BALANCE</u>	1,066	480
<u>FUND BALANCE</u> , beginning of year	<u>3,342</u>	<u>2,862</u>
<u>FUND BALANCE</u> , end of year	<u>4,408</u>	<u>3,342</u>

See Independent Auditor's Report.

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
COMPARATIVE BALANCE SHEET  
NON-MAJOR SPECIAL REVENUE FUND  
INDIGENT TRANSCRIPT FUND  
DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
<u>ASSETS</u>		
Cash	\$ 51,972	\$ 46,398
Investment, at cost	32,886	32,755
Due from Clerk of Court	<u>561</u>	<u>1,079</u>
<u>Total assets</u>	<u>85,419</u>	<u>80,232</u>
<u>LIABILITIES AND FUND BALANCE</u>		
<u>LIABILITIES</u>		
	<u>\$ -</u>	<u>\$ -</u>
<u>FUND BALANCE</u>		
Restricted	<u>85,419</u>	<u>80,232</u>
<u>Total fund balance</u>	<u>85,419</u>	<u>80,232</u>
<u>Total liabilities and fund balance</u>	<u>85,419</u>	<u>80,232</u>

See Independent Auditor's Report.

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE  
NON-MAJOR SPECIAL REVENUE FUND  
INDIGENT TRANSCRIPT FUND  
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
<u>REVENUES</u>		
Transcripts	\$ 5,801	\$ 6,438
Pro Bono revenue	6,010	6,038
Interest income	131	130
<u>Total revenues</u>	<u>11,942</u>	<u>12,606</u>
<u>EXPENDITURES</u>		
Judicial		
Current operating		
Transcripts	755	3,400
Pro Bono fees	6,000	6,000
Professional services	-	575
<u>Total expenditures</u>	<u>6,755</u>	<u>9,975</u>
<u>NET CHANGE IN FUND BALANCE</u>	5,187	2,631
<u>FUND BALANCE, beginning of year</u>	<u>80,232</u>	<u>77,601</u>
<u>FUND BALANCE, end of year</u>	<u>85,419</u>	<u>80,232</u>

See Independent Auditor's Report.

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
COMPARATIVE BALANCE SHEET  
NON-MAJOR SPECIAL REVENUE FUND  
FINS FUND  
DECEMBER 31, 2018 AND 2017

	2018	2017
<u>ASSETS</u>		
Cash	\$ 45	\$ 45
<u>Total assets</u>	45	45
<u>LIABILITIES AND FUND BALANCE</u>		
<u>LIABILITIES</u>		
	\$ -	\$ -
<u>FUND BALANCE</u>		
<i>Restricted for grant</i>	45	45
<u>Total fund balance</u>	45	45
<u>Total liabilities and fund balance</u>	45	45

See Independent Auditor's Report.

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE  
NON-MAJOR SPECIAL REVENUE FUND  
FINS FUND  
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
<u>REVENUES</u>		
State grants	\$ -	\$ 1,928
<u>Total revenues</u>	<u>-</u>	<u>1,928</u>
<u>EXPENDITURES</u>		
Judicial		
Current operating		
Internet	-	708
Computer services	-	1,220
<u>Total expenditures</u>	<u>-</u>	<u>1,928</u>
<u>NET CHANGE IN FUND BALANCE</u>	-	-
<u>FUND BALANCE</u> , beginning of year	<u>45</u>	<u>45</u>
<u>FUND BALANCE</u> , end of year	<u>45</u>	<u>45</u>

See Independent Auditor's Report.

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS  
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER  
FOR THE YEAR ENDED DECEMBER 31, 2018

Purpose	Agency Head Name			
	Judge Gerard Caswell	Judge Alonzo Harris	Judge James Doherty, Jr.	Judge Jason Meche
Salary	0.00	0.00	0.00	0.00
Benefits-insurance	0.00	0.00	0.00	0.00
Benefits-retirement	0.00	0.00	0.00	0.00
Benefits-social security	0.00	0.00	0.00	0.00
Benefits-life insurance	0.00	0.00	0.00	0.00
Benefits-other	0.00	0.00	0.00	0.00
Car allowance	0.00	0.00	0.00	0.00
Vehicle provided by government	0.00	0.00	0.00	0.00
Per diem	0.00	0.00	0.00	0.00
Reimbursements	3,000.00	3,000.00	2,750.00	3,000.00
Travel	0.00	0.00	0.00	0.00
Registration fees	0.00	0.00	0.00	0.00
Conference travel	0.00	0.00	0.00	0.00
Continuing professional education fees	0.00	0.00	0.00	0.00
Housing	0.00	0.00	0.00	0.00
Unvouchered expenses*	0.00	0.00	0.00	0.00
Special meals	0.00	0.00	0.00	0.00

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RELATED REPORTS

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**INDEPENDENT AUDITOR'S 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  
 Louisiana Twenty-seventh Judicial District  
 Judicial Expense Fund  
 Opelousas, 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 the Governmental Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Louisiana Twenty-seventh Judicial District Judicial Expense Fund, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Louisiana Twenty-seventh Judicial District Judicial Expense Fund's basic financial statements, and have issued our report thereon dated June 17, 2019.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Louisiana Twenty-seventh Judicial District Judicial Expense Fund'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Louisiana Twenty-seventh Judicial District Judicial Expense Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Louisiana Twenty-seventh 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, we identified a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item 2018-1 that we consider to be significant deficiencies.

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To the Honorable Judges of the  
Louisiana Twenty-seventh Judicial District  
District Judicial Expense Fund  
Page 2

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Louisiana Twenty-seventh Judicial District Judicial Expense Fund's 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 entities internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information of the judges and the appropriate regulatory agency and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Opelousas, Louisiana  
June 17, 2019

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED DECEMBER 31, 2018

A. SUMMARY OF AUDIT RESULTS

1. We have audited the basic financial statements of the Louisiana Twenty-seventh Judicial District Judicial Expense Fund as of and for the year ended December 31, 2018, and have issued our report thereon dated June 17, 2019. 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 and the provisions of the Uniform Guidance. Our audit of the financial statements as of December 31, 2018 resulted in an unmodified opinion.
2. One significant deficiency and no material weaknesses relating to the audit of the financial statements are reported in the Independent Auditor's 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.
3. No instances of noncompliance relating to the audit of the financial statements are reported in the Independent Auditor's 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.
4. No management letter was issued for the Louisiana Twenty-seventh Judicial District Judicial Expense Fund as of and for the year ended December 31, 2018.
5. There is no single audit required under the Uniform Guidance.

B. FINDINGS – FINANCIAL STATEMENT AUDIT

INTERNAL CONTROL

2018-1 Inadequate Segregation of Duties

Condition: Due to the small number of employees, the Louisiana Twenty-seventh Judicial District Expense Fund did not have adequate segregation of functions within the accounting system.

Criteria: Accounting duties should be segregated among employees.

Cause: There are a small number of employees at the District performing the daily operating activities.

Effect: The accounting functions are not segregated, and it is important that you are aware of this condition because errors or fraud could occur and not be detected.

Recommendations: A system of internal control should be established in order to mitigate the problem of having such a small number of employees performing the daily accounting functions.

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2018

Response: Due to the small size of the District, there are not enough employees to properly segregate the accounting duties.

Contact: Judge Doherty

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

N/A

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
SCHEDULE OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2018

SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

N/A

SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

N/A

SECTION III - MANAGEMENT LETTER

N/A

James L. Nicholson, Jr., CPA  
 G. Kenneth Pavy, II, CPA  
 Michael A. Roy, CPA  
 Lisa Trouille Manuel, CPA  
 Dana D. Quebedeaux, CPA



**JOHN S. DOWLING & COMPANY**  
 A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS  
 www.jsdc-cpas.com

Van L. Auld, CPA

John S. Dowling, CPA  
 1904-1984  
 John Newton Stout, CPA  
 1936-2005  
 Chizal S. Fontenot, CPA  
 1955-2012

Retired

Harold Dupre, CPA  
 1996  
 Dwight Ledoux, CPA  
 1998  
 Joel Lanclos, Jr., CPA  
 2003  
 Russell J. Stelly, CPA  
 2005

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

To the Honorable Judges of the  
 Louisiana Twenty-seventh Judicial District  
 Judicial Expense Fund  
 Opelousas, Louisiana

We have performed the procedures enumerated below, which were agreed to by the Honorable Judges of the Louisiana Twenty-seventh Judicial District Judicial Expense Fund and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's *Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2018 through December 31, 2018*. The District's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Governmental Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

**Written Policies and Procedures**

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

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

*The District does not have written policies and procedures that 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.

*The District does not have written policies and procedures that address the functions noted above.*

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

*The District does not have written policies and procedures that address the functions noted above.*

To the Honorable Judges of the  
Louisiana Twenty-seventh Judicial District  
Judicial Expense Fund  
Page 2

- 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).

*The District does not have written policies and procedures that 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.

*The District does not have written policies and procedures that 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

*The District does not have written policies and procedures that 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 statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases)

*The District does not have credit cards, debit cards, fuel cards or P-cards.*

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

*The District does not have written policies and procedures that 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 all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.

*The District does not have written policies and procedures that 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.

*The District does not have debt service.*

- k) **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.

To the Honorable Judges of the  
Louisiana Twenty-seventh Judicial District  
Judicial Expense Fund  
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*The District does not have written policies and procedures that address the functions noted above.*

### ***Board of Finance Committee***

---

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.  
*Not applicable.*
  - 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 and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*  
*Not applicable.*
  - 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.*

### ***Bank Reconciliations***

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3. Obtain a listing of client 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 selected each account, and observe that:
  - 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

To the Honorable Judges of the  
Louisiana Twenty-seventh Judicial District  
Judicial Expense Fund  
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*The bank reconciliations obtained did not contain evidence that a member of management has reviewed each bank reconciliation.*

- 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.

*Several items within several bank accounts have reconciling items that have been outstanding for more than 12 months as of the end of the fiscal period. Management does not have documentation reflecting that it has researched those outstanding items.*

### ***Collections (excluding EFTs)***

---

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 list of deposit sites from management and management's representation that the listing is complete. There is one deposit site.*

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 list of collection locations from management and management's representation that the listing is complete. There are two collection locations.*

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

*There are no cash drawers at either of the collection locations, as no cash is collected. The district only collects checks and money orders.*

- 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.

*The employee, in each collection location, responsible for collecting checks or money orders is also responsible for preparing and making bank deposits.*

- 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.

*The employee, in each collection location, responsible for collecting checks or money orders is also responsible for posting collection entries to the general ledger.*

- 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.

*The employee responsible for reconciling cash collections to the general ledger is also responsible for collecting cash in one of the collection locations.*

To the Honorable Judges of the  
Louisiana Twenty-seventh Judicial District  
Judicial Expense Fund  
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6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

*Employees are bonded.*

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).

*For 8 of the 10 deposits examined, the number of days after collection was undeterminable given that those collections did not have a written or stamped received date. For 2 of the 10 deposits examined, no exceptions were 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 a listing of collection locations and management's representation that the listing is complete. There are two collection locations.*

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.

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*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.

*The employees responsible for processing payments are not prohibited from adding or modifying vendor files.*

- 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.

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

*Checks are mailed by employees who are also responsible for processing payments.*

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 invoice/billing statement.

*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.

*No exceptions noted.*

#### **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.

*The District does not have credit cards, debit cards, fuel cards, or P-cards.*

12. 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:

- a) Observe that 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) was 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.]

To the Honorable Judges of the  
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*The District does not have any credit cards, debit cards, fuel cards, or P-cards.*

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

*The district does not have any credit cards, debit cards, fuel cards, or P-cards*

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.

*The District does not have any credit cards, debit cards, or P-cards.*

**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:

- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).

*No exceptions noted.*

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

*None of the amounts selected for examination were reimbursed using actual cost.*

- 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.

To the Honorable Judges of the  
Louisiana Twenty-seventh Judicial District  
Judicial Expense Fund  
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*Only two of the five reimbursements selected for examination had evidence of review and approval, in writing, by someone other than the person receiving reimbursement.*

### **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 a listing of all contracts in effect during the fiscal period and management's representation that the listing is complete.*

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

*The contracts were not subject to the Louisiana Public Bid Law.*

- b) Observe that 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.

*No exceptions noted.*

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

*Obtained a listing of employees with their related salaries from management and management's representation that the listing is complete. Selected 5 employees and agreed the employees paid salary to authorized salaries.*

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

To the Honorable Judges of the  
Louisiana Twenty-seventh Judicial District  
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- a) Observe that all selected employees/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.)

*The employees of the District are all on salary, therefore they do not keep records of attendance and leave.*

- b) Observe that supervisors approved the attendance and leave of the selected employees/officials.

*The employees of the District are all on salary, therefore they do not keep records of attendance and leave.*

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

*The employees of the District are all on salary, therefore they do not keep records of attendance and leave.*

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

*No termination payments were made during the fiscal period. The District's written policy states that it does not provide its employees with accumulated vacation or sick leave.*

19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

*No exceptions noted.*

### ***Ethics (excluding nonprofits)***

---

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

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

*No exceptions noted.*

- b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

*No exceptions noted.*

To the Honorable Judges of the  
Louisiana Twenty-seventh Judicial District  
Judicial Expense Fund  
Page 10

### ***Debt Service***

---

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

*No debt was issued during the fiscal period.*

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).

*The District did not have any outstanding debt during the fiscal period.*

### ***Other***

---

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.

*Per management, no misappropriations of public funds or assets during the fiscal period.*

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.

*The District has posted the required notice on its premises. The District does not have a website.*

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

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

*John S. Darling & Company*

Opelousas, LA  
June 17, 2019

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
FOR THE YEAR ENDED DECEMBER 31, 2018

Management's response to the following statewide agreed-upon procedure exceptions:

Written Policies and Procedures:

1.
  - a) Budgeting
  - b) Purchasing
  - c) Disbursements
  - d) Receipts/Collections
  - e) Payroll/Personnel
  - f) Contracting
  - g) Credit Cards
  - h) Travel and expense reimbursement
  - i) Ethics
  - j) Debt Service
  - k) Disaster Recovery/Business Continuity
    - Management's Response: The District is a small entity with extensive oversight by all four judges. The District relies heavily on Louisiana State Law in relation to policies and procedures, however, the four judges are considering the adoption of the policies and procedures.

Bank Reconciliations:

3.
  - 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)
  - 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.
    - Management's Response: In the future, all bank reconciliations will be reviewed by one of the four judges. Management will research and document all old outstanding items.

Collections:

5.
  - 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.
  - 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.
  - 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.
  
7.
  - 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).
    - Management's Response: Due to the small size of the District, there are not enough employees to properly segregate the accounting duties. In the future, all collections will be stamped with a received date so that the number of days between collection and deposit will be determinable.

LOUISIANA TWENTY-SEVENTH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND  
OPELOUSAS, LOUISIANA  
FOR THE YEAR ENDED DECEMBER 31, 2018

Management's response to the following statewide agreed-upon procedure exceptions - continued:

Non-Payroll Disbursements:

9. 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.*
- 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.*
- *Management Response: In the future, the judge will periodically review changes made to vendor files. Due to the size of the entity and its small number of employees it is difficult to have an employee mail checks that is not involved with processing payments.*

Travel and Travel-Related Expense Reimbursements:

14. d) *Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.*
- *Management's Response: In the future, all travel and travel-related expense reimbursements will be reviewed and approved in writing by one of the four judges.*