

**21ST JUDICIAL DISTRICT COURT CRIMINAL COURT FUND
AMITE, LOUISIANA**

ANNUAL FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

21st Judicial District Court Criminal Court Fund
Amite, Louisiana
As of and for the Year Ended December 31, 2017
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Independent Auditor's Report

Honorable Robert H. Morrison, III, Chief Judge and
Honorable Scott M. Perrilloux, District Attorney
21st Judicial District Court Criminal Court Fund
Amite, Louisiana 70422

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the general fund, and the aggregate remaining fund information of the 21st Judicial District Court Criminal Court Fund as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the 21st Judicial District Court Criminal Court 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.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the general fund, and the aggregate remaining fund information of the 21st Judicial District Court Criminal Court Fund as of December 31, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

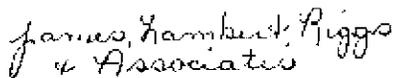
Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the 21st Judicial District Court Criminal Court Fund’s basic financial statements. The Schedule of Changes in Unsettled Deposits – Agency Funds and the Schedule of Compensation, Benefits, and Other Payments to Agency Head are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Changes in Unsettled Deposits – Agency Fund and the Schedule of Compensation, Benefits, and Other Payments to Agency Head are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Changes in Unsettled Deposits – Agency Fund and the Schedule of Compensation, Benefits, and Other Payments to Agency Head are fairly stated in all material respected in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 11, 2018, on our consideration of the 21st Judicial District Court Criminal Court 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 effectiveness of the 21st Judicial District Court Criminal Court Fund’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the 21st Judicial District Court Criminal Court Fund’s internal control over financial reporting and compliance.



James Lambert Riggs
& Associates

James Lambert Riggs & Associates, Inc.
Hammond, Louisiana

June 11, 2018

Basic Financial Statements

21st Judicial District Court Criminal Court Fund

Exhibit A

Amite, Louisiana
Statement of Net Position
December 31, 2017

	<u>Governmental Activities</u>
Assets	
Cash and Cash Equivalents	\$ 99,266
Receivables, Net	365,017
Capital Assets, Net of Accumulated Depreciation (Note 5)	<u>115,292</u>
Total Assets	<u>\$ 579,575</u>
Liabilities	
Accounts Payable	<u>\$ 467,134</u>
Total Liabilities	<u>\$ 467,134</u>
Net Position	
Net Investment in Capital Assets	\$ 115,292
Unrestricted	<u>(2,851)</u>
Total Net Position	<u>\$ 112,441</u>

The accompanying notes are an integral part of this statement.

21st Judicial District Court Criminal Court Fund

Exhibit B

Amite, Louisiana
Statement of Activities

For the Year Ended December 31, 2017

	<u>Governmental Activities</u>
Expenses:	
21st JDC District Attorney	\$ 529,193
21st Judicial District Court	244,022
General Court Expenditures	602,688
Collections	290,295
Depreciation	<u>55,415</u>
Total Expenses	1,721,613
Program Revenues:	
Charges for Services	<u>1,422,369</u>
Total Program Revenues	<u>1,422,369</u>
Net Program (Expense) / Revenue	<u>(299,244)</u>
General Revenues:	
Other Revenues	<u>341,315</u>
Total General Revenues	<u>341,315</u>
Change in Net Position	42,071
Net Position:	
Beginning of the Year	<u>70,370</u>
End of the Year	<u>\$ 112,441</u>

The accompanying notes are an integral part of this statement.

21st Judicial District Court Criminal Court Fund

Exhibit C

Amite, Louisiana

Governmental Fund Balance Sheet

December 31, 2017

Assets

Cash and Cash Equivalents	\$	99,266
Receivables, Net		<u>365,017</u>
Total Assets	\$	<u>464,283</u>

Liabilities and Fund Balance

Liabilities:

Accounts Payable	\$	<u>467,134</u>
Total Liabilities		467,134

Fund Balance:

Unassigned		<u>(2,851)</u>
Total Fund Balance		<u>(2,851)</u>
Total Liabilities and Fund Balance	\$	<u>464,283</u>

The accompanying notes are an integral part of this statement.

21st Judicial District Court Criminal Court Fund
Amite, Louisiana
Reconciliation of the Governmental Fund Balance Sheet to the
Government-Wide Statement of Net Position
For the Year Ended December 31, 2017

Exhibit D

Total Fund Balance, Governmental Fund (Exhibit C)	\$	(2,851)
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Amounts reported for governmental activities in the statement of net position are different because:

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

Net Investment in Capital Assets		<u>115,292</u>
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Net Position of Governmental Activities (Exhibit A)	\$	<u>112,441</u>
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The accompanying notes are an integral part of this statement.

21st Judicial District Court Criminal Court Fund
Amite, Louisiana

Exhibit E

Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balance
For the Year Ended December 31, 2017

Revenues:

Fines	\$ 1,328,166
Forfeitures	92,990
AFF Reinstatement Fees	1,213
Other Revenues	<u>341,315</u>
Total Revenues	1,763,684

Expenditures:

21st JDC District Attorney	529,193
21st Judicial District Court	244,022
General Court Expenditures	602,688
Collections	290,295
Capital Outlay	<u>19,483</u>
Total Expenditures	<u>1,685,681</u>

Excess (Deficiency) of Revenues
Over Expenditures

78,003

Fund Balance:

Beginning of the Year	<u>(80,854)</u>
End of the Year	<u>\$ (2,851)</u>

The accompanying notes are an integral part of this statement.

21st Judicial District Court Criminal Court Fund

Exhibit F

Amite, Louisiana

**Reconciliation of the Statement of Governmental Fund Revenues, Expenditures, and
Changes in Fund Balance to the Government-Wide Statement of Activities
For the Year Ended December 31, 2017**

Net Change in Fund Balance, Governmental Fund (Exhibit E) \$ 78,003

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

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. These differences consist of:

Capital Outlay	19,483
Depreciation Expense	<u>(55,415)</u>

Change in Net Position of Governmental Activities (Exhibit B) \$ 42,071

The accompanying notes are an integral part of this statement.

21st Judicial District Court Criminal Court Fund
Amite, Louisiana
Statement of Fiduciary Net Position – Agency Fund
For the Year Ended December 31, 2017

Exhibit G

		<u>Collections Department</u>	<u>Garnishment Fund</u>	<u>Total</u>
Assets				
Cash		\$ 384,971	\$ 54,758	\$ 439,729
Accounts Receivable		<u>64,519</u>	<u>-</u>	<u>64,519</u>
Total Assets		<u>\$ 449,490</u>	<u>\$ 54,758</u>	<u>\$ 504,248</u>
Liabilities				
Accounts Payable		\$ 427,110	\$ 435	\$ 427,545
Due to Others		<u>22,380</u>	<u>54,323</u>	<u>76,703</u>
Total Liabilities		<u>\$ 449,490</u>	<u>\$ 54,758</u>	<u>\$ 504,248</u>
Total Net Position		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

21st Judicial District Court Criminal Court Fund

Amite, Louisiana

Notes to Financial Statements

For the Year Ended December 31, 2017

Narrative Profile

The Twenty-First Judicial District Criminal Court Fund (hereinafter referred to as the “Criminal Court”), was established in compliance with Louisiana Revised (LRS) 15:571.11(C)(5) to consolidate the Criminal Court Funds previously under the jurisdiction of each of the three parishes in the Twenty-First Judicial District (the “District”) – Tangipahoa, Livingston, and St. Helena. The Criminal Court collects (76%) percent of the fines collected and bonds forfeited in the District. These funds are used to pay the general expenditures of the Judicial District Court system in addition to reimbursing allowable expenditures of the District Attorney and the Judicial Expense Fund. Accordingly, the Criminal Court is considered to be a jointly governed organization by the District Attorney and the Judicial Expense Fund.

The accounting and reporting policies of the Criminal Court conform to generally accepted accounting principles (GAAP) as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Such accounting and reporting procedures also conform to LRS 24:513 and to the guidance set forth in the *Louisiana Governmental Audit Guide*, and the industry audit guide, *Audits of State and Local Governmental Units*.

1. Summary of Significant Accounting Policies

A. Financial Reporting Entity

The Criminal Court is independent from the District Court System and the three parish governments in the Twenty-First Judicial District. Therefore, the Criminal Court reports as an independent financial reporting entity.

Based on the criteria established in GASB Statement No. 14, the Criminal Court has determined that it is a primary government. The Criminal Court has also determined that there are no component units that should be considered part of it for financial reporting purposes.

B. Basic Financial Statements – Government-Wide Financial Statements

The Criminal Court’s basic financial statements include both government-wide (reporting the Criminal Court as a whole) and fund financial statements (reporting the Criminal Court’s major fund). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. All Criminal Court activities are classified as governmental activities. The Criminal Court has no business-type activities.

The government-wide financial statements do not include the fiduciary activities of the Criminal Court.

Statement of Net Position – In the government-wide Statement of Net Position, the governmental activities (a) are presented on a consolidated basis, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Criminal Court’s net position is reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position. The Criminal Court first utilizes restricted resources to finance qualifying activities.

Statement of Activities – The government-wide Statement of Activities reports both the gross and net cost of the Criminal Court’s functions. The functions are also supported by general revenues (fines, forfeitures, interest income, etc.). The Statement of Activities reduces gross expenses (including

21st Judicial District Court Criminal Court Fund

Amite, Louisiana

Notes to Financial Statements (Continued)

For the Year Ended December 31, 2017

depreciation) by related program revenues, operating and capital grants, and contributions. Program revenues must be directly associated with the ongoing operations of the Criminal Court. Operating grants include operating-specific and discretionary (either operating or capital) grants, while capital grants report capital-specific grants and contributions. The net costs (by function) are normally covered by general revenues.

The Criminal Court does not allocate indirect costs.

This government-wide focus is more on the sustainability of the Criminal Court as an entity and the change in the Criminal Court's net position resulting from the current year's activities.

C. Basic Financial Statements – Fund Financial Statements

The financial transactions of the Criminal Court are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures / expenses.

The emphasis in fund financial statements is on the major funds. Non-major funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures / expenses of either fund category or the governmental and business-type combined) for the determination of major funds. The non-major funds are combined in a column in the fund financial statements.

Governmental Fund – The focus of the governmental fund's measurement (in the fund statements) is the determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The Criminal Court reports a single governmental fund:

General Fund - the primary operating fund of the Criminal Court, which accounts for all the operations of the Criminal Court, except those required to be accounted for in other funds. Revenues are derived primarily from fines and forfeitures.

The activities reported in this fund are reported as governmental activities in the government-wide financial statements.

Fiduciary Fund – The focus of the fiduciary funds is on net position and changes in net position. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, this fund has no measurement focus, but uses the modified accrual basis of accounting. The Criminal Court reports two fiduciary funds:

Collections Department Agency Fund – this fund is used to account for fines, fees, and other court costs collected and held by the Criminal Court on behalf of the Sheriffs of the Twenty-First Judicial District and the Judicial Expense Fund. Disbursements to the Sheriffs, District Attorney, the Judicial Expense Fund, and other agencies are made on a monthly basis from this account.

Garnishment Agency Fund – this fund is used to account for fines, fees, and other court costs collected by the State of Louisiana through tax intercepts and wage garnishments. These costs are then remitted to the Collections Department to be disbursed along with fees collected by that fund.

21st Judicial District Court Criminal Court Fund

Amite, Louisiana

Notes to Financial Statements (Continued)

For the Year Ended December 31, 2017

D. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental fund is accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet in the fund statements. Capital assets and long-term liabilities are included in the government-wide statements. Operating statements of the governmental fund presents increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net fund balances.

The government-wide Statement of Net Position and Statement of Activities are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these activities are either included on the statement of net position.

The fund financial statements of the governmental fund are maintained and reported on the modified accrual basis of accounting. Under this method of accounting, revenues are recognized in the period in which they become measurable and available. The Criminal Court considers all revenues available if they are collected within 60 days after year-end. Interest income is recorded as earned. Expenditures are recorded when the fund liability is incurred.

The Statement of Net Position and the Statement of Activities are presented on the accrual basis of accounting. Under this method of accounting, revenues are recognized when earned and expenses are recorded when liabilities are incurred without regard to receipt or disbursement of cash.

E. Cash, Cash Equivalents, and Investments

The Criminal Court's cash and cash equivalents are considered to be cash on hand, demand deposits, interest bearing demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Under state law, the Criminal Court may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. In addition, the Criminal Court may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments for the Criminal Court are reported at cost.

F. Allowance for Uncollectible Accounts

The Criminal Court calculates its allowance for uncollectible accounts using historical collection data and, in certain cases, specific account analysis.

G. Capital Assets

Capital outlays are recorded as expenditures of the governmental fund and as assets in the government-wide financial statements to the extent the Criminal Court's capitalization threshold of \$1,000 is met. Capital assets are valued at historical cost or estimated historical cost if actual cost was not available. Donated capital assets are valued at their estimated fair market value at the date of donation.

Maintenance, repairs, and minor equipment are charged to operations when incurred. Expenditures that materially change capacities or extend useful lives are capitalized. Upon sale or retirement of land,

21st Judicial District Court Criminal Court Fund

Amite, Louisiana

Notes to Financial Statements (Continued)

For the Year Ended December 31, 2017

buildings, and equipment, the cost and related accumulated depreciation, if applicable, are eliminated from the respective accounts and any resulting gain or loss is included in the results of operations.

H. Net Position

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

1. Net Investment in Capital Assets – consists of the historical cost of capital assets, including any restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted – this component of net position consists of assets that have constraints that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation.
3. Unrestricted – all other net position is reported in this category.

When both restricted and unrestricted resources are available for use, it is the Criminal Court's policy to use restricted resources first, then unrestricted resources as they are needed.

I. Fund Balance

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

1. Nonspendable Fund Balance – amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact.
2. Restricted Fund Balance – amounts that can be spent only for the specific purposes due to enabling legislation, State or Federal laws, or externally imposed by grantors, creditors, or citizens.
3. Committed Fund Balance – amounts that can be used only for the specific purposes determined by a formal action of the District Attorney and Chief Judge (the Criminal Court's highest level of decision-making authority).
4. Assigned Fund Balance – amounts intended to be used by the Criminal Court for specific purposes but do not meet the criteria to be classified as restricted or committed.
5. Unassigned Fund Balance – all amounts not included in other spendable categories.

The Criminal Court considers restricted fund balances to be spent for governmental expenditures first when both restricted and unrestricted resources are available.

As of December 31, 2017, the Criminal Court did not have any nonspendable, restricted, committed, or assigned fund balances.

21st Judicial District Court Criminal Court Fund

Amite, Louisiana

Notes to Financial Statements (Continued)

For the Year Ended December 31, 2017

J. Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

2. **Stewardship, Compliance, and Accountability**

A. Deposits and Investment Laws and Regulations

In accordance with state law, all uninsured deposits of funds in financial institutions must be secured with acceptable collateral valued at the lower of market or par. As reflected in Note 3 regarding cash and cash equivalents, the Criminal Court complied with the deposits and investments laws and regulations.

B. Deficit Fund Equity

As of December 31, 2017, the Criminal Court's General Fund had a deficit fund equity of \$2,851. Management will monitor this fund balance on an ongoing basis and will address the deficit in the near future.

3. **Cash and Cash Equivalents**

As reflected on Exhibit A, the Criminal Court has cash and cash equivalents totaling \$99,266 at December 31, 2017. Total cash from fiduciary responsibilities not reported on the government-wide financial statements totaled \$439,729. These deposits are stated at cost, which approximates market.

The following is a summary of cash and cash equivalents (bank balances) at December 31, 2017, with the related federal deposit insurance and pledged securities:

Bank Balances:	
Insured (FDIC Insurance)	\$ 250,000
Collateralized:	
Collateral held by the Criminal Court's agent in the Criminal Court's name	-
Collateral held by pledging bank's trust department in the Criminal Court's name	-
Collateral held by pledging bank's trust department not in the Criminal Court's name	370,469
Uninsured and Uncollateralized	-
Total Deposits	<u>\$ 620,469</u>

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank failure, the Criminal Court's deposits may not be returned to it. The Criminal Court does not have a deposit policy for custodial credit risk. As of December 31, 2017, \$370,469 of the Criminal Court's bank balance of \$620,469 was exposed to custodial credit risk.

21st Judicial District Court Criminal Court Fund

Amite, Louisiana

Notes to Financial Statements (Continued)

For the Year Ended December 31, 2017

Under state law, deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities, plus the federal deposit insurance, must at all times equal the amount on deposit with the fiscal agent. The custodial bank must advertise and sell the pledged securities within 10 days of being notified that the fiscal agent has failed to pay deposited funds upon demand.

4. Due From Other Governments

Amounts due from other governmental units at December 31, 2017, consisted of the following:

Livingston Parish Council	\$	137,769
Tangipahoa Parish Government		125,843
Livingston Parish Sheriff		45,006
Tangipahoa Parish Sheriff		47,284
Due from Other Agencies		9,115
Total Receivables	\$	<u>365,017</u>

No allowance for uncollectible receivables is required at December 31, 2017.

5. Capital Assets

Capital asset activity for the year ended December 31, 2017, is as follows:

	Balance 12/31/16	Increases	Decreases	Balance 12/31/17
Equipment	\$ 898,933	\$ 19,483	\$ -	\$ 918,416
Less: Accumulated Depreciation	<u>(747,709)</u>	<u>(55,415)</u>	<u>-</u>	<u>(803,124)</u>
Totals	\$ <u>151,224</u>	\$ <u>(35,932)</u>	\$ <u>-</u>	\$ <u>115,292</u>

Capital assets are stated at cost, less an allowance for accumulated depreciation. Depreciation expense is computed using the straight-line method of the estimated useful lives as follows:

Furniture	7 Years
Equipment	5 Years

21st Judicial District Court Criminal Court Fund

Amite, Louisiana

Notes to Financial Statements (Continued)

For the Year Ended December 31, 2017

6. Accounts Payable

Accounts payable as of December 31, 2017, consists of the following:

21st Judicial District Court	\$	225,637
21st JDC District Attorney		162,676
Other		<u>78,821</u>
Total Payables	\$	<u>467,134</u>

7. Litigation and Claims

There is no litigation pending against the Criminal Court at December 31, 2017.

8. Related Party Transactions

The Criminal Court is a jointly governed organization by the District Attorney and the Judicial Expense Fund of the Twenty-First Judicial District of Louisiana. Under State law, all cash disbursements of the Criminal Court must be authorized by a "Motion and Order" system. A motion drafted and signed by the District Attorney and an order signed by the Chief Judge are required before any disbursement can be made. Disbursements of the Criminal Court are made either to pay direct expenditures of the Criminal Court itself or to reimburse the District Attorney or the Judicial Expense Fund for expenditures they incur for the operation of the Criminal Court system.

9. Subsequent Event

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 11, 2018, and determined that no events occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Other Supplemental Information

21st Judicial District Criminal Court Fund
Amite, Louisiana
Schedule of Changes in Unsettled Deposits – Agency Fund
For the Year Ended December 31, 2017

Schedule 1

	Collections Department	Garnishment Fund	Total
Unsettled Deposits - Beginning of the Year	\$ 13,175	\$ 32,537	\$ 45,712
Additions:			
Deposits:			
Fines and Bonds	5,557,368	221,868	5,779,236
Bank Interest	1,031	110	1,141
Total Additions	5,558,399	221,978	5,780,377
Reductions:			
Tangipahoa Parish Sheriff	2,123,883	-	2,123,883
Livingston Parish Sheriff	2,579,443	-	2,579,443
St. Helena Parish Sheriff	172,851	-	172,851
Probation Fees	565,758	189,023	754,781
Other	107,259	11,169	118,428
Total Reductions	5,549,194	200,192	5,749,386
Unsettled Deposits - End of the Year	\$ 22,380	\$ 54,323	\$ 76,703

See auditor's report.

21st Judicial District Criminal Court FundSchedule 2

Amite, Louisiana

Schedule of Compensation, Benefits and Payments to Agency Head

For the Year Ended December 31, 2017

Agency Head: Honorable Robert H. Morrison, III, Chief Judge

Purpose	Amount
Salary	\$ -
Benefits - Insurance	-
Benefits - Retirement	-
Deferred Compensation	-
Benefits - Other - Supplemental Pay	-
Car Allowance (Allowed by Louisiana State Statute)	7,200
Vehicle Provided by Government	-
Vehicle Rental	-
Cell Phone (Paid Directly to AT&T)	1,243
Home Office / Fax Machine (Paid Directly to AT&T)	1,393
Dues	-
Per Diem	-
Reimbursements (Travel above the amount allowed by the LA Supreme Court)	1,321
Travel	-
Registration Fees (Paid Directly to Conference)	750
Conference Travel	-
Housing	-
Unvouchered Expenses	-
Special Meals	-
Other	-
	<u>\$ 11,907</u>

Note: All salary payments, health insurance benefits, and retirement benefits are paid to Chief Judge Robert Morrison, III by the Louisiana Supreme Court. Payments for Car Allowance, cell phone usage, and all other reimbursements are paid through the Twenty-First Judicial District Court's Judicial Expense Fund. No compensation is paid to Chief Judge Robert Morrison, III through the Twenty-First Judicial District Criminal Court Fund.

See auditor's report.

21st Judicial District Criminal Court Fund

Schedule 3

Amite, Louisiana

Schedule of Compensation, Benefits and Payments to Agency Head
For the Year Ended December 31, 2017

Agency Head: Honorable Scott M. Perrilloux, District Attorney

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 170,620
Benefits - Health Insurance	15,354
Benefits - Other Insurance	775
Benefits - Retirement	-
Deferred Compensation	-
Benefits - Other - Supplemental Pay	-
Car Allowance	12,284
Vehicle Provided by Government	-
Vehicle Rental	-
Cell Phone	-
Dues	-
Per Diem	-
Reimbursements	-
Travel	-
Registration Fees	-
Conference Travel	3,814
Housing	-
Unvouchered Expenses	-
Special Meals	-
Other	-
	<u>\$ 202,847</u>

Note: All salary payments, health insurance benefits, and retirement benefits are paid to Honorable Scott M. Perrilloux by the District Attorney's Office. No salary payments, health insurance benefits, or retirement benefits are paid to Honorable Scott M. Perrilloux through the Twenty-First Judicial District Criminal Court Fund.

See auditor's report.

**Other Independent Auditor's Reports and
Findings and Recommendations**

Dennis E. James, CPA
Lyle E. Lambert, CPA
Paul M. Riggs, Jr., CPA

J. Bryan Ehricht, CPA
Samantha D. Wagner, CPA
Christie J. Barado
Megan E. Lynch
B. Jacob Steib
Debbie G. Faust, EA
Ramona K. Huckabee, EA



JAMES
LAMBERT RIGGS
& ASSOCIATES, INC.
CERTIFIED PUBLIC ACCOUNTANTS
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American Institute of CPAs
Society of Louisiana CPAs

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*

Honorable Robert H. Morrison, III, Chief Judge and
Honorable Scott M. Perrilloux, District Attorney
21st Judicial District Court Criminal Court Fund
Amite, Louisiana 70422

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the general fund, and the aggregate remaining fund information of the 21st Judicial District Court Criminal Court Fund as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the 21st Judicial District Court Criminal Court Fund's basic financial statements, and have issued our report thereon dated June 11, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 21st Judicial District Court Criminal Court 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 21st Judicial District Court Criminal Court Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the 21st Judicial District Court Criminal Court 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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

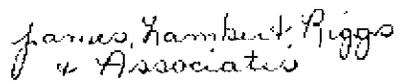
As part of obtaining reasonable assurance about whether the 21st Judicial District Court Criminal Court Fund's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those

21st Judicial District Court Criminal Court Fund
Amite, Louisiana

provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "James Lambert Riggs & Associates".

James Lambert Riggs & Associates, Inc.
Hammond, Louisiana

June 11, 2018

21st Judicial District Court Criminal Court Fund

Amite, Louisiana

Schedule of Findings and Responses

For the Year Ended December 31, 2017

We have audited, 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, the financial statements of governmental activities, the general fund, and the aggregate remaining fund information of the Twenty-First Judicial District Court Criminal Court Fund as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the District Court's basic financial statements, and have issued our report thereon dated June 11, 2018. Our audit of the basic financial statements resulted in an unmodified opinion.

Section I Summary of Auditor's Reports

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

Internal Control:

Material Weakness	<u> </u>	Yes	<u> X </u>	No
Significant Deficiencies	<u> </u>	Yes	<u> X </u>	No

Compliance:

Compliance Material to the Financial Statements	<u> </u>	Yes	<u> X </u>	No
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2. Management Letter

Was a management letter issued?	<u> </u>	Yes	<u> X </u>	No
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Section II Financial Statement Findings

Internal Control over Financial Reporting

None

Compliance and Other Matters

None

21st Judicial District Court Criminal Court Fund

Amite, Louisiana

Summary Schedule of Prior Findings

For the Year Ended December 31, 2017

<u>Ref.#</u>	<u>Fiscal Year Findings Initially Occurred</u>	<u>Description of Findings</u>	<u>Corrective Action Taken</u>
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Internal Control over Financial Reporting

None

Compliance and Other Matters

None

Note: This schedule has been prepared by the management of the 21st Judicial District Court Criminal Court Fund.

**TWENTY-FIRST JUDICIAL CRIMINAL COURT FUND
CRIMINAL COURT FUND**

STATEWIDE AGREED UPON PROCEDURES ENGAGEMENT

FOR THE YEAR ENDED DECEMBER 31, 2017

Dennis E. James, CPA
Lyle E. Lambert, CPA
Paul M. Riggs, Jr., CPA

J. Bryan Ehricht, CPA
Samantha D. Wagner, CPA
Christie J. Barado
Megan E. Lynch
B. Jacob Steib
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Independent Accountants' Report on Applying Agreed-Upon Procedures

The Honorable Robert Morrison, Chief Judge
and Honorable Judges
Twenty-First Judicial Criminal Court Fund
Amite, Louisiana

We have performed the procedures enumerated below, which were agreed to by the Twenty-First Judicial Criminal Court Fund Criminal Court Fund and the Louisiana Legislative Auditor (LLA) on the control and compliance areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2017 through December 31, 2017. The Criminal Court Fund's management is responsible for those control and compliance areas identified in the SAUPs.

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

Our procedures and findings are detailed in Schedule "A"

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 control and compliance 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 control and compliance areas identified in the SAUPs, and the results 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 Legislative Auditor as a public document.

*James Lambert Riggs
& Associates*

James Lambert Riggs & Associates, Inc.
Hammond, Louisiana

June 11, 2018

Written Policies and Procedures

1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial / business functions (or report that the entity does not have any written policies and procedures), as applicable:

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

Results: We sighted the Criminal Court Fund's written policies and procedures for budgeting.

- 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.

Results: We sighted the Criminal Court Fund's written policies and procedures for purchasing.

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

Results: The Criminal Court Fund did not have any written policies and procedures for disbursements.

- d) **Receipts**, including receiving, recording, and preparing deposits

Results: The Criminal Court Fund did not have any written policies and procedures for receipts.

- e) **Payroll / Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked

Results: We sighted the Criminal Court Fund's written policies and procedures for payroll / personnel.

- 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

Results: The Criminal Court Fund did not have any written policies and procedures for contracting.

- 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, and (5) monitoring card usage

Results: We sighted the Criminal Court Fund's written policies and procedures for credit cards and fuel cards.

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

Results: We sighted the Criminal Court Fund's written policies and procedures for travel and expense reimbursements.

- 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. Note: Ethics requirements are not applicable to nonprofits.

Results: We sighted the Criminal Court Fund's written policies and procedures for ethics.

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

Results: The Criminal Court Fund did not have any written policies and procedures for debt service, as the Criminal Court Fund is not authorized under State law to issue debt.

Board (or Finance Committee, if applicable)

- 2. Obtain and review the board / committee minutes for the fiscal period, and:

- a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.

Results: The Criminal Court Fund does not have a governing Board, but the District Attorney and Chief Judge occasionally meet to discuss the financial statements.

- b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).

Results: The Criminal Court Fund does not have a governing Board, but the District Attorney and Chief Judge occasionally meet to discuss the financial statements.

- If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal / written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal / written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.

Results: The Criminal Court Fund does not have a governing Board, but the District Attorney and Chief Judge occasionally meet to discuss the financial statements.

- c) Report whether the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal period.

Results: The Criminal Court Fund does not have a governing Board, but the District Attorney and Chief Judge occasionally meet to discuss the financial statements.

Bank Reconciliations

3. Obtain a listing of client bank accounts from management and management's representation that the listing is complete.

Results: Management provided us with the required listing of bank accounts as well as management's representation that the listing is complete.

4. Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than five accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity fund accounts may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:

- a) Bank reconciliations have been prepared;

Results: For the three (3) bank accounts selected, all bank reconciliations were prepared for all twelve months for the period January 1, 2017 through December 31, 2017.

- b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and

Results: For the three (3) bank accounts selected, evidence existed that the bank statements and bank reconciliations were reviewed by a member of management or a board member for the period January 1, 2017 through December 31, 2017.

- c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

Results: For the three (3) bank accounts selected, two (2) accounts had outstanding items over 6 months as of December 31, 2017, but no evidence existed that these reconciling items have been researched.

Collections

5. Obtain a listing of cash / check / money order (cash) collection locations and management's representation that the listing is complete.

Results: Management provided us with the required listing of cash collection locations as well as management's representation that the listing is complete.

6. Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three year rotating basis (if more than five locations). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity funds may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each cash collection location selected:

- a) Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in

the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.

Results: No cash is collected by the District Court. Seven (7) employees that are responsible for collecting checks / money orders are bonded. Two (2) employees that collect checks / money orders are responsible for preparing the deposits into the general fund and fiduciary funds. One (1) employee is responsible for recording the transactions in the accounting system and for reconciling the bank account. Each employee responsible for collecting cash has his / her own check / money order drawer.

- b) Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and / or subsidiary ledgers, by revenue source and / or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.

Results: Management provided us with written documentation for reconciling cash collections to the general ledger. This daily reconciliation is performed by an individual not responsible for cash collections.

- c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:

- Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.

Results: All five (5) days' collections were deposited either the same day or within one business day.

- Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

Results: Daily cash collections for the highest week of cash collections were completely supported by documentation.

7. Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue source and 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) by a person who is not responsible for collections.

Results: The Criminal Court Fund did not have any written policies and procedures for receipts.

Disbursements – General (excluding credit card / debit card / fuel card / P-Card purchases or payments)

8. Obtain a listing of entity disbursements from management or, alternately, obtain the general ledger and sort / filter for entity disbursements. Obtain management’s representation that the listing or general ledger population is complete.

Results: Management provided us with the required listing of disbursements as well as management’s representation that the listing is complete.

9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card / debit card / fuel card / P-card purchases or payments. Obtain supporting documentation (e.g. purchase requisitions, system screens / logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:

- a) Purchases were initiated using a requisition / purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition / purchase order system.

Results: For the twenty-five (25) transactions selected, all transactions selected were initiated using “motion and order” system, whereby all purchases are approved and paid by a motion of the District Attorney and a subsequent order of the Chief Judge.

- b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.

Results: For the twenty-five (25) transactions selected, all transactions selected were initiated using “motion and order” system, whereby all purchases are approved and paid by a motion of the District Attorney and a subsequent order of the Chief Judge.

- c) Payments for purchases were not processed without (1) an approved requisition and / or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.

Results: For the twenty-five (25) transactions selected, all transactions selected were initiated using “motion and order” system, whereby all purchases are approved and paid by a motion of the District Attorney and a subsequent order of the Chief Judge. All twenty-five (25) transactions including a receiving report, when applicable, and all twenty-five (25) transactions had an approved invoice.

10. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the person responsible for processing payments is prohibited from adding vendors to the entity’s purchasing / disbursement system.

Results: We sighted the Criminal Court Fund’s written policies and procedures for purchasing. The Executive Assistant responsible for processing payments is able to add vendors to the Criminal Court Fund’s purchasing / disbursement system.

11. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.

Results: We sighted the Criminal Court Fund's written policies and procedures for purchasing. The individuals who can initiate or record purchases do not have signatory authority.

12. Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those persons that do not have signatory authority, and report any exceptions. Alternately, if the checks are electronically printed on blank check stock, review entity documentation (electronic system control documentation) and report whether the persons with signatory authority have system access to print checks.

Results: We sighted the Criminal Court Fund's written policies and procedures for purchasing. Checks are maintained in a locked filing cabinet, with access restricted to those who do not have signatory authority.

13. If a signature stamp or signature machine is used, inquire of the signer whether his or her signature is maintained under his or her control or is used only with the knowledge and consent of the signer. Inquire of the signer whether signed checks are likewise maintained under the control of the signer or authorized user until mailed. Report any exceptions.

Results: No signature stamp or machine is utilized by the Criminal Court Fund.

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

14. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), 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.

Results: The Criminal Court Fund had no credit cards, debit cards, fuel cards, or p-cards for the period January 1, 2017 through December 31, 2017.

15. Using the listing prepared by management, randomly select 10 cards (or at least one-third of the cards if the entity has less than 10 cards) that were used during the fiscal period, rotating cards each year. If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner.

Obtain the monthly statements, or combined statements if multiple cards are on one statement, for the selected cards. Select the monthly statement or combined statement with the largest dollar activity for each card (for a debit card, select the monthly bank statement with the largest dollar amount of debit card purchases) and:

- a) Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized cardholder. [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.]]

Results: The Criminal Court Fund had no credit cards, debit cards, fuel cards, or p-cards for the period January 1, 2017 through December 31, 2017.

- b) Report whether finance charges and / or late fees were assessed on the selected statements.

Results: The Criminal Court Fund had no credit cards, debit cards, fuel cards, or p-cards for the period January 1, 2017 through December 31, 2017.

16. Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e. each of the 10 cards should have one month of transactions subject to testing).

- a) For each transaction, report whether the transaction is supported by:

- An original itemized receipt (i.e., identifies precisely what was purchased).

Results: The Criminal Court Fund had no credit cards, debit cards, fuel cards, or p-cards for the period January 1, 2017 through December 31, 2017.

- Documentation of the business / public purpose. For meal charges, there should also be documentation of the individuals participating.

Results: The Criminal Court Fund had no credit cards, debit cards, fuel cards, or p-cards for the period January 1, 2017 through December 31, 2017.

- Other documentation that may be required by written policy (e.g., purchase order, written authorization.).

Results: The Criminal Court Fund had no credit cards, debit cards, fuel cards, or p-cards for the period January 1, 2017 through December 31, 2017.

- b) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written purchasing / disbursement policies and the Louisiana Public Bid Law (i.e. transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.

Results: The Criminal Court Fund had no credit cards, debit cards, fuel cards, or p-cards for the period January 1, 2017 through December 31, 2017.

- c) For each transaction, compare the entity's documentation of the business / public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. cash advances or non-business purchases, regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

Results: The Criminal Court Fund had no credit cards, debit cards, fuel cards, or p-cards for the period January 1, 2017 through December 31, 2017.

Travel and Expense Reimbursement

17. Obtain from management a listing of all travel and related expense reimbursements, by person, during the fiscal period or, alternately, obtain the general ledger and sort / filter for travel reimbursements. Obtain management's representation that the listing or general ledger is complete.

Results: The Criminal Court Fund had no employees, and therefore, no travel and expense reimbursements during the period January 1, 2017 through December 31, 2017.

18. Obtain the entity's written policies related to travel and expense reimbursements. Compare the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration (www.gsa.gov) and report any amounts that exceed GSA rates.

Results: The Criminal Court Fund had no employees, and therefore, no travel and expense reimbursements during the period January 1, 2017 through December 31, 2017.

19. Using the listing or general ledger from #17 above, select the three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three travel expenses selected:

- a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.

Results: The Criminal Court Fund had no employees, and therefore, no travel and expense reimbursements during the period January 1, 2017 through December 31, 2017.

- b) Report whether each expense is supported by:

- An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]

Results: The Criminal Court Fund had no employees, and therefore, no travel and expense reimbursements during the period January 1, 2017 through December 31, 2017.

- Documentation of the business / public purpose (Note: For meal charges, there should also be documentation of the individuals participating).

Results: The Criminal Court Fund had no employees, and therefore, no travel and expense reimbursements during the period January 1, 2017 through December 31, 2017.

- Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance)

Results: The Criminal Court Fund had no employees, and therefore, no travel and expense reimbursements during the period January 1, 2017 through December 31, 2017.

- c) Compare the entity's documentation of the business / public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

Results: The Criminal Court Fund had no employees, and therefore, no travel and expense reimbursements during the period January 1, 2017 through December 31, 2017.

- d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results: The Criminal Court Fund had no employees, and therefore, no travel and expense reimbursements during the period January 1, 2017 through December 31, 2017.

Contracts

20. Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort / filter for contract payments. Obtain management's representation that the listing or general ledger is complete.

Results: The Criminal Court Fund had no contracts in effect during the period January 1, 2017 through December 31, 2017.

21. Using the listing above, select the five contract "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:

- a) Report whether there is a formal / written contract that supports the services arrangement and the amount paid.

Results: The Criminal Court Fund had no contracts in effect during the period January 1, 2017 through December 31, 2017.

- b) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:

- If yes, obtain / compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder).

Results: The Criminal Court Fund had no contracts in effect during the period January 1, 2017 through December 31, 2017.

- If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.

Results: The Criminal Court Fund had no contracts in effect during the period January 1, 2017 through December 31, 2017.

- c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.

Results: The Criminal Court Fund had no contracts in effect during the period January 1, 2017 through December 31, 2017.

- d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.

Results: The Criminal Court Fund had no contracts in effect during the period January 1, 2017 through December 31, 2017.

- e) Obtain / review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter).

Results: The Criminal Court Fund had no contracts in effect during the period January 1, 2017 through December 31, 2017.

Payroll and Personnel

22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five employees / officials, obtain their personnel files, and:

- a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.

Results: The Criminal Court Fund had no employees during the period January 1, 2017 through December 31, 2017.

- b) Review changes made to hourly pay rates / salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.

Results: The Criminal Court Fund had no employees during the period January 1, 2017 through December 31, 2017.

23. Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees / officials (or randomly select one-third of employees / officials if the entity had less than 25 employees during the fiscal period), and:

- a) Report whether 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.)

Results: The Criminal Court Fund had no employees during the period January 1, 2017 through December 31, 2017.

- b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees / officials.

Results: The Criminal Court Fund had no employees during the period January 1, 2017 through December 31, 2017.

- c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees / officials that earn leave.

Results: The Criminal Court Fund had no employees during the period January 1, 2017 through December 31, 2017.

24. Obtain from management a list of those employees / officials that terminated during the fiscal period and management's representation that the list is complete. If applicable, select the two largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and obtain the personnel files for the two employees / officials. Report whether the termination payments were made in strict accordance with policy and / or contract and approved by management.

Results: The Criminal Court Fund had no employees during the period January 1, 2017 through December 31, 2017.

25. Obtain supporting documentation (e.g. cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. Report whether the employee and employer portions of payroll taxes and retirement contributions, as well as the required reporting forms, were submitted to the applicable agencies by the required deadlines.

Results: The Criminal Court Fund had no employees during the period January 1, 2017 through December 31, 2017.

Ethics (excluding nonprofits)

26. Using the five randomly selected employees / officials from procedure #22 under "Payroll and Personnel" above, obtain ethics compliance documentation from management and report whether the entity maintained documentation to demonstrate that required ethics training was completed.

Results: The Criminal Court Fund had no employees during the period January 1, 2017 through December 31, 2017.

27. Inquire of management whether any alleged ethics violations were reported to the entity during the fiscal period. If applicable, review documentation that demonstrates whether management investigated alleged ethics violations, the corrective actions taken, and whether management's actions complied with the entity's ethics policy. Report whether management received allegations, whether management investigated allegations received, and whether the allegations were addressed in accordance with policy.

Results: The Criminal Court Fund had no employees during the period January 1, 2017 through December 31, 2017.

Debt Service (excluding nonprofits)

28. If debt was issued during the fiscal period, obtain supporting documentation from the entity, and report whether State Bond Commission approval was obtained.

Results: The Criminal Court Fund had no new debt issued during the period January 1, 2017 through December 31, 2017.

29. If the entity had outstanding debt during the fiscal period, obtain supporting documentation from the entity and report whether the entity made scheduled debt service payments and maintained debt reserves, as required by debt covenants.

Results: During the period January 1, 2017 through December 31, 2017, the Criminal Court Fund had no outstanding debt.

30. If the entity had tax millages relating to debt service, obtain supporting documentation and report whether millage collections exceed debt service payments by more than 10% during the fiscal period. Also, report any millages that continue to be received for debt that has been paid off.

Results: The Criminal Court Fund had no tax millages relating to debt service during the period January 1, 2017 through December 31, 2017.

Other

31. Inquire of management whether the entity had any misappropriations of public funds or assets. If so, obtain / review supporting documentation and report whether the entity reported the misappropriation to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Results: Per conversation with Sara Brumfield, Judicial Administrator, the Criminal Court Fund had no misappropriations of public funds or assets during the period January 1, 2017 through December 31, 2017.

32. Observe and report whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1. This notice (available for download or print at www.la.gov/hotline) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

Results: Sighted copy of the notice posted on the premises and on the Twenty-First Judicial District Court's website.

If the practitioner observes or otherwise identifies any exceptions regarding management's representations in the procedures above, report the nature of each exception.

Results: There were no exceptions regarding management's representations in the procedures above.



Twenty-First Judicial District Court
State of Louisiana
Parishes of
Livingston, St. Helena and Tangipahoa

Sara F. Brumfield
Judicial Administrator

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Email: sbrumfield@21stjdc.org

June 18, 2018

James Lambert Riggs & Associates, Inc.
Hammond, LA 70404

RE: Responses to AUP Write Ups Criminal Court Fund

In response to the Written Policies and Procedures as addressed in our annual audit

For Policies and Procedures that are not in place as of the audit, the District Court is in the process of adopting these policies and procedures.

In response to the policies and procedures concerning only having one or two people to perform certain duties, our operation is not large enough to justify hiring additional personnel for these. Checks and balances have been put in place to assure that all details of use by the credit cards and the balancing of bank statements is sufficient.

In response to the items on the bank statements that are over six months old, we will research those items and get them cleared.

Sincerely,

Sara Brumfield
21st Judicial Administrator