

FIFTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
PARISHES OF FRANKLIN, RICHLAND AND
WEST CARROLL, LOUISIANA

Component Unit Financial Statements
For the Year Ended December 31, 2024

FIFTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
PARISHES OF FRANKLIN, RICHLAND AND WEST CARROLL, LOUISIANA

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INDEPENDENT AUDITORS' REPORT

The Honorable Stephen Dean, Will Barham and Clay Hamilton
Judges of the Fifth Judicial District Court
Judicial Expense Fund
Parishes of Franklin, Richland and West Carroll, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities of the Fifth Judicial District Court, Judicial Expense Fund, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Court's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the Fifth Judicial District Court, Judicial Expense Fund, as of December 31, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

The Honorable Stephen Dean, Will Barham and Clay Hamilton
Judges of the Fifth Judicial District Court
Judicial Expense Fund
Parishes of Franklin, Richland and West Carroll, Louisiana

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

The Honorable Stephen Dean, Will Barham and Clay Hamilton
Judges of the Fifth Judicial District Court
Judicial Expense Fund
Parishes of Franklin, Richland and West Carroll, Louisiana

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, schedule of employer's share of net pension liability and the schedule of employer contributions 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 the 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 assurances.

Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the 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

The Schedule of Compensation, Benefits and Other Payments to Agency Head and the Justice System Funding Reporting Schedules 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 Compensation, Benefits and Other Payments to Agency Head and Justice System Funding Reporting Schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Honorable Stephen Dean, Will Barham and Clay Hamilton
Judges of the Fifth Judicial District Court
Judicial Expense Fund
Parishes of Franklin, Richland and West Carroll, Louisiana

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 14, 2025 on our consideration of the Fifth Judicial District Court, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Fifth Judicial District Court, Judicial Expense Fund's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the Fifth Judicial District Court, Judicial Expense Fund's internal control over financial reporting and compliance.

David M. North, CPA (APAC)

West Monroe, Louisiana
March 14, 2025

GOVERNMENT-WIDE FINANCIAL STATEMENTS

FIFTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
PARISHES OF FRANKLIN, RICHLAND AND WEST CARROLL, LOUISIANA

STATEMENT OF NET POSITION
DECEMBER 31, 2024

<u>Assets</u>	<u>Governmental Activities</u>
Cash and Cash Equivalents	\$ 523,599
Accounts Receivable	41,073
Capital Assets, Net	<u>16,225</u>
Total Assets	<u>580,897</u>
<u>Deferred Outflows of Resources</u>	
Pension Related	67,321
<u>Liabilities</u>	
Accounts Payable	4,256
Payroll Liabilities	3,090
Retirement Payable	7,382
Net Pension Liability	<u>21,392</u>
Total Liabilities	<u>36,120</u>
<u>Deferred Inflows of Resources</u>	
Pension Related	10,960
<u>Net Position</u>	
Net Investment in Capital Assets	16,225
Net Position - Unrestricted	584,913
Total Net Position	<u><u>\$ 601,138</u></u>

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

FIFTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
PARISHES OF FRANKLIN, RICHLAND AND WEST CARROLL, LOUISIANA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

		<u>Program Revenues</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenue and Changes in Net Position</u>
Functional / Program Activities:					
Government Activities:					
Judicial Expense Fund	\$ 529,383	\$ 465,527	\$ -	\$ -	\$ (63,856)
Total Government Activities	<u>\$ 529,383</u>	<u>\$ 465,527</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (63,856)</u>
					General Revenues:
					Intergovernmental 143,188
					Other -
					Interest 1,148
					<u>Total General Revenues 144,336</u>
					Changes in Net Position 80,480
					<u>NET POSITION - BEGINNING 520,658</u>
					<u>NET POSITION - ENDING \$ 601,138</u>

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

FUND FINANCIAL STATEMENTS

FIFTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
PARISHES OF FRANKLIN, RICHLAND AND WEST CARROLL, LOUISIANA

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2024

	General Fund	Hearing Officer Fund	FINS Fund	Total Governmental Funds
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 232,827	\$ 290,227	\$ 545	\$ 523,599
Receivables	27,750	9,897	3,426	41,073
Due From Other Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 260,577</u>	<u>\$ 300,124</u>	<u>\$ 3,971</u>	<u>\$ 564,672</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities				
Accounts Payable	\$ 1,224	\$ -	\$ 3,032	\$ 4,256
Payroll Taxes Payable	3,090	-	-	3,090
Retirement Payable	7,382	-	-	7,382
Due to Other Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	11,696	-	3,032	14,728
Fund Balances				
Assigned	-	300,124	939	301,063
Unassigned	<u>248,881</u>	<u>-</u>	<u>-</u>	<u>248,881</u>
Total Fund Balances	<u>248,881</u>	<u>300,124</u>	<u>939</u>	<u>549,944</u>
<u>TOTAL LIABILITIES AND FUND BALANCES</u>	<u>\$ 260,577</u>	<u>\$ 300,124</u>	<u>\$ 3,971</u>	<u>\$ 564,672</u>

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

FIFTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
PARISHES OF FRANKLIN, RICHLAND AND WEST CARROLL, LOUISIANA
DECEMBER 31, 2024

**Reconciliation of the Balance Sheet of the Governmental Funds
to the Statement of Net Position**

Amounts reported for governmental activities in the Statement of Net Position are
different because:

Fund Balance, Governmental Funds:	\$ 549,944
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Capital assets used in governmental activities are not financial
resources and, therefore, are not reported in the governmental
funds.

Governmental Assets	104,440	
Less Accumulated Depreciation	<u>(88,215)</u>	
		16,225

Net pension liability does not require the use of current financial resources and therefore is not reported in the funds.	(21,392)
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The net effect of deferred outflows of resources and deferred inflows of resources related to pensions do not require the use of current financial resources and therefore are not reported in the funds.	<u>56,361</u>
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Net Position of Governmental Activities	<u><u>\$ 601,138</u></u>
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The accompanying notes are an integral part of this financial statement.

FIFTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
PARISHES OF FRANKLIN, RICHLAND AND WEST CARROLL, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024

	General Fund	Hearing Officer Fund	FINS Fund	Total Governmental Funds
<u>Revenues</u>				
State				
Supreme Court Receipts	\$ -	\$ 103,992	\$ 39,196	\$ 143,188
Local				
Fees, Charges, and Commissions for Services	423,816	7,751	-	431,567
Filing Fees	21,476	-	-	21,476
Interest Income	488	657	3	1,148
Total Revenues	445,780	112,400	39,199	597,379
<u>Expenditures</u>				
Judicial:				
Personal Services	414,334	51,083	-	465,417
Operating Services	43,529	1,017	300	44,846
Materials and Supplies	1,502	1,507	1,619	4,628
Travel and Related Costs	10,926	-	2,267	13,193
Capital Outlay	16,804	-	-	16,804
Total Expenditures	487,095	53,607	4,186	544,888
<u>Other Financing Sources (Uses)</u>				
Transfers In	35,181	-	(35,181)	-
<u>Excess (Deficiency) of Revenues Over Expenditures</u>	(6,134)	58,793	(168)	52,491
<u>Fund Balance at Beginning of Year</u>	255,015	241,331	1,107	497,453
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 248,881</u>	<u>\$ 300,124</u>	<u>\$ 939</u>	<u>\$ 549,944</u>

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

FIFTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
PARISHES OF FRANKLIN, RICHLAND AND WEST CARROLL, LOUISIANA
FOR THE YEAR ENDED DECEMBER 31, 2024

**Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
To the Statement of Activities**

Amounts reported for governmental activities in the Statement of Net Position are
different because:

Net change in fund balances - total governmental funds	\$ 52,491
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Governmental funds report capital outlays as expenditures,
however, in the statement of activities, the cost of those
assets is depreciated over their estimated useful lives.

Expenditures for capital assets	16,805	
Less current year depreciation	<u>(1,300)</u>	
		15,505

Governmental funds report current year pension contributions as
expenditures. However, in the statement of activities, these
contributions are reported as deferred inflows of resources and the
District's proportionate share of the plans pension expense is
reported as pension expense.

	10,259
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The District's proportionate share of non-employer contributions
to the pension plans do not provide current financial resources
and are not reported in the governmental funds.

	<u>2,225</u>
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Changes in net position of governmental activities	<u><u>\$ 80,480</u></u>
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The accompanying notes are an integral part of this financial statement.

FIFTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
PARISHES OF FRANKLIN, RICHLAND AND WEST CARROLL, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 1 - Historical Background

The Fifth Judicial District Court of Louisiana was established by Louisiana Revised Statutes 13:1996.38 and 46:236.5. The Judicial District Court shall have original jurisdiction of all civil and criminal matters, including felony cases involving title to immovable property, probate and succession matters, and other matters as provided by law. The Fifth Judicial District Court encompasses the parishes of Franklin, Richland and West Carroll, Louisiana.

Note 2 - Summary of Significant Accounting Policies

A. Basis of Accounting

The Judicial Expense Fund complies with accounting principles generally accepted in the United States of America (GAAP). GAAP includes all relevant Government Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989 have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent sections of this note.

B. Reporting Entity

The accounting and reporting policies of the Fifth Judicial District Court, Judicial Expense Fund conform to accounting principles generally accepted in the United States of America as applicable to governments. Such accounting and reporting procedures also conform to the requirements of *Louisiana Municipal Audit and Accounting Guide*, the industry audit guide, *Audits of State and Local Governments*.

For financial reporting purposes, in conformity with the Governmental Accounting Standards Board (GASB), the Judicial Expense Fund and Child Support is a part of the Fifth Judicial District Court, a component of the Parishes of Franklin, Richland and West Carroll, Louisiana Police Jury judicial system. The financial reporting entity consists of (a) the primary government (Parishes of Franklin, Richland and West Carroll, Louisiana Police Juries), (b) organization of which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Parishes of Franklin, Richland and West Carroll, Louisiana Police Juries 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.

FIFTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
PARISHES OF FRANKLIN, RICHLAND AND WEST CARROLL, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 2 - Summary of Significant Accounting Policies

B. Reporting Entity (Continued)

This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the Parishes of Franklin, Richland and West Carroll, Louisiana Police Juries 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 Parishes of Franklin, Richland and West Carroll, Louisiana Police Juries.
2. Organizations for which the Parishes of Franklin, Richland and West Carroll, Louisiana Policy Juries does not appoint a voting majority but are fiscally dependent on the Parishes of Franklin, Richland and West Carroll, Louisiana Police Juries.
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the Parishes of Franklin, Richland and West Carroll, Louisiana Police Juries provide for the operation and maintenance of the courtroom and office space of the Judges in its parish courthouses, the Fifth Judicial District Court was determined to be a component unit of the Parishes of Franklin, Richland and West Carroll, Louisiana Police Juries, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Fifth Judicial District Court and do not present information on the Parishes of Franklin, Richland and West Carroll, Louisiana Police Juries, the general government services provided by that governmental unit or the other governmental units that comprise the financial reporting entity.

C. Basis of Presentation

In June 1999, the GASB unanimously approved Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. Certain of the significant changes in the presentation of its funds financial information include a Management Discussion and Analysis (MD & A) section providing an analysis of the Judicial Expense Fund's overall financial position and results of operations and financial statements prepared using full accrual accounting for all Judicial Expense Fund's activities. These and other changes are reflected in the accompanying financial statements including the notes to the financial statements.

FIFTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
PARISHES OF FRANKLIN, RICHLAND AND WEST CARROLL, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 2 - Summary of Significant Accounting Policies

D. Basic Financial Statements

Government-wide financial statements – The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

Equity Classifications – Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent debt proceeds (of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets).
- b. Restricted net position – Consists of net position with constraints placed on the use with 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.
- c. Unrestricted net position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets”.

Fund financial statements – The financial transactions of the Judicial Expense Fund are reported in individual funds in the fund financial statements. Each fund is accounted for by a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures.

The funds of the Judicial Expense Fund are described as follows:

General Fund – The general fund is the general operating fund and accounts for all activities of the Judicial Expense Fund except those required to be accounted for in another fund.

Hearing Officer Fund – The Hearing Officer Fund accounts for a 5 percent fee assessed in non-support cases which go through the State’s Child Support Enforcement Program. These fees of the Fifth Judicial District to hear support and support related matters as well as other expenditures incurred in connection with the implementation of this program.

Families in Need of Services (FINS) – The Families in Need of Services (FINS) Fund consists of a state grant funded by the Louisiana Department of Social Services. The purpose of the fund is to intervene in a family’s life so that appropriate services to remedy the family’s dysfunction can be secured and to establish a family service plan binding upon all family members and the appropriate service providers.

FIFTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
PARISHES OF FRANKLIN, RICHLAND AND WEST CARROLL, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 2 - Summary of Significant Accounting Policies (continued)

D. Basic Financial Statements (continued)

This report includes funds which are controlled by the Fifth Judicial District Court but determined to be a component unit of the Parishes of Franklin, Richland and West Carroll, Louisiana Police Jury. The Parishes of Franklin, Richland and West Carroll, Louisiana Police Jury has significant control over the Judicial Expense Fund in the area of necessary capital outlay. The Parishes of Franklin, Richland and West Carroll, Louisiana Police Jury would present this component unit in a discreet presentation format if it were included in their financial statements.

E. 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 measurement focus applied.

Measurement Focus – The government-wide financial statements are presented using the 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 non-current) associated with their activities are reported. All governmental funds utilize a current financial resources measurement focus in the fund financial statements. Only current assets and liabilities are generally included on the balance sheet. Operating statements present sources and uses of available spendable financial resources during a given period. The fund balance is the measure of available spendable financial resources at the end of the period.

E. Measurement Focus and Basis of Accounting (continued)

Basis of Accounting – The government-wide financial statements are presented using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred or economic assets are used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Revenues are recognized when “measurable and available”. Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures (including capital outlay) are recorded when the related fund liability is incurred.

F. Budgets and Budgetary Accounting

The Louisiana Government Budget Act applies to the courts, but only as to judicial expense funds. Thus, the courts must prepare a budget document related to those funds. Criminal court funds are reported with the parish and must have budgets created by the parish authorities

FIFTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
PARISHES OF FRANKLIN, RICHLAND AND WEST CARROLL, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 2 - Summary of Significant Accounting Policies (continued)

G. Cash and Cash Equivalents

Cash includes amounts in non-interest bearing demand deposits. Under state law, the Judges 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.

H. Capital Assets

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Court maintains a threshold level of \$500 or more for capitalizing fixed assets. All capital assets, other than land, are depreciated using the straight-line method over their useful lives.

I. Vacation and Sick Leave

The Fifth Judicial District Court has no annual and sick leave policy.

J. Use of Estimates

The preparation of the component unit financial statements in conformity with accounting principles generally accepted in the United States of America requires 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 and expenses during the reporting period. Actual results could differ from those estimates.

K. Fund Balances

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

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

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

FIFTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
PARISHES OF FRANKLIN, RICHLAND AND WEST CARROLL, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 2 - Summary of Significant Accounting Policies (continued)

K. Fund Balances (continued)

Committed Fund Balance – These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolution 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.

Assigned Fund Balance – This classification reflects the amounts constrained by the Court’s “intent” to be used for specific purposes, but are neither restricted nor committed. The Judge and management 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.

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

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

Note 3 - Cash and Cash Equivalents

Custodial Credit Risk – Deposits. The custodial credit risk is the risk that in the event of a bank failure, the Court’s deposits may not be returned to it. The Court’s policy to ensure there is no exposure to this risk is to require each financial institution to pledge its’ own securities to cover any amount in excess of Federal Depository Insurance Coverage. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Court that the fiscal agent bank has failed to pay deposited fund upon demand. Accordingly, the Court had no custodial credit risk related to its deposits at December 31, 2024. The court had cash and cash equivalents in demand deposits, totaling \$523,599 at December 31, 2024.

FIFTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
PARISHES OF FRANKLIN, RICHLAND AND WEST CARROLL, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 3 - Cash and Cash Equivalents (continued)

These deposits are stated at cost, which approximates market. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Cash and cash equivalents (bank balances other than these backed by the U.S. government) at December 31, 2024, are secured, as follows:

Bank Balances	<u>\$ 534,874</u>
FDIC Insurance	750,000
Pledged Securities (uncollateralized)	-
Total	<u>\$ 750,000</u>

One financial institution failed to pledge collateral against deposited funds by \$42,351.

Note 4 - Receivables

The Judicial Expense Fund receivables of \$41,073 at December 31, 2024, are as follows:

State Grants	\$ 13,323
Local Funds	22,725
Fees and Charges	<u>5,025</u>
Total	<u>\$ 41,073</u>

Note 5 - Litigation and Claims

There is no litigation pending against the Judicial Expense Fund at December 31, 2024.

Note 6- Changes in Capital Assets

A summary of changes in office furnishings and equipment is as follows:

Balance at December 31, 2023	\$ 87,635
Additions	16,805
Deletions	<u>-</u>
Balance at December 31, 2024	\$ 104,440
Less Accumulated Depreciation	<u>(\$ 88,215)</u>
Net Capital Assets	<u>\$ 16,225</u>

Depreciation expense of \$1,300 was charged to the Judicial function.

Note 7 - Subsequent Events

Subsequent events have been evaluated through March 14, 2025 and it has been determined that the significant event has occurred for disclosure. March 14, 2025 is the date that the financial statements are available to be issued.

FIFTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
PARISHES OF FRANKLIN, RICHLAND AND WEST CARROLL, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 8 - Expenditures of the Fifth Judicial District Court not Included in the Financial Statements

The Fifth Judicial District Court's office is located in the parish courthouse. The cost of maintaining and operating the courthouse, as required by Louisiana Revised Statute 33:4715, is paid by the Parish Police Juries.

Note 9 - Pension Information

Plan Description

The 5th Judicial District Court contributes to the Parochial Employees' Retirement System of Louisiana (System) which is a cost-sharing multiple-employer defined benefit pension plan established by Act 205 of the 1952 regular session of the Legislature of the State of Louisiana to provide retirement benefits to all employees of any parish in the State of Louisiana or any governing body or a parish which employs and pays persons serving the parish.

Act 765 of the year 1979, established by the Legislature of the State of Louisiana, revised the System to create Plan A and Plan B to replace the "regular plan" and the "supplemental plan." Plan A was designated for employers out of Social Security. Plan B was designated for those employers that remained in Social Security on the revision date.

The System is governed by Louisiana Revised Statutes, Title 11, Sections 1901 through 2025, specifically, and other general laws of the State of Louisiana.

Eligibility Requirements

All permanent parish government employees (except those employed by Orleans, Lafourche, and East Baton Rouge Parishes) who work at least 28 hours a week shall become members on the date of employment. New employees meeting the age and Social Security criteria have up to 90 days from the date of hire to elect to participate.

As of January 1997, elected officials, except coroners, justices of the peace, and parish presidents may no longer join the System.

The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the 5th Judicial District Court are members of Plan A.

FIFTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
PARISHES OF FRANKLIN, RICHLAND AND WEST CARROLL, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 9 - Pension Information (continued)

Retirement Benefits

Any member of Plan A can retire providing he/she meets one of the following criteria:

For employees hired prior to January 1, 2007:

1. Any age with thirty (30) or more years of creditable service.
2. Age 55 with twenty-five (25) years of creditable service.
3. Age 60 with a minimum of ten (10) years of creditable service.
4. Age 65 with a minimum of seven (7) years of creditable service.

For employees hired after January 1, 2007:

1. Age 55 with 30 years of service.
2. Age 62 with 10 years of service.
3. Age 67 with 7 years of service.

Generally, the monthly amount of the retirement allowance of any member of Plan A shall consist of an amount equal to 3% of the member's final average compensation multiplied by his/her years of creditable service. However, under certain conditions, as outlined in the statutes, the benefits are limited to specified amounts.

The System also provides survivor and disability benefits. Benefits are established or amended by state statute.

For the year ended December 31, 2024, the 5th Judicial District Court's total payroll for all employees was \$329,992. Total covered payroll was \$167,627. Covered payroll refers to all compensation paid by the 5th Judicial District Court to active employees covered by the Plan.

Contributions

According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2024, the actual rate for the fiscal year was 11.50% for Plan A. The 5th Judicial District Court's contributions to the System under Plan A for the year ending December 31, 2024 were \$19,277.

According to state statute, the System also receives ¼ of 1% of ad valorem taxes collected within the respective parishes, except for Orleans and East Baton Rouge parishes. The System also receives revenue sharing funds each year as appropriated by the legislature. Tax monies and revenue sharing monies are apportioned between Plan A and Plan B in proportion to the member's compensation. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities.

FIFTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
PARISHES OF FRANKLIN, RICHLAND AND WEST CARROLL, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 9 - Pension Information (continued)

Under Plan A, members are required by state statute to contribute 9.50% of their annual covered salary. The contributions are deducted from the employee's wages or salary and remitted by the 5th Judicial District Court to the System monthly.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2024, the Employer reported a liability of \$21,392 for its proportionate share of the Net Pension Liability/Asset. The Net Pension Liability/Asset was measured as of December 31, 2023 and the total pension liability/asset used to calculate the Net Pension Liability/Asset was determined by an actuarial valuation as of that date. The 5th Judicial District Court's proportion of the Net Pension Liability/Asset was based on a projection of the 5th Judicial District Court's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2023, the 5th Judicial District Court's proportion was 0.022454%, which was an increase of 0.00498% from its proportion measured as of December 31, 2022.

For the year ended December 31, 2024, the 5th Judicial District Court recognized pension expense of \$8,463 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, which was (\$18,722). Total pension expense for the 5th Judicial District Court for the year ended December 31, 2024 was (\$10,259).

For the year ended December 31, 2024, the 5th Judicial District Court reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	10,130	5,742
Changes in Assumption	-	3,727
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	34,477	-
Changes in Employer's Portion of Beginning Net Pension Liability	-	1,470
Differences Between Employer Contributions and Proportionate Share of Employer Contributions	3,436	21
Subsequent Measurement Contributions	19,277	-
Total	67,320	10,960

FIFTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
PARISHES OF FRANKLIN, RICHLAND AND WEST CARROLL, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 9 - Pension Information (continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

	<u>Year ended December 31,</u>
2025	3,912
2026	18,241
2027	28,945
2028	(14,015)

Actuarial Methods and Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2023, are as follows:

Valuation Date	December 31, 2023
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	6.40%, net of investment expense, including inflation
Expected Remaining Service Lives	4 years
Projected Salary Increases	4.75%
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increase not yet authorized by the Board of Trustees.
Mortality Rates	Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2021 scale for annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2021 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2021 scale for disabled annuitants.
Inflation Rate	2.30%

FIFTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
PARISHES OF FRANKLIN, RICHLAND AND WEST CARROLL, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 9 - Pension Information (continued)

The discount rate used to measure the total pension liability was 6.40% for Plan A. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the capital asset pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward-looking basis in equilibrium, in which best estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.40% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.50% for the year ended December 31, 2023.

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	33%	1.12%
Equity	51%	3.20%
Alternatives	14%	0.67%
Real Assets	2%	0.11%
Totals	100%	5.10%
Inflation		2.40%
Expected Arithmetic Nominal Return		7.50%

The mortality rate assumption used was set based upon an experience study performed on plan data for the period January 1, 2018 through December 31, 2022. The data was assigned credibility weighting and combined with a standard table to produce current levels of mortality. As a result of this study, mortality for employees was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2021 scale.

FIFTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
PARISHES OF FRANKLIN, RICHLAND AND WEST CARROLL, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 9 - Pension Information (continued)

In addition, mortality for annuitants and beneficiaries was set equal to the Pub-2010 Public Retirement plans Mortality Table for Healthy Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2021 scale. For Disabled annuitants mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2021 scale.

Sensitivity to Changes in the Discount Rate

The following presents the net pension liability/asset of the 5th Judicial District Court's as of December 31, 2023 calculated using the discount rate of 6.40%, as well as what the 5th Judicial District Court's net pension liability/asset would be if it were calculated using a discount rate that is one percentage point lower 5.40% or one percentage point higher 7.40% than the current rate:

	<u>Changes in Discount Rate</u>		
	<u>1%</u>	<u>Current</u>	<u>1%</u>
	<u>Decrease</u>	<u>Discount Rate</u>	<u>Increase</u>
	<u>5.40%</u>	<u>6.40%</u>	<u>7.40%</u>
Net Pension Liability/(Asset)	<u>\$152,639</u>	<u>\$21,392</u>	<u>(\$88,776)</u>

Payables to the Pension Plan

These financial statements include a payable to the pension plan of \$7,382, which is the legally required contribution due at December 31, 2024. This amount is recorded in accrued expenses.

Retirement System Audit Report

The Parochial Employees' Retirement System of Louisiana issued a stand-alone audit report on its financial statements for the year ended December 31, 2024. Access to the audit report can be found on the System's website: www.persla.org or on the Office of Louisiana Legislative Auditor's official website: www.lla.state.la.us.

REQUIRED SUPPLEMENTAL INFORMATION

FIFTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
PARISHES OF FRANKLIN, RICHLAND AND WEST CARROLL, LOUISIANA

BUDGETARY COMPARISON SCHEUDLE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Favorable</u>
				<u>(Unfavorable)</u>
<u>Revenues (Inflows):</u>				
Intergovernmental - State Funds	\$ -	\$ -	\$ -	\$ -
Fees, Charges & Commissions for Services	413,486	419,131	423,816	4,685
Filing Fees	22,000	23,831	21,476	(2,355)
Interest Earned	480	442	488	46
Total Revenues	435,966	443,404	445,780	2,376
<u>Expenditures (Outflows):</u>				
Personal Services	423,348	413,307	414,334	(1,027)
Operating Services	35,400	44,124	43,529	595
Materials & Supplies	1,500	1,761	1,502	259
Travel & Other Charges	12,000	11,858	10,926	932
Capital Outlay	1,000	-	16,804	(16,804)
Total Expenditures	473,248	471,050	487,095	(16,045)
<u>Excess (Deficiency) of Revenues Over</u>				
<u>Expenditures</u>	(37,282)	(27,646)	(41,315)	(13,669)
<u>Net Change in Fund Balance</u>	(37,282)	(27,646)	(41,315)	(13,669)
Transfers In (Out)	(157,255)		35,181	35,181
<u>Fund Balance at Beginning of Year</u>	255,015	255,015	255,015	-
<u>FUND BALANCE (DEFICIT)</u>				
<u>AT END OF YEAR</u>	\$ 60,478	\$ 227,369	\$ 248,881	\$ (13,669)

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

FIFTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
PARISHES OF FRANKLIN, RICHLAND AND WEST CARROLL, LOUISIANA

NOTES TO BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2024

A proposed budget, prepared on the modified accrual basis of accounting, is posted at the courthouse at least ten days prior to the public hearing. A public hearing is held at the Fifth Judicial District Court – Judicial Expense Fund’s office during the month of December for comments from citizens. The budget is then legally adopted by the district and amended during the year, as necessary. The budget is established and controlled by the district at the object level of expenditure. Appropriations lapse at year end and must be reappropriated for the following year to be expended.

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying budgetary comparison schedule include the original adopted budget amounts and subsequent amendments.

FIFTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
PARISHES OF FRANKLIN, RICHLAND AND WEST CARROLL
SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY
FOR THE YEAR ENDED DECEMBER 31, 2024

<u>Fiscal Year</u>	<u>Agency's proportion of the net pension liability (asset)</u>	<u>Agency's proportionate share of the net pension liability (asset)</u>	<u>Agency's covered payroll</u>	<u>Agency's proportionate share of the net pension liability (asset) as a percentage of its covered payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
2014	0.033499%	\$ 9,159	\$ 199,433	4.59%	99.15%
2015	0.034783%	\$ 91,559	\$ 206,176	44.41%	92.23%
2016	0.034765%	\$ 71,599	\$ 185,806	38.53%	94.15%
2017	0.030187%	\$ (22,406)	\$ 167,912	-13.34%	101.98%
2018	0.000273%	\$ 121,229	\$ 149,027	81.35%	88.86%
2019	0.023503%	\$ 1,106	\$ 148,935	0.74%	99.89%
2020	0.022299%	\$ (39,099)	\$ 153,402	-25.49%	104.00%
2021	0.017148%	\$ (80,775)	\$ 158,004	274.00%	110.46%
2022	0.017469%	\$ 67,235	\$ 162,745	209.00%	91.74%
2023	0.022454%	\$ 21,392	\$ 167,627	180.00%	98.03%

Amounts presented were determined as of the measurement date (previous fiscal year end).
Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

SCHEDULE OF EMPLOYER CONTRIBUTIONS
FOR THE YEAR ENDED DECEMBER 31, 2024

<u>Fiscal Year</u>	<u>(a) Statutorily required contribution</u>	<u>(b) Contributions in relation to the statutorily required contribution</u>	<u>(a-b) Contribution deficiency</u>	<u>Agency's covered payroll</u>	<u>Contributions as a percentage of covered payroll</u>
2015	\$ 28,918	\$ 28,918	\$ -	\$ 199,433	14.50%
2016	\$ 26,803	\$ 26,803	\$ -	\$ 206,176	13.00%
2017	\$ 23,226	\$ 23,226	\$ -	\$ 185,806	12.50%
2018	\$ 19,310	\$ 19,310	\$ -	\$ 167,912	11.50%
2019	\$ 17,138	\$ 17,138	\$ -	\$ 149,027	11.50%
2020	\$ 18,244	\$ 18,244	\$ -	\$ 148,935	12.25%
2021	\$ 18,792	\$ 18,792	\$ -	\$ 153,402	12.25%
2022	\$ 18,171	\$ 18,171	\$ -	\$ 158,004	11.50%
2023	\$ 18,716	\$ 18,716	\$ -	\$ 162,745	11.50%
2024	\$ 19,277	\$ 19,277	\$ -	\$ 167,627	11.50%

Amounts presented were determined as of the end of the fiscal year.
Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

The accompanying notes are an integral part of the financial statements.

OTHER SUPPLEMENTARY INFORMATION

FIFTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
PARISHES OF FRANKLIN, RICHLAND AND WEST CARROLL, LOUISIANA

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO
AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>Stephen Dean</u> <u>Chief Judge</u>	<u>Will Barham</u> <u>Judge</u>	<u>Clay Hamilton</u> <u>Judge</u>
<i>Purpose:</i>			
Car Allowance	7,800	7,200	-
Cellphone	-	-	1,312
Mileage	-	-	1,226
Law Library	-	60	-
 Total	 <u>\$ 7,800</u>	 <u>\$ 7,260</u>	 <u>\$ 2,538</u>

5th Judicial District Court Judicial Expense Fund
Justice System Funding Schedule - Collecting/Disbursing Schedule

Cash Basis Presentation

As Required by La. R.S. 24:515.2

	Amount for 01/01/2024 - 06/30/2024	Amount for 07/01/2024 - 12/31/2024
1. Beginning Cash Balance	-	-
2. Collections		
a. Civil Fees	-	-
b. Bond Fees	-	-
c. Cash Bonds	-	-
d. Asset Forfeiture/Sale	-	-
e. Pre-Trial Diversion Program Fees	-	-
f. Criminal Court Costs/Fees	-	-
g. Criminal Fines – Contempt	-	-
h. Criminal Fines – Other/Non-Contempt	-	-
i. Restitution	-	-
j. Probation/Parole/Supervision Fees	59,159	70,467
k. Service Fees	-	-
l. Collection Fees	-	-
m. Interest Earnings on Collected Balances	-	-
n. Other	-	-
Total Collected	59,159	70,467
3. Deductions: Collections Retained by the 5th Judicial District Court Judicial Expense Fund		
I. Collection Fee for Collecting/Disbursing to Others Based on Percentage of Collection	-	-
II. Collection Fee for Collecting/Disbursing to Others Based on Fixed Amount	-	-
III. Other Amounts "Self-Disbursed" [Enter amounts on appropriate collection type lines]		
a. Civil Fees	-	-
b. Bond Fees	-	-
c. Cash Bonds	-	-
d. Asset Forfeiture/Sale	-	-
e. Pre-Trial Diversion Program Fees	-	-
f. Criminal Court Costs/Fees	-	-
g. Criminal Fines – Contempt	-	-
h. Criminal Fines – Other/Non-Contempt	-	-
i. Restitution	-	-
j. Probation/Parole/Supervision Fees	59,159	70,467
k. Service Fees	-	-
l. Collection Fees [excluding amounts reported in bullets I and II above]	-	-
m. Interest Earnings on Collected Balances	-	-
n. Other	-	-
Total Collections Retained by the 5th Judicial District Court Judicial Expense Fund	59,159	70,467
4. Deductions: Amounts Disbursed to Individuals and Entities, Excluding Governments and Nonprofits		
a. Collection/Processing Fees Paid to Third Party Entities	-	-
b. Civil Fee Refunds	-	-
c. Bond Refunds	-	-
d. Restitution Disbursements to Individuals and Entities, Excluding Governments or a Nonprofit	-	-
e. Other Disbursements to Individuals and Entities, Excluding Governments or a Nonprofit	-	-
Total Amounts Disbursed to Individuals and Entities, Excluding Governments and Nonprofits	-	-
5. Deductions: Total Disbursements to Other Governments & Nonprofits	-	-
6. Total Amounts Disbursed/Retained	59,159	70,467
7. Ending Cash Balance	-	-
8. Ending Balance of "Partial Payments" Collected but not Disbursed	-	-
9. Other Information:		

I. Ending Balance of Amounts Assessed but Not Yet Collected [i.e. total ending receivable balances]	-	-
II. Total Waivers During the Fiscal Period [i.e. non-cash reduction of receivable balances, such as time served or community service]	-	-

5th Judicial District Court Judicial Expense Fund
Justice System Funding Schedule - Receiving Schedule

Cash Basis Presentation

As Required by La. R.S. 24:515.2

		Amount for 01/01/2024 - 06/30/2024	Amount for 07/01/2024 - 12/31/2024
1. Ending Balance of Amounts Assessed but Not Received:		-	-
2. Details of Receipts from Collecting/Disbursing Agency			
Agency Remitting Money	Remittance Type	Amount for 01/01/2024 - 06/30/2024	Amount for 07/01/2024 - 12/31/2024
Franklin Parish Clerk of Court	a. Civil Fees	3,360	4,365
Franklin Parish Sheriff	f. Criminal Court Costs/Fees	1,815	2,318
Richland Parish Clerk of Court	a. Civil Fees	4,712	4,644
Richland Parish Sheriff	f. Criminal Court Costs/Fees	25,651	32,856
West Carroll Parish Clerk of Court	a. Civil Fees	2,130	2,265
West Carroll Parish Sheriff	f. Criminal Court Costs/Fees	1,031	1,391

COMPLIANCE REPORTING

**Independent Auditors' Report on Internal Control Over Financial
Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

The Honorable Stephen Dean, Will Barham and Clay Hamilton
Judges of the Fifth Judicial District Court
Judicial Expense Fund
Parishes of Franklin, Richland and West Carroll, Louisiana

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Fifth Judicial District Court, Judicial Expense Fund (A Governmental entity), a component unit of Franklin, Richland and West Carroll Parish Police Juries, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Fifth Judicial District Court, Judicial Expense Fund's basic financial statements, and have issued our report thereon dated March 14, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Fifth Judicial District Court, 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 Fifth Judicial District Court, Judicial Expense Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Fifth Judicial District Court, 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 that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

The Honorable Stephen Dean, Will Barham and Clay Hamilton
Judges of the Fifth Judicial District Court
Judicial Expense Fund
Parishes of Franklin, Richland and West Carroll, Louisiana
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Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

David M. Nault, CPA (NASAC)

West Monroe, Louisiana
March 14, 2025

FIFTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
Parishes of Franklin, Richland and West Carroll, Louisiana
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024

The Honorable Stephen Dean, Will Barham and Clay Hamilton
Judges of the Fifth Judicial District Court
Judicial Expense Fund
Parishes of Franklin, Richland and West Carroll, Louisiana

We have audited the financial statements of the Fifth Judicial District Court Judicial Expense Fund, a component unit of the Franklin, Richland and West Carroll Parish Police Juries as of and for the year ended December 31, 2024, and have issued our report thereon dated March 14, 2025. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of December 31, 2024, resulted in an unqualified opinion.

Section I- Summary of Auditor's Results

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

Internal Control

Material Weakness ___ yes X no

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

Compliance

Compliance Material to Financial Statements ___ yes X no

B. Federal Awards – N/A

Material Weakness Identified ___yes ___no

Significant Deficiencies not considered to be
Material Weaknesses ___ yes ___no

Type of Opinion on Compliance For Major Programs (No Major Programs)

Unqualified ___ Qualified ___

Disclaimer ___ Adverse ___

Are there findings required to be reported in accordance with the Uniform Guidance,
Section .510 (a)? N/A

C. Identification of Major Programs: N/A

Name of Federal Program (or cluster) CFDA Number(s) N/A

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

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

FIFTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
Parishes of Franklin, Richland and West Carroll, Louisiana
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Section II - Financial Statement Findings

No findings were issued.

Section III - Management Letter

No management letter was issued.

FIFTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
Parishes of Franklin, Richland and West Carroll, Louisiana
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2024

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

This section is not applicable for this entity.

Section II - Internal Control and Compliance Material to Federal Awards

This section is not applicable for this entity.

Section III - Management Letter

This section is not applicable for this entity.

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Honorable Stephen Dean, Will Barham and Clay Hamilton, Judges of the Fifth Judicial District Court and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Fifth Judicial District Court (the Entity) 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, 2024 through December 31, 2024. The Entity's management is responsible for those C/C areas identified in the SAUPs.

The Fifth Judicial District Court has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2024 through December 31, 2024. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and related exceptions obtained are described in the attachment to this report.

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

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

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

David M. Hartt, CPA (APAC)

West Monroe, Louisiana
March 14, 2025

1) Written Policies and Procedures

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
- i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - ii. ***Purchasing***, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.
 - iii. ***Disbursements***, including processing, reviewing, and approving.
 - iv. ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
 - v. ***Payroll/Personnel***, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.
 - vi. ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
 - vii. ***Travel and Expense Reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
 - viii. ***Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
 - ix. ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Written policies and procedures were obtained for each policy and procedures area.

2) Board or Finance Committee

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and
 - i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - ii. For those entities reporting on the governmental accounting model, review the minutes from all regularly scheduled board/finance committee meetings held during the fiscal year and observe whether the minutes from at least one meeting each month referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual comparisons, at a minimum, on all proprietary funds, and semi-annual budget-to-actual comparisons, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

No exceptions were noted in the above procedures.

3) Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
 - ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated or electronically logged); and
 - iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

No exceptions were noted in the above procedures.

4) Collections (excluding electronic funds transfers)

- A. 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).
- B. 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 (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that

- i. Employees responsible for cash collections do not share cash drawers/registers;
 - ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;
 - iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and
 - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or custodial fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.
- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.
- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and
- i. Observe that receipts are sequentially pre-numbered.
 - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - iii. Trace the deposit slip total to the actual deposit per the bank statement.
 - iv. Observe that the deposit was made within one business day of 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 and the cash is stored securely in a locked safe or drawer).
 - v. Trace the actual deposit per the bank statement to the general ledger.

No exceptions were noted in the above procedures.

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

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

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

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

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

No exceptions were noted in the above procedures.

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

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and
- i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., itemized receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and
- ii. Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under procedure #6B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection)
- D. For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe

whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

The Judicial Expense Fund does not have any credit cards.

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

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected
- i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana (doa.la.gov/doa/ost/ppm-49-travel-guide/) or the U.S. General Services Administration (www.gsa.gov);
 - ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
 - iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii); and
 - iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

There were no expenses for travel reimbursement for the year.

8) Contracts

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

- i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;
- ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);
- iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and
- iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

No contracts are maintained by the Court.

9) Payroll and Personnel

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and
 - i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
 - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
 - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
 - iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the

pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.

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

No exceptions were noted in the above procedures.

10) Ethics

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

No exceptions noted in the above procedures.

11) Debt Service

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

Procedures related to debt service are not required since the Court has obtained no new debt.

12) Fraud Notice

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.
- B. Observe that the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

No exceptions noted in the above procedures.

13) Information Technology Disaster Recovery/Business Continuity

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

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

and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:

- Hired before June 9, 2020 - completed the training; and
- Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

We performed the procedures and discussed the results with management. No exceptions were noted in the above procedures.

14) Prevention of Sexual Harassment

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
- B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:
 - i. Number and percentage of public servants in the agency who have completed the training requirements;
 - ii. Number of sexual harassment complaints received by the agency;
 - iii. Number of complaints which resulted in a finding that sexual harassment occurred;
 - iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - v. Amount of time it took to resolve each complaint.

No exceptions were noted in the above procedures.