

**ALEXANDRIA CITY COURT
ALEXANDRIA, LOUISIANA**

SEPTEMBER 30, 2022

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Independent Auditor's Report

To the Honorable Judge Richard Starling, Jr.
Alexandria City Court
Alexandria, Louisiana

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Alexandria City Court, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Alexandria City 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, each major fund, and the aggregate remaining fund information of the Alexandria City Court, as of September 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (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 Alexandria City Court, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material 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 Alexandria City Court's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance, and therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Alexandria City 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 our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Alexandria City Court's ability to continue as a going concern for a reasonable period of time.

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

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 32 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information

and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Alexandria City Court's basic financial statements. The Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer on page 25, the Justice System Funding Schedule – Receiving Entity on page 26, and the Justice System Funding Schedule – Collecting/Disbursing Entity on pages 27-30 are other supplemental information presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standard

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2023 on our consideration of the Alexandria City Court's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Alexandria City Court's internal control over financial reporting and compliance.

Oestriecher & Company

OESTRIECHER & COMPANY
Certified Public Accountants
Alexandria, Louisiana

March 27, 2023

GOVERNMENT-WIDE FINANCIAL STATEMENTS

**Alexandria City Court
Statement of Net Position
September 30, 2022**

	Primary Government Governmental Activities
<u>Assets</u>	
Cash	\$ 303,987
Investments, at cost	885,672
Accrued interest receivable	1,946
Due from Alexandria City Marshal	13,847
Capital assets, net of accumulated depreciation	104,828
Total assets	1,310,280
 <u>Liabilities</u>	
Current liabilities	
Accounts payable	6,150
Due to other funds	4,700
Other liabilities	1,987
Total current liabilities	12,837
 <u>Net Position</u>	
Net investment in capital assets	104,828
Restricted	316,245
Unrestricted	876,370
Total net position	\$ 1,297,443

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

**Alexandria City Court
Statement of Activities
For the year ended September 30, 2022**

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Government Governmental Activities</u>
GOVERNMENTAL ACTIVITIES					
Primary Government					
Governmental activities					
General government	\$ 204,535	\$ 233,024	\$ -	\$ -	\$ 28,489
Probation activities	49,542	38,049	-	-	(11,493)
Courtroom	126,558	76,977	-	-	(49,581)
Total governmental activities	<u>380,635</u>	<u>348,050</u>	<u>-</u>	<u>-</u>	<u>(32,585)</u>
 Total primary government	 <u>\$ 380,635</u>	 <u>\$ 348,050</u>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>(32,585)</u>
General revenues:					
					25,402
					<u>25,402</u>
					<u>(7,183)</u>
					1,304,626
					<u>\$ 1,297,443</u>

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

FUND FINANCIAL STATEMENTS

GOVERNMENTAL FUNDS

Balance Sheet
Governmental Funds
Alexandria City Court
September 30, 2022

	<u>General</u>	<u>Probation</u>	<u>Building</u>	<u>Total Governmental Funds</u>
<u>Assets</u>				
Cash	\$ 177,085	\$ 31,917	\$ 94,985	\$ 303,987
Investments, at cost	618,655	267,017	-	885,672
Accrued interest receivable	443	1,503	-	1,946
Due from Alexandria City Marshal	11,736	2,025	86	13,847
Due from other funds	85,355	-	3,144	88,499
Total assets	<u>\$ 893,274</u>	<u>\$ 302,462</u>	<u>\$ 98,215</u>	<u>\$ 1,293,951</u>
 <u>Liabilities and fund balance</u>				
Liabilities:				
Accounts payable	\$ 4,238	\$ -	\$ 1,912	\$ 6,150
Due to other funds	10,679	82,520	-	93,199
Other liabilities	1,987	-	-	1,987
Total liabilities	<u>16,904</u>	<u>82,520</u>	<u>1,912</u>	<u>101,336</u>
Fund balance:				
Restricted	-	219,942	96,303	316,245
Unassigned	876,370	-	-	876,370
Total fund balances	<u>876,370</u>	<u>219,942</u>	<u>96,303</u>	<u>1,192,615</u>
Total liabilities and fund balances	<u>\$ 893,274</u>	<u>\$ 302,462</u>	<u>\$ 98,215</u>	<u>\$ 1,293,951</u>

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

**Reconciliation of the Balance Sheet
of Governmental Funds
to the Statement of Net Position
September 30, 2022**

Total fund balance-total governmental funds	\$ 1,192,615
Amounts reported for <i>governmental activities</i> in the statement of net position are different because:	
Capital assets of \$1,036,133 net of accumulated depreciation of (\$931,305), are not financial resources and, therefore, are not reported in the funds.	<u>104,828</u>
Net position of governmental activities	<u>\$ 1,297,443</u>

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

**Statement of Revenues, Expenditures, and Changes
in Fund Balances—Governmental Funds
Alexandria City Court
For the year ended September 30, 2022**

	<u>General</u>	<u>Probation</u>	<u>Building</u>	<u>Total Governmental Funds</u>
Revenues:				
Court costs	\$ 133,937	\$ 38,049	\$ 76,977	\$ 248,963
Other revenue	99,147	-	-	99,147
Interest	20,852	3,970	580	25,402
Total revenues	<u>253,936</u>	<u>42,019</u>	<u>77,557</u>	<u>373,512</u>
Expenditures:				
Current:				
General Fund	181,808	-	-	181,808
Probation	-	49,542	-	49,542
Maintenance	-	-	-	-
Building	-	-	109,482	109,482
Capital outlay	14,388	-	8,645	23,033
Total expenditures	<u>196,196</u>	<u>49,542</u>	<u>118,127</u>	<u>363,865</u>
Excess (deficiency) of revenues over expenditures	57,740	(7,523)	(40,570)	9,647
Other financing sources (uses)				
Transfers (to) from other funds	-	-	-	-
Fund balance, beginning of year	<u>818,630</u>	<u>227,465</u>	<u>136,873</u>	<u>1,182,968</u>
Fund balance, end of year	<u>\$ 876,370</u>	<u>\$ 219,942</u>	<u>\$ 96,303</u>	<u>\$ 1,192,615</u>

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

**Reconciliation of the Statement of
Revenues, Expenditures, and Changes in Fund Balances
to the Statement of Activities
For the year ended September 30, 2022**

Net changes in fund balances-total governmental funds	\$ 9,647
Amounts reported for <i>governmental activities</i> in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital expenditures	23,033
Depreciation expense	<u>(39,863)</u>
Change in net position of governmental activities	<u>\$ (7,183)</u>

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

FIDUCIARY FUNDS

Statement of Fiduciary Net Position
Alexandria City Court
September 30, 2022

	<u>Total Custodial Funds</u>
<u>Assets</u>	
Cash	\$ 569,605
Investments, at cost	1,567,570
Due from general fund	<u>7,535</u>
Total assets	<u><u>\$ 2,144,710</u></u>
<u>Liabilities</u>	
Due to general fund	<u>\$ 2,835</u>
Total liabilities	<u>2,835</u>
<u>Fiduciary Net Position Restricted for:</u>	
Individuals, Organizations, and Other Governments	<u>2,141,875</u>
Total fiduciary net position	<u><u>\$ 2,141,875</u></u>

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

Statement of Changes in Fiduciary Net Position
Alexandria City Court
September 30, 2022

	<u>Total Custodial Funds</u>
<u>Additions</u>	
Contributions	
Court costs collected	\$ 884,996
Garnishments collected	1,252,824
Restitutions collected	<u>13,412</u>
Total additions	<u>2,151,232</u>
<u>Deductions</u>	
Court costs disbursed	1,080,128
Garnishments disbursed	1,251,447
Restitutions disbursed	<u>12,236</u>
Total deductions	<u>2,343,811</u>
Net decrease in fiduciary net position	(192,579)
Net position, beginning	<u>2,334,454</u>
Net position, ended	<u><u>\$ 2,141,875</u></u>

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

NOTES TO FINANCIAL STATEMENTS

Alexandria City Court
Notes to Financial Statements

September 30, 2022

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

These financial statements are presented in conformity with generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant accounting policies affecting their presentation.

Government-wide Financial Statements

The government-wide financial statements include the Statement of Net Position and the Statement of Activities. These statements report financial information for the Alexandria City Court as a whole excluding fiduciary activity. Individual funds are not displayed but the statements distinguish governmental activities from business-type activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity.

The Alexandria City Court has implemented GASB 63 which requires the presentation of a Statement of Net Position instead of a Statement of Net Assets in the government wide financial statements.

Fund Financial Statements

Fund financial statements are provided for governmental and fiduciary funds. Major individual governmental funds are reported in separate columns.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

Reporting Entity - In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth in GAAP. The basic, but not only criteria for including a potential component unit within the reporting entity, is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criteria used in evaluating potential component units is the scope of public service. Application of this criteria involves considering whether the activity benefits the government and/or its citizens, or whether the

Alexandria City Court
Notes to Financial Statements

September 30, 2022

activity is conducted within the geographic boundaries of the government and is generally available to its citizens. A third criteria used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities.

The Alexandria City Court is a potential component unit of the City of Alexandria, Louisiana. However, the Alexandria City Court is a separate reportable entity from the City of Alexandria because it is an autonomous unit and is a separate political division of the Judicial Division of the State of Louisiana. The City Judge, an elected official, has the ability to exercise accountability for fiscal matters. The Alexandria City Court is financially independent from the City of Alexandria, Louisiana.

Governmental Funds –

General Fund - The General Fund is the general operating fund of Alexandria City Court. It is used to account for all financial resources except those required to be accounted for in another fund.

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

Probation Fund – Fees are collected and used to pay for operating expenses of the Probation Program, which was established to aid the Alexandria City Court in monitoring and compliance with probationary terms of those individuals who have been placed on probation by the Judge.

Building Fund – Fees are collected from each suit that comes through the court. These fees are used at the Judge's discretion to pay for building and equipment upkeep.

Fiduciary Funds –

Fiduciary Funds - Fiduciary funds are used to account for assets held by Alexandria City Court as an agent for other governmental departments, other organizations and other funds. Fiduciary funds are custodial in nature (assets equal liabilities).

Alexandria City Court
Notes to Financial Statements

September 30, 2022

Advanced Court Costs Fund - Advanced court costs are deposits made by plaintiffs who file civil suits. The court acts only as a collection agent for fees in civil matters. As the suits are processed, the various fees earned are paid out on a monthly basis. After a case is dismissed, any excess deposit is refunded to the plaintiff.

Garnishments Fund - The Court acts as a collection agent for garnishments when they are assessed in a civil suit. Ordinarily, the balance in this account represents amounts that have been received by the Court but have not yet been distributed to the person or agency to which they are due.

Bond Forfeiture Fund - To account for the collection and ultimate disposition of bonds posted by citizens who have been issued citations for traffic violations or arrested for criminal offenses. Bonds posted by violators are held until their cases are heard in Alexandria City Court. At that time, the bonds for persons convicted of violations are distributed to various agencies.

Restitution Fund – The Court collects restitution from persons who have been convicted of crimes. The court acts only a collection agent for restitution funds. The restitution funds are collected and then remitted to the injured party in criminal cases.

Fund Balances

Alexandria City Court has adopted the provisions of GASB 54 related to the classification of governmental fund balances. The governmental fund balances are classified as follows:

Restricted – Restricted fund balances are amounts that are constrained for a specific purpose through restrictions of external parties or by constitutional provision or enabling legislation. The amount restricted by legislation is \$316,245.

Unassigned – Unassigned fund balance is the residual classification and includes all amounts that are not restricted or constrained in any other classification of fund balance.

Basis of Accounting

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds). Fiduciary fund financial statements report using the same focus and basis of accounting.

**Alexandria City Court
Notes to Financial Statements**

September 30, 2022

Governmental fund financial statements are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both 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 are recorded when the related fund liability is incurred. Fiduciary fund revenues and expenses or expenditures (as appropriate) should be recognized on the basis consistent with the fund's accounting measurement objective. The Alexandria City Court has four fiduciary funds which are custodial in nature.

Budgets and Budgetary Accounting

The Alexandria City Court adopts a budget on a basis consistent with GAAP for the General Fund and Special Revenue Funds. The Alexandria City Court is required to present the adopted and final amended budgeted revenues and expenditures for the General Fund and Special Revenue Funds. The Alexandria City Court establishes the fiscal year as the twelve-month period beginning October 1. The budget is made available for public inspection.

The Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget (GAAP Basis) and Actual presents a comparison of budgetary data to actual results of operations for which annual budgets have been adopted. These funds utilize the same basis of accounting for both budgetary purposes and actual results.

Cash and cash equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities less than 30 days. Under state law, the Alexandria City Court may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

Investments

Investments are limited by R.S. 33:2955 and the City Court's investment policy. If the original maturities of investments exceed 30 days, they are classified as investments; however, if the original maturities are 30 days or less, they are classified as cash equivalents. Investments are recorded at cost which approximates market value.

**Alexandria City Court
Notes to Financial Statements**

September 30, 2022

Interfund Receivables and Payables

The custodial funds occasionally incur costs such as check printing charges, cash shortages, and checks dishonored. The General Fund reimburses the custodial funds for these costs. Interest revenues earned on the custodial funds are used to offset these charges. Interfund balances are eliminated in the Government-Wide financial statements.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of management's estimates. This will affect the reported amounts of 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 these amounts.

Net Position

Net position is reported as restricted when constraints placed on net position are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

In cases where the Alexandria City Court receives restricted and unrestricted monies for the same purpose, the restricted monies are used first.

Adoption of GASB 84

The Alexandria City Court has adopted the provisions of GASB 84 which require the presentation of both a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position.

2. CASH AND INVESTMENTS:

As of September 30, 2022, cash deposit accounts totaled \$873,592, of which \$177,085 was classified as unrestricted. As of September 30, 2022, certificates of deposit totaled \$2,453,242 of which \$618,655 was classified as unrestricted. These certificates bear interest ranging from 0.15% to 3.75% and have maturities ranging from ninety-one days to sixty months with penalties for early withdrawal. Any penalties for early withdrawal would not have a material effect on the financial statements. The certificates are reflected as investments, at cost, on the Governmental Funds Balance Sheet and the Statement of Fiduciary Net Assets.

**Alexandria City Court
Notes to Financial Statements**

September 30, 2022

Cash and investment balances were insured to Federal Deposit Insurance Corporation limits. Alexandria City Court had cash and investment balances of \$2,929,703 that exceeded FDIC insurance but were adequately secured by the pledging institutions' agents.

3. COURT COSTS PAYABLE:

These various liabilities represent charges against advance court costs deposited for each case and are based on the processing of the case by the Judge and/or Marshal. As activity occurs in the suit, the advanced court costs account is decreased and the related liability account is decreased.

4. INTERFUND RECEIVABLES AND PAYABLES:

A summary of the interfund receivables and payables by fund at September 30, 2022 is presented below:

	<u>Interfund Payables</u>	<u>Interfund Receivables</u>
Advanced Court Costs Fund	\$ -0-	\$ 6,608
Bond Forfeiture Fund	-0-	927
Garnishments Fund	2,159	-0-
Restitution Fund	676	-0-
Building Fund	-0-	3,144
General Fund	10,679	85,355
Probation Fund	<u>82,520</u>	<u>-0-</u>
	<u>\$ 96,034</u>	<u>\$ 96,034</u>

5. CAPITAL ASSETS:

The accounting and reporting treatment applied to the capital assets associated with a fund were determined by its measurement focus.

All government fund type operations are accounted for on a spending or "financial flow" measurement focus and only current assets and current liabilities are generally included on their balance sheets.

**Alexandria City Court
Notes to Financial Statements**

September 30, 2022

All capital assets are stated at historical cost. Historical costs include not only the purchase price and construction costs, but also ancillary charges to place the asset in its intended location and condition for use. Capital assets are depreciated using the straight-line method over their estimated useful lives.

Capital asset activity for the year ended September 30, 2022 was as follows:

	Balance <u>9/30/21</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>9/30/22</u>
Furniture and fixtures	\$ 172,082	\$ -0-	\$ -0-	\$ 172,082
Office equipment	663,056	16,083	-0-	679,139
Vehicles	64,277	-0-	-0-	64,277
Building improvements	<u>113,685</u>	<u>6,950</u>	<u>-0-</u>	<u>120,635</u>
Totals	1,013,100	23,033	-0-	1,036,133
Accumulated depreciation	<u>(891,442)</u>	<u>(39,863)</u>	<u>-0-</u>	<u>(931,305)</u>
Capital assets, net	<u>\$ 121,658</u>			<u>\$ 104,828</u>

6. EMPLOYEE BENEFIT PLAN – DEFINED CONTRIBUTION:

Alexandria City Court adopted a Saving Incentive Match Plan for Employees of Small Employers (SIMPLE) Plan that covers employees that are not covered under a labor negotiated retirement plan. The Plan is a defined contribution plan. The employees may voluntarily contribute a portion of their wages to the SIMPLE Plan on a tax-deferred basis. The Court matches up to 3% of compensation that each participant contributed to the Plan, which are immediately 100% vested. The employer contribution is established by the Plan document and is in accordance with IRS guidelines. There were no employees contributing in the current year.

SUPPLEMENTARY INFORMATION

Alexandria City Court
Schedule of Compensation, Benefits, and Other Payments
To Agency Head or Chief Executive Officer
For the year ended September 30, 2022

Agency Head Judge Richard Starling

Salary	\$ 164,879
Health insurance	25,069
Seminar registration	1,075
Seminar travel	<u>4,370</u>
Total	<u>\$ 195,393</u>

Justice System Funding Schedule - Collecting/Disbursing Entity

As Required by Act 87 of the 2020 Regular Legislative Session

Identifying Information		
Entity Name	Alexandria City Court	
LLA Entity ID # (This is the ID number assigned to the entity by the Legislative Auditor for identification purposes.)	2096	
Date that reporting period ended (mm/dd/yyyy)	09/30/2022	

	First Six Month Period Ended 03/31/22	Second Six Month Period Ended 09/30/22
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1. Beginning Balance of Amounts Collected (i.e. cash on hand)

757,585	533,055
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2. Add: Collections

a Civil Fees (including refundable amounts such as garnishments or advance deposits)	962,700	1,175,121
b Bond Fees	-	-
c Asset Forfeiture/Sale	-	-
d Pre-Trial Diversion Program Fees	-	-
e Criminal Court Costs/Fees	-	-
f Criminal Fines - Contempt	-	-
g Criminal Fines - Other	-	-
h Restitution	-	-
i Probation/Parole/Supervision Fees	-	-
j Service/Collection Fees (e.g. credit card fees, report fees, 3rd party service fees)	-	-
k Interest Earnings on Collected Balances	-	-
l Other (do not include collections that fit into more specific categories above)	-	-
m Subtotal Collections	962,700	1,175,121

3. Less: Disbursements To Governments & Nonprofits: (Must include one agency name and one collection type on each line and may require multiple lines for the same agency if more than one collection type is applicable. Additional rows may be added as necessary.)

<i>Acadia Parish Sheriff - Civil Fees</i>	66	58
<i>Acadiana Legal Services - Civil Fees</i>	767	1,000
<i>Alexandria City Marshal - Civil Fees</i>	24,134	28,722
<i>Allen Parish Sheriff - Civil Fees</i>	229	541
<i>Avoyelles Parish Clerk of Court - Civil Fees</i>	249	-
<i>Avoyelles Parish Sheriff - Civil Fees</i>	2,599	3,145
<i>Beauregard Parish Sheriff - Civil Fees</i>	70	32

<i>Bossier Parish Sheriff - Civil Fees</i>	122	172
<i>Baton Rouge City Court - Civil Fees</i>	-	30
<i>Calcasieu Parish Sheriff - Civil Fees</i>	135	125
<i>Catahoula Parish Sheriff - Civil Fees</i>	77	256
<i>Central LA Pro Bono - Civil Fees</i>	772	1,007
<i>City of Alexandria - Civil Fees</i>	61,128	70,018
<i>City of Alexandria - Garnishments</i>	6,638	226
<i>Concordia Parish Sheriff - Civil Fees</i>	180	134
<i>Caddo Parish Sheriff - Civil Fees</i>	86	209
<i>Department of Family and Services - Garnishments</i>	1,294	-
<i>Division of Administration - Civil Fees</i>	30	105
<i>East Baton Rouge Parish Sheriff - Civil Fees</i>	10,527	11,744
<i>England Economic & Industrial - Civil Fees</i>	273	-
<i>Evangeline Parish Sheriff - Civil Fees</i>	283	516
<i>Franklin Parish Sheriff - Civil Fees</i>	31	72
<i>Grant Parish Sheriff - Civil Fees</i>	1,712	2,183
<i>Iberia Parish Sheriff - Civil Fees</i>	35	-
<i>Iberville Parish Sheriff - Civil Fees</i>	-	112
<i>Jefferson Parish Sheriff - Civil Fees</i>	180	120
<i>LaSalle Parish Sheriff - Civil Fees</i>	186	434
<i>Louisiana Division of Administration - Garnishments</i>	3,468	3,142
<i>Louisiana Special Education Center - Garnishments</i>	587	-
<i>Louisiana State Treasury - Civil Fees</i>	27,488	29,583
<i>Lafayette City Marshal - Civil Fees</i>	903	-
<i>Lincoln Parish Sheriff - Civil Fees</i>	-	31
<i>Lafayette Parish Sheriff - Civil Fees</i>	-	827
<i>Louisiana Supreme Court - Civil Fees</i>	493	625
<i>Monroe City Marshal - Civil Fees</i>	30	-
<i>Morehouse Parish Sheriff - Civil Fees</i>	40	40
<i>Natchitoches Parish Sheriff - Civil Fees</i>	204	579
<i>Ouachita Parish Sheriff - Civil Fees</i>	132	307
<i>Orleans Parish Sheriff - Civil Fees</i>	210	240
<i>Pineville City Marshal - Civil Fees</i>	3,510	4,050
<i>Point Coupee Parish Sheriff - Civil Fees</i>	47	-
<i>Rapides Area Planning Commission</i>	-	206
<i>Rapides Healthcare System - Garnishments</i>	-	645
<i>Rapides Parish Police Jury - Civil Fees</i>	61,128	70,021

<i>Rapides Parish Police Jury - Garnishments</i>	283	-
<i>Rapides Parish School Board - Garnishments</i>	1,383	1,559
<i>Rapides Parish Sheriff - Civil Fees</i>	2,955	6,082
<i>Rapides Parish Sheriff - Garnishments</i>	-	312
<i>Richland Parish Sheriff - Civil Fees</i>	-	30
<i>Secretary of State - Civil Fees</i>	7,350	8,100
<i>Sabine Parish Sheriff - Civil Fees</i>	-	76
<i>State of Louisiana - Civil Fees</i>	150	30
<i>St. John the Baptist Parish Sheriff - Civil Fees</i>	35	-
<i>St. Landry Parish Sheriff - Civil Fees</i>	379	208
<i>St. Tammany Parish Sheriff - Civil Fees</i>	83	42
<i>Tangipahoa Parish Sheriff - Civil Fees</i>	31	52
<i>Terrebonne Parish Sheriff - Civil Fees</i>	76	79
<i>Vermillion Parish Sheriff - Civil Fees</i>	192	-
<i>Vernon Parish Sheriff - Civil Fees</i>	191	984
<i>West Baton Rouge Parish Sheriff - Civil Fees</i>	92	-
<i>West Carrol Parish Sheriff - Civil Fees</i>	-	88
<i>Webster Parish Sheriff - Civil Fees</i>	40	-
<i>Winn Parish Sheriff - Civil Fees</i>	216	156
<i>Winn Parish Sheriff - Garnishments</i>	412	

4. Less: Amounts Retained by Collecting Agency

a Collection Fee for Collecting/Disbursing to Others Based on Percentage of Collection	-	-
b Collection Fee for Collecting/Disbursing to Others Based on Fixed Amount	-	-
Amounts "Self-Disbursed" to Collecting Agency (<i>must include a separate line for each collection type, as applicable</i>) - Example: Criminal Fines - Other (<i>Additional rows may be added as necessary</i>)	-	-
<i>Alexandria City Court - Civil Fees</i>	36,507	40,270

5. Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies

a Civil Fee Refunds	371,709	177,877
b Bond Fee Refunds	-	-
c Restitution Payments to Individuals (additional detail is not required)	-	-
d Other Disbursements to Individuals (additional detail is not required)	555,103	673,243
e Payments to 3rd Party Collection/Processing Agencies	-	-

6. Subtotal Disbursements/Retainage 1,187,230 1,140,445

7. Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand) 533,055 567,731

Ending Balance of "Partial Payments" Collected but not Disbursed (only applies if collecting agency does not disburse partial payments until fully collected) - This balance is included in the Ending Balance of Amounts Collected but not Disbursed/Retained above.

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9. Other Information:

a Ending Balance of Total Amounts Assessed but not yet Collected (i.e. receivable balance)

Total Waivers During the Fiscal Period (i.e. non-cash reduction of receivable balances, such as time served or community service)

b

-	-
-	-

REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Comparison Schedule
All Governmental Fund Types
Alexandria City Court
For the year ended September 30, 2022

	GENERAL FUND				SPECIAL REVENUE FUNDS			
	Original	Final	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)	Original	Final	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
Revenues:								
Court costs	\$ 140,000	\$ 133,000	\$ 133,937	\$ 937	\$ 120,000	\$ 109,500	\$ 115,026	\$ 5,526
Other revenue	50,000	100,000	99,147	(853)	-	-	-	-
Interest	30,000	16,500	20,852	4,352	6,000	1,500	4,550	3,050
Total revenues	<u>220,000</u>	<u>249,500</u>	<u>253,936</u>	<u>4,436</u>	<u>126,000</u>	<u>111,000</u>	<u>119,576</u>	<u>8,576</u>
Expenditures:								
Salaries and wages	90,000	83,000	82,021	979	45,000	33,000	39,310	(6,310)
Payroll taxes	3,000	10,000	7,839	2,161	5,000	3,500	3,007	493
Law books	-	-	-	-	3,000	2,000	1,288	712
Computer services	-	-	-	-	30,000	71,500	18,541	52,959
Dues and subscriptions	500	1,500	1,512	(12)	-	-	-	-
Capital expenditures	5,000	-	14,388	(14,388)	20,000	11,000	8,645	2,355
Equipment lease	-	-	-	-	10,000	1,000	-	1,000
Bank charges	7,500	18,500	13,314	5,186	-	2,000	2,216	(216)
Miscellaneous	4,000	500	1,060	(560)	2,000	-	22,607	(22,607)
Office supplies	10,000	4,000	2,595	1,405	21,000	9,000	64,938	(55,938)
Postage	15,000	12,000	11,042	958	-	-	-	-
Repairs & maintenance	-	-	3,165	(3,165)	10,500	21,000	-	21,000
Legal & professional	20,000	19,000	18,560	440	2,000	1,600	1,860	(260)
Janitorial	18,000	3,000	-	3,000	-	-	-	-
Insurance	20,000	20,000	20,846	(846)	5,000	5,000	5,072	(72)
Vehicle maintenance & expense	-	-	-	-	750	250	185	65
Seminars	20,000	17,000	19,854	(2,854)	-	-	-	-
Total expenditures	<u>213,000</u>	<u>188,500</u>	<u>196,196</u>	<u>(7,696)</u>	<u>154,250</u>	<u>160,850</u>	<u>167,669</u>	<u>(6,819)</u>
Excess (deficiency) of revenues over expenditures	7,000	61,000	57,740	(3,260)	(28,250)	(49,850)	(48,093)	1,757
Fund balances, beginning	818,630	818,630	818,630	-	364,338	364,338	364,338	-
Fund balances, ended	<u>\$ 825,630</u>	<u>\$ 879,630</u>	<u>\$ 876,370</u>	<u>\$ (3,260)</u>	<u>\$ 336,088</u>	<u>\$ 314,488</u>	<u>\$ 316,245</u>	<u>\$ 1,757</u>



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

To the Honorable Judge Richard Starling, Jr.
Alexandria City Court
Alexandria, Louisiana

We have audited the financial statements of the governmental activities and each major fund of the Alexandria City Court, as of and for the year ended September 30, 2022, and the related notes to the financial statements, and have issued our report thereon dated March 27, 2023. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Alexandria City Court's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Alexandria City Court's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Alexandria City Court's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of current and prior year findings, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

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. We consider the deficiencies described in the

accompanying schedule of current and prior year findings to be material weaknesses listed as items number 2022-001 and 2022-002.

Compliance

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

Alexandria City Court's response to the findings identified in our audit are described in the accompanying Management's Corrective Action Plan. We did not audit Alexandria City Court's response and, accordingly, we express no opinion on it.

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

Oestriecher & Company, CPAs

OESTRIECHER & COMPANY
Certified Public Accountants
Alexandria, Louisiana

March 27, 2023

**ALEXANDRIA CITY COURT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the year ended September 30, 2022**

Section I-Summary of Auditor's Reports

1. The auditor's report expresses an unqualified opinion on the basic financial statements of Alexandria City Court.
2. Two material weaknesses disclosed during the audit of the basic financial statements are reported in the 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*.

Section II - Financial Statement Findings

Finding 2022-001 – Segregation of Duties

Statement of Condition – Alexandria City Court does not have adequate segregation of duties within the administrative office.

Criteria – A system of internal control procedures requires a segregation of duties so that no individual handles a transaction from start to finish.

Effect of condition – Lack of oversight could lead to improperly recorded transactions.

Cause of condition –There is a small number of personnel employed by Alexandria City Court.

Recommendation – Alexandria City Court should monitor the assignment of duties to ensure as much segregation of duties as possible.

Questioned costs – None

Finding 2022-002 – Job Description

Statement of Condition – The Alexandria City Court does not have a person on staff who has the qualifications and training to apply generally accepted accounting principles in recording financial transactions or preparing the financial statements.

Criteria – A reporting entity should be able to prepare financial statements in accordance with GAAP without any outside assistance.

Effect of Condition – The Alexandria City Court needed assistance in preparing the annual financial statements.

Cause of Condition – There was no written job description available to ensure hiring of staff that have appropriate training in applying generally accepted accounting principles.

Recommendation – Alexandria City Court should consider the cost/benefit of hiring additional personnel with sufficient knowledge and training.

Questioned Costs – None

Section III – Federal Awards Findings and Questioned Costs

There were no federal awards.

Alexandria City Court
Summary Schedule of Prior Audit Findings
For the year ended September 30, 2022

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

Finding No. 2021-001-The Alexandria City Court does not have adequate segregation of duties within the administrative office.

Corrective action taken- Condition is not resolved. See Finding 2022-001.

Finding No. 2021-002-The Alexandria City Court does not have a person on staff who has the qualifications and training to apply generally accepted accounting principles in recording financial transactions or preparing the financial statements.

Corrective action taken- Condition is not resolved. See Finding 2022-002.

Section II - Internal Control and Compliance Material to Federal Awards

Not applicable.

Section III – Federal Awards Findings and Questioned Costs

There were no federal awards.

**Alexandria City Court
P.O. Box 30
Alexandria, LA 71301**

March 27, 2023

MANAGEMENT'S CORRECTIVE ACTION PLAN

Alexandria City Court respectfully submits the following corrective action plan for the year ended September 30, 2022.

Name and address of contact person: Richard Starling, Jr., Alexandria City Judge, P.O. Box 30, Alexandria, Louisiana 71301.

Name and address of independent public accounting firm: Oestriecher and Company, CPAs, 4641 Windermere Place, Alexandria, Louisiana 71303-3548

Audit period: October 1, 2021 through September 30, 2022.

The findings from the Schedule of Findings and Questioned Costs are discussed below. The findings are numbered consistently with the number assigned in the schedule. The Summary of Audit Results does not include findings and is not addressed.

FINDINGS-FINANCIAL STATEMENT AUDIT

FINDING NO. 2022-001:

Recommendation: Alexandria City Court should monitor the assignment of duties to ensure as much segregation of duties as possible.

Action Taken: Employees will be monitored as effectively as possible with the limited staff.

FINDING NO. 2022-002

Recommendation: Alexandria City Court should consider the cost/benefit of hiring additional personnel with sufficient knowledge and training.

Action Taken: While management understands the nature of the finding and the necessity of personnel with qualifications that are higher than our current job descriptions, the benefits of hiring personnel with increased qualifications do not outweigh the costs.

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To Alexandria City Court and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period October 1, 2021 through September 30, 2022. Alexandria City Court's management is responsible for those C/C areas identified in the SAUPs.

Alexandria City 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 October 1, 2021 through September 30, 2022. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
Results of Procedure: The written policies related to budgeting include all required elements.
 - b) ***Purchasing***, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.
Results of Procedure: The written policies related to purchasing include all required elements.

- c) ***Disbursements***, including processing, reviewing, and approving.
Results of Procedure: The written policies related to disbursements include all required elements.
- d) ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
Results of Procedure: The written policies related to receipts/collections include all required elements.
- e) ***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.
Results of Procedure - Finding: The written policies related to payroll/personnel include all required elements except approval of employee pay rates.
Management's Response: Written policies will be updated to include approval of employee pay rates.
- f) ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
Results of Procedure: The written policies related to contracting include all required elements.
- g) ***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).
Results of Procedure: The written policies related to credit cards include all required elements.
- h) ***Travel and Expense Reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, (4) required approvers.
Results of Procedure: The written policies related to travel and expense reimbursement include all required elements.

- i) **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.

Results of Procedure: The written policies related to ethics include all required elements.

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

Results of Procedure: The written policies related to debt service include all required elements that are applicable.

- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Results of Procedure: The written policies related to information technology disaster recovery/business continuity include all required elements.

- l) **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.

Results of Procedure: The written policies related to prevention of sexual harassment include all required elements.

Board or Finance Committee

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

Results of Procedure: Not applicable.
 - b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds,

and semi-annual budget- to-actual, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

Results of Procedure: Not applicable.

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

Results of Procedure: Not applicable.

Bank Reconciliations

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

- a) 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).

Results of Procedure: Bank reconciliations included evidence that they were prepared within 2 months of the related statement closing date.

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

Results of Procedure: Bank reconciliations include written evidence that a member of management who does not handle cash, posts ledgers, or issues checks reviewed each bank reconciliation.

- c) 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.

Results of Procedure: Management has documentation reflecting research of reconciling items that have been outstanding for more than 12 months.

Collections (excluding electronic funds transfers)

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

Results of Procedure: There are two deposit sites. Both sites were selected for testing.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (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:

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

Results of Procedure: Employees responsible for cash collections do not share cash drawers/registers.

- b) 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.

Results of Procedure: Employees responsible for collecting cash are not responsible for preparing bank deposits.

- c) 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.

Results of Procedure: Employees responsible for collecting cash are not responsible for posting to the general ledger or subsidiary ledgers.

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

Results of Procedure: The employees who are responsible for collecting cash are not responsible for reconciling cash collections to the general ledger.

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

Results of Procedure: All employees who have access to cash were covered by a bond or insurance policy during the fiscal period.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under “Bank Reconciliations” above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *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:
- a) Observe that receipts are sequentially pre-numbered.
Results of Procedure: Receipts are sequentially pre-numbered except on accounts where cash receipts are not collected.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
Results of Procedure: All receipts tested were traced to the deposit slip.
 - c) Trace the deposit slip total to the actual deposit per the bank statement.
Results of Procedure: Deposit slip totals were traced to the bank statements.
 - d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
Results of Procedure: Deposits were made within one business day of receipt.
 - e) Trace the actual deposit per the bank statement to the general ledger.
Results of Procedure: Deposits per the bank statement were traced to the general ledger.

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

8. Obtain a listing of locations that process payments for the fiscal period and management’s representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
Results of Procedure: There is one location that processes payments. That location was selected for testing.
9. For each location selected under procedure #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that:

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

Results of Procedure: Payments are approved either by the Clerk of Court or the Judge and are then processed by the bookkeeper.

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

Results of Procedure: The bookkeeper processes payments to vendors. The Clerk of Court can approve purchases up to \$500. Any purchases over \$500 must be approved by the Judge.

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

Results of Procedure: The employee responsible for processing payments can add or modify vendor files, but these files are periodically reviewed by the Clerk of Court.

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

Results of Procedure - Finding: The bookkeeper mails payments to vendors. The bookkeeper also processes payments.

Management's Response: The Clerk of Court will mail signed checks to vendors or assign a staff member not responsible for processing payments to mail signed checks to vendors.

[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.]

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

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

Results of Procedure: The disbursements tested matched the original invoice.

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

Results of Procedure: The disbursement documentation included evidence of segregation of duties in steps a, b, and c. Step d has no procedures established.

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

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

Results of Procedure: Alexandria City Court is in possession of one active credit card.

12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and:

- a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.].

Results of Procedure: There was evidence that the monthly statements were approved by someone other than the authorized cardholder.

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

Results of Procedure: There were no finance charges or late fees assessed on the tested statements.

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

Results of Procedure: There were original receipts and documented business purposes for all transactions. There were no meal charge transactions.

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

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements 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:
- a) If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
Results of Procedures: Reimbursed amounts were not more than amounts established by the State of Louisiana.
 - b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
Results of Procedures: There were no reimbursements for actual costs.
 - c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
Results of Procedures: All reimbursements were supported by documentation of business/public purpose and in accordance with written policy.
 - d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.
Results of Procedure - Finding: All reimbursements were reviewed and approved, in writing, by someone other than the person receiving reimbursement except the reimbursement to the Judge.
Management's Response: All reimbursements will be reviewed and approved, in writing, by someone other than the person receiving the reimbursement.

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *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:

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

Results of Procedure: None of the listed contracts were above the dollar amount threshold to qualify for Louisiana Public Bid Law.

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

Results of Procedure: All contracts were approved by the Alexandria City Court Judge.

- c) 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).

Results of Procedure: There were no amendments to the contracts tested.

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

Results of Procedure: All tested payments agreed to the invoice and contract terms and conditions.

Payroll and Personnel

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

Results of Procedure: A listing of employees was received. Management represented that the listing was complete.

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

- a) Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).

Results of Procedure: Daily attendance and leave was documented.

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

Results of Procedure: Daily attendance and leave were approved by supervisors.

- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
Results of Procedure: Accrued leave is not applicable for part-time employees.
 - d) Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
Results of Procedure: Rate paid to employee agrees to the authorized pay rate found within the personnel file.
18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials 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.
Results of Procedure: There were no termination payments issued during the fiscal period.
19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.
Results of Procedure: Management represents that all employer and employee portions of third-party payroll related amounts have been paid, and any associated forms have been filed, by required deadlines.

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above obtain ethics documentation from management, and:
- a. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
Results of Procedure - Finding: Documentation of ethics training was not available for three part-time employees.
Management's Response: Management will verify that all employees receive one hour of ethics training.

- b. 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.

Results of Procedure: Documentation was available that employees were notified of changes to the ethics policy for all but three part-time employees.

Management's Response: Management will verify that all employees are notified to changes in the ethics policy.

Debt Service

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

Results of Procedure: Not applicable.

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

Results of Procedure: Not applicable.

Fraud Notice

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Results of Procedure: Management does not believe there to be any misappropriations of public funds or assets during the fiscal period.

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

Results of Procedure - Finding: Alexandria City Court has the notice concerning the reporting of misappropriation, fraud, waste, or abuse of public funds on the premises, but not on the website.

Management's Response: The notice required by R.S. 24:523.1 will be added to the website.

Information Technology Disaster Recovery/Business Continuity

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

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

Results of Procedure: We performed the procedure and discussed the results with management.

- b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if 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.

Results of Procedure: We performed the procedure and discussed the results with management.

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

Results of Procedure: We performed the procedure and discussed the results with management.

Prevention of Sexual Harassment

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

Results of Procedure: One employee tested received one hour of sexual harassment training during the calendar year.

Management’s Response: Management will require all employees to complete one hour of sexual harassment training during the calendar year.

27. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity’s premises if the entity does not have a website).

Result of Procedure: Alexandria City Court does not have the sexual harassment policy posted on its website.

Management’s Response: The sexual harassment policy and complaint procedure will be posted on its website.

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

Result of Procedure: Alexandria City Court does not submit the report directly. Information is submitted to the Rapides Parish Police Jury and included within the Rapides Parish Police Jury report. A report was not available for part-time employees employed by Alexandria City Court.

Management’s Response: Alexandria City Court will complete the annual sexual harassment report and keep a copy of the report within the office.

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

Results of Procedure: Report not available.

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

Results of Procedure: Report not available.

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

Results of Procedure: Report not available.

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

Results of Procedure: Report not available.

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

Results of Procedure: Report not available.

We were engaged by Alexandria City 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 Alexandria City 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.

Oestriecher & Company, CPAs

OESTRIECHER & COMPANY
Certified Public Accountants
Alexandria, Louisiana

March 27, 2023