

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA**

Annual Financial Statements

December 31, 2023



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Independent Auditor's Report

To the Chief Judge and Judges
of the Twenty-Second Judicial District Court
Washington, St. Tammany Parishes, Louisiana

Report on the Audits of the Financial Statements

Opinion

We have audited the financial statements of the governmental activities and each major fund of the Twenty-Second Judicial District Court (the Court), as of and for the year ended December 31, 2023, 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 accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Court as of December 31, 2023, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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*, 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 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 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 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 GAAS 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 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 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 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 Supplementary Information

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

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules beginning on page 22 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 the appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Court's basic financial statements. The schedules of compensation, benefits, and other payments to agency heads, justice system funding schedules, schedule of FINS assistance program funds, and schedule of expenditures of federal awards are presented for purposes of additional analysis and are 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 schedules of compensation, benefits, and other payments to agency heads, justice system funding schedules, schedule of FINS assistance program funds, and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2024 on our consideration of the 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 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 Court's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Court's internal control over financial reporting and compliance.



A Professional Accounting Corporation

Covington, LA
June 19, 2024

**BASIC FINANCIAL STATEMENTS
GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA
Statement of Net Position
December 31, 2023**

	Governmental Activities
Assets	
Cash and Cash Equivalents	\$ 2,853,335
Receivables	474,258
Capital Assets, Net of Accumulated Depreciation	65,241
Right-to-Use Leased Assets, Net	<u>49,871</u>
Total Assets	<u>3,442,705</u>
Liabilities	
Accounts Payable	503,976
Unearned Revenue	6,482
Compensated Absences	72,448
Lease Obligation, Current Portion	25,470
Lease Obligation, Less Current Portion	<u>26,640</u>
Total Liabilities	<u>635,016</u>
Net Position	
Net Investment in Capital Assets	63,002
Restricted	104,623
Unrestricted	<u>2,640,064</u>
Total Net Position	<u><u>\$ 2,807,689</u></u>

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

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA
Statement of Activities
For the Year Ended December 31, 2023**

	Governmental Activities
Program Expenses	
Public Safety - Court System	
Salaries and Related Benefits	\$ 2,162,946
Contractual Services	1,513,797
Materials and Supplies	84,939
Depreciation and Amortization	53,806
Lodging and Registration Fees	74,191
	<hr/>
Total Program Expenses	3,889,679
	<hr/>
Program Revenues	
Operating Grants and Contributions	2,048,588
	<hr/>
Net Program Expenses	1,841,091
	<hr/>
General Revenues	
Judicial Fees (Excluding Drug Screen Fees)	1,182,809
Court Revenues	372,378
Other	161,626
Interest Income	1,477
	<hr/>
Total General Revenues	1,718,290
	<hr/>
Change in Net Position	(122,801)
	<hr/>
Net Position, Beginning of Year	2,930,490
	<hr/>
Net Position, End of Year	\$ 2,807,689
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The accompanying notes are an integral part of these financial statements.

**BASIC FINANCIAL STATEMENTS
FUND FINANCIAL STATEMENTS
GOVERNMENTAL FUNDS**

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA
Balance Sheet
Governmental Funds
December 31, 2023**

	<u>General Fund</u>	<u>Special Revenue Funds</u>			<u>Total Governmental Funds</u>
	<u>Judicial Expense Fund</u>	<u>Non- Support Fund</u>	<u>Specialty Courts Fund</u>	<u>Probation Fee Fund</u>	
Assets					
Cash and Cash Equivalents	\$ 2,471,177	\$ 90,507	\$ 101,934	\$ 189,717	\$ 2,853,335
Receivables	208,506	46,937	218,765	50	474,258
Due from Other Court Funds	3,616	-	-	-	3,616
Total Assets	\$ 2,683,299	\$ 137,444	\$ 320,699	\$ 189,767	\$ 3,331,209
Liabilities					
Accounts Payable	\$ 115,872	\$ 37,342	\$ 306,080	\$ 44,682	\$ 503,976
Unearned Revenue	-	-	6,482	-	6,482
Due to Other Court Funds	-	-	3,616	-	3,616
Total Liabilities	115,872	37,342	316,178	44,682	514,074
Fund Balances					
Restricted	-	100,102	4,521	-	104,623
Assigned	-	-	-	145,085	145,085
Unassigned	2,567,427	-	-	-	2,567,427
Total Fund Balances	2,567,427	100,102	4,521	145,085	2,817,135
Total Liabilities and Fund Balances	\$ 2,683,299	\$ 137,444	\$ 320,699	\$ 189,767	

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

Capital and right-to-use assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 115,112

Long-term liabilities, like lease obligation and compensated absences, are not due and payable in the current period and, therefore, are not reported in the governmental funds:

Compensated Absences (124,558)

Net Position of Governmental Activities \$ 2,807,689

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

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2023**

	<u>General Fund</u>	<u>Special Revenue Funds</u>			<u>Total Governmental Funds</u>
	<u>Judicial Expense Fund</u>	<u>Non- Support Fund</u>	<u>Specialty Courts Fund</u>	<u>Probation Fee Fund</u>	
Revenues					
Court Revenues					
Court Costs	\$ 73,389	\$ -	\$ 4,060	\$ -	\$ 77,449
Civil Cases	149,957	-	-	-	149,957
Bail Bond Fees	144,972	-	-	-	144,972
Judicial Fees					
Probation Fees	-	-	-	614,487	614,487
Court Ordered Payments	7,100	561,222	-	-	568,322
Other Revenues					
Federal Grants	-	-	950,641	-	950,641
State Grants	69,261	-	1,028,686	-	1,097,947
Other Revenues	125,776	-	35,850	-	161,626
Interest Earned	1,315	35	102	25	1,477
Total Revenues	571,770	561,257	2,019,339	614,512	3,766,878
Expenditures					
Public Safety - Court System					
Salaries and Related Benefits	170,992	480,374	1,078,577	416,589	2,146,532
Contractual Services					
Evaluation/Testing/Treatment	-	-	666,224	8,157	674,381
Legal and Professional Fees	87,812	8,750	62,000	8,750	167,312
Youth Service Bureau/CASA	144,336	-	-	-	144,336
Rent	27,192	-	45,000	127	72,319
Utilities	27,365	-	3,653	1,325	32,343
Contract Labor	32,968	-	75,375	127,539	235,882
Insurance	91,922	-	-	-	91,922
Court Reporters	1,273	-	-	-	1,273
Other	23,652	-	90,772	3,956	118,380
Materials and Supplies	63,319	-	8,720	12,900	84,939
Lodging and Registration Fees	52,944	-	11,136	10,111	74,191
Capital Outlays	12,575	-	1,336	-	13,911
Total Expenditures	736,350	489,124	2,042,793	589,454	3,857,721
Net Change in Fund Balances	(164,580)	72,133	(23,454)	25,058	(90,843)
Fund Balances, Beginning of Year	2,732,007	27,969	27,975	120,027	2,907,978
Fund Balances, End of Year	\$ 2,567,427	\$ 100,102	\$ 4,521	\$ 145,085	\$ 2,817,135

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

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds to
the Statement of Activities
For the Year Ended December 31, 2023**

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

Net Change in Fund Balances - Total Governmental Funds	\$ (90,843)
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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. This is the amount by which depreciation expense exceeded capital outlay in the current period.	(39,895)
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	<u>7,937</u>
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Change in Net Position of Governmental Activities	<u><u>\$ (122,801)</u></u>
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The accompanying notes are an integral part of these financial statements.

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA**

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies

Reporting Entity

The basic financial statements of the Twenty-Second Judicial District Court (the Court) include the Judicial Expense General Fund, the Non-Support Special Revenue Fund, the Specialty Courts Special Revenue Fund, and the Probation Fee Special Revenue Fund. The Criminal Court Fund is included in the basic financial statements of St. Tammany Parish (the Parish) because the Parish is responsible for any deficiency in the fund.

Basis of Presentation

The accompanying basic financial statements of the Court have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles.

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the Court. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by the program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not included among program revenues are reported instead as general revenues.

Separate financial statements are provided for the governmental funds.

Fund Financial Statements

The Court uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain court functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The various funds of the Court are classified as governmental. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Court or the total assets, liabilities, revenues, or expenditures of the individual governmental fund is at least ten (10) percent of the corresponding total for all governmental funds.

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA**

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Fund Financial Statements (Continued)

The Court reports the following major governmental funds:

Judicial Expense Fund

The Judicial Expense Fund of the Court was established under the provisions of Louisiana Legislative Act 553 (the Act) in 1980. The Act specifies that the clerks of courts and the sheriffs of the Parishes of St. Tammany and Washington shall collect a fee, limited by law as to the amount, for each civil suit and criminal case filed within the Court's jurisdiction. The clerks of courts and the sheriffs of the Parishes of St. Tammany and Washington shall place all sums collected or received under this Act in a separate account, to be designated as the Judicial Expense Fund for the Court, in depositories to be designated by the Judges of the Court, en banc. The Judges, en banc, shall have control over the fund and all disbursements made thereafter.

The Judicial Expense Fund is considered the Court's general fund and was established and may be used for any purpose or purposes connected with, incidental to, or related to the proper administration or function of the Court or the offices of the individual Judges and is in addition to any and all other funds, salaries, expenses, or other monies that are now or hereafter provided, authorized, or established by law for any of the aforementioned purposes. No salary shall be paid from the Judicial Expense Fund to any of the Judges of the Twenty-Second Judicial District Court, except as may be paid for administering the said funds, and then only after prior legislative approval.

Non-Support Fund

The Non-Support Fund of the Court was established under the provisions of Louisiana Revised Statute (R.S.) 46:236.5, effective January 1, 1989. Under this statute, the Court has implemented an expedited process for the establishment, modification, and enforcement of support obligations by authorizing and directing the Judge presiding over the Family Section (Child Support) of the Court to appoint one or more Hearing Officers, who shall serve at his pleasure, to hear support and support-related matters.

The fund is authorized to assess a fee of five (5) percent on all support obligations made executory on or after January 1, 1989, as a result of a hearing on a rule to enforce support.

Specialty Courts Fund

The Specialty Courts Fund was established in 1999. The Specialty Courts program is designed to be a treatment program for justice involved individuals. The Specialty Courts program provides counseling to participants; however, the participants agree to random drug testing to monitor their use of illegal drugs.

Probation Fee Fund

The Probation Fee Fund was established in 2022 to account for probation fees collected.

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA**

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Measurement Focus/Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as soon as all eligibility requirements imposed by the provider have been met.

The amounts reflected in the governmental fund financial statements are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to the government-wide financial statements.

The amounts reflected in the governmental fund financial statements use 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 pay liabilities of the current period. The Court considers all revenues available if they are collected within 60 days after the fiscal year-end. Expenditures are recorded when the related fund liability is incurred.

Budget Policies

The Court has adopted annual budgets for its Judicial Expense Fund, Non-Support Fund, Specialty Courts Fund, and Probation Fee Fund on a basis consistent with generally accepted accounting principles for all governmental funds. The budgetary practices include notice of the proposed budget, public inspection of the proposed budget, and public hearings on the budget prior to adoption. Any amendment involving increases in expenditures must be approved by the Court. Budgeted amounts in the accompanying financial statements include all amendments. The Court does not use encumbrance accounting. At the end of the fiscal year, unexpended appropriations of these funds automatically lapse.

Cash and Cash Equivalents and Investments

Cash includes all amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Court may deposit funds in demand deposits, interest-bearing deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. At December 31, 2023, the Court did not have any investments.

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA**

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents and Investments (Continued)

The Court may invest in United States bonds, treasury notes, repurchase agreements, or certificates and time deposits of state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Capital Assets

All capital assets of the Court are recorded at historical cost and are reported on the government-wide financial statements. Depreciation of all exhaustible capital assets is charged to expense and reported on the statement of activities. In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental funds upon acquisition.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not capitalized. Improvements are capitalized over the remaining useful lives of the related capital assets, as applicable. It is the Court's policy to capitalize fixed assets over \$1,000. The following estimated useful lives and methods are used to compute depreciation:

Furniture, Fixtures, and Equipment	3 - 10 Years	Straight-Line
Improvements and Renovations	20 Years	Straight-Line

Depreciation expense amounted to \$28,870 for the year ended December 31, 2023.

Right-to-Use Assets

Right-to-use lease assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right-to-use lease assets are amortized on a straight-line basis over the life of the related lease. Amortization expense amounted to \$24,936 for the year ended December 31, 2023.

Compensated Absences

The Judges of the Court establish vacation policies for their respective employees. All other employees generally earn vacation according to the following length of employment:

One Year of Employment	-	Four Days of Vacation
Two Years of Employment	-	Five Days of Vacation
Three to Five Years of Employment	-	Ten Days of Vacation
Six to Ten Years of Employment	-	Fifteen Days of Vacation
Eleven or More Years of Employment	-	Twenty Days of Vacation

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA**

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Compensated Absences (Continued)

The Court allows full-time administrative personnel to carry over up to five days of their unused vacation time. Employees are allocated eight days of sick leave in year one of employment, ten days of sick leave in each year thereafter, and are allowed to carry forward unused sick leave days. Upon termination, unused vacation time is paid to all employees in good standing with the Court, but any remaining sick leave is forfeited. At December 31, 2023, the Court had accrued compensated absences payable of \$72,448, which has been reported on the statement of net position.

Equity Classifications

Government-wide net position is divided into three components:

1. *Net Investment in Capital Assets* - Consists of the historical cost of capital assets, including any restricted capital assets, net of accumulated depreciation.
2. *Restricted* - Consists of assets that have constraints that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation.
3. *Unrestricted* - All other net position is reported in this category.

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

1. *Restricted Fund Balance* - Consists of amounts that can be spent only for specific purposes because of state or federal laws or externally imposed conditions by grantors, creditors, or citizens.
2. *Assigned Fund Balance* - Consists of amounts intended to be used by the Court for specific purposes but do not meet the criteria to be classified as restricted or committed.
3. *Unassigned Fund Balance* - Consists of all other amounts not included in spendable classifications.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the Court's policy is to apply restricted net position first.

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

Interfund Transactions

Permanent re-allocation of resources between funds of the reporting entity is classified as interfund transfers. For the purposes of the statement of activities, all interfund transfers between individual governmental funds have been eliminated.

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA**

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Use of Estimates

The preparation of 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 at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Recently Issued Accounting Principles - Adopted

The Court adopted the provisions of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITA) for government end users. The adoption of this standard had no material impact on the financial statements for the year ended December 31, 2023.

Recently Issued Accounting Pronouncements

The GASB issued Statement No. 101, *Compensated Absences* in June 2022. The Statement updates the recognition and measurement guidance for compensated absences. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Management is still evaluating the impact of the Statement on the Court's financial statements.

Note 2. Cash and Cash Equivalents

Cash and cash equivalents (book balances) at December 31, 2023 totaled \$2,853,335, which are stated at cost and which approximates market.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Court's deposits may not be recovered. The Court does not have a deposit policy for custodial credit risk. As of December 31, 2023, \$2,684,412 of the Court's total bank balance of \$2,934,412 was exposed to custodial credit risk. However, these deposits are secured from risk by the pledge of securities owned by the fiscal agent bank.

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

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA**

Notes to Financial Statements

Note 3. Receivables

The receivables at December 31, 2023 considered to be fully collectable are summarized below:

Class of Receivable	Judicial Expense Fund	Non-Support Fund	Specialty Courts Fund	Probation Fee Fund	Total
Accounts Receivable	\$ 151,089	\$ -	\$ -	\$ -	\$ 151,089
Intergovernmental Grants	13,865	-	218,405	-	232,270
Court Costs and Fees	43,552	46,937	360	50	90,899
Total	\$ 208,506	\$ 46,937	\$ 218,765	\$ 50	\$ 474,258

Note 4. Capital Assets

Capital asset activity for the year ended December 31, 2023 was as followed:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Being Depreciated				
Computer Equipment	\$ 266,793	\$ 13,911	\$ (17,203)	\$ 263,501
Office Equipment	106,854	-	(3,316)	103,538
Furniture and Fixtures	63,892	-	-	63,892
Renovations	60,289	-	-	60,289
Total Capital Assets Being Depreciated	497,828	13,911	(20,519)	491,220
Less Accumulated Depreciation for:				
Computer Equipment	(196,169)	(25,410)	17,203	(204,376)
Office Equipment	(106,858)	-	-	(106,858)
Furniture and Fixtures	(54,318)	(3,460)	3,316	(54,462)
Renovations	(60,283)	-	-	(60,283)
Total Accumulated Depreciation	(417,628)	(28,870)	20,519	(425,979)
Capital Assets, Net	\$ 80,200	\$ (14,959)	\$ -	\$ 65,241

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA**

Notes to Financial Statements

Note 5. Restricted Fund Balances/Net Position

The balance of the restricted fund balance/net position accounts of the Court as of December 31, 2023 was as followed:

Restricted for Non-Support Fund	\$ 100,102
Restricted for Specialty Courts Fund	<u>4,521</u>
Total Restricted Fund Balances/Net Position	<u>\$ 104,623</u>

Note 6. Leases

The Court as a lessee, has entered into a lease agreement for office equipment. The total costs of the District's lease assets were \$99,743 at December 31, 2023, less accumulated amortization of \$49,872.

The future minimum lease payments for these leases are as follows:

Year Ending December 31,	Principal	Interest
2024	\$ 25,470	\$ 1,722
2025	<u>26,640</u>	<u>552</u>
Total	<u>\$ 52,110</u>	<u>\$ 2,274</u>

Note 7. Pension Plans

The employees of the Court participate in the Parochial Employees' Retirement System of Louisiana (the Plan). The Plan is a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. Contributions to the Plan are made by St. Tammany Parish and the Washington Parish Police Jury. The Court reimburses the Parish and the Police Jury for amounts in excess of what they are required to pay.

Note 8. Commitments

As authorized by Louisiana Revised Statute 46:236.5, and as ordered by the Judges of the Court, the Court pays the Twenty-Second Judicial District Court Public Defender's Office \$6,500 per month. These payments shall continue until modified by the Judges of the Court.

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA**

Notes to Financial Statements

Note 9. Risk Management

The Court is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Court has obtained liability insurance for the Judges and Hearing Officers and other supporting staff, as well as for employee dishonesty. Losses associated with the destruction of or damage to assets are covered through St. Tammany Parish and Court insurance coverage.

Note 10. Interfund Accounts and Transfers

The primary purpose of interfund receivables/payables is to loan monies between funds to cover current expenditures.

REQUIRED SUPPLEMENTARY INFORMATION

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Judicial Expense Fund
For the Year Ended December 31, 2023**

	Budgetary Amounts		Actual - Budgetary Basis	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Court Revenues				
Court Costs	\$ 71,500	\$ 73,389	\$ 73,389	\$ -
Civil Cases	120,000	149,957	149,957	-
Bail Bond Fees	135,000	144,972	144,972	-
Judicial Fees				
Probation Fees	-	-	-	-
Court Ordered Payments	-	7,100	7,100	-
Other Revenues				
State Grants	69,262	69,261	69,261	-
Other Revenues	210,000	125,776	125,776	-
Interest Earned	1,800	1,315	1,315	-
Total Revenues	607,562	571,770	571,770	-
Expenditures				
Public Safety - Court System				
Salaries and Related Benefits	250,000	170,992	170,992	-
Contractual Services				
Legal and Professional Fees	125,400	87,941	87,812	129
Youth Service Bureau/CASA	83,250	144,336	144,336	-
Rent	4,000	27,192	27,192	-
Utilities	30,000	27,427	27,365	62
Contract Labor	32,000	32,968	32,968	-
Insurance	85,000	91,922	91,922	-
Drug Screens	-	-	-	-
Court Reporters	12,000	1,273	1,273	-
Other	20,500	23,652	23,652	-
Materials and Supplies	56,750	63,319	63,319	-
Lodging and Registration Fees	30,000	53,051	52,944	107
Capital Outlays	25,000	12,592	12,575	17
Total Expenditures	753,900	736,665	736,350	315
Excess (Deficiency) of Revenues Over Expenditures	(146,338)	(164,895)	(164,580)	315
Net Change in Fund Balance	\$ (146,338)	\$ (164,895)	(164,580)	\$ 315
Fund Balance, Beginning of Year			2,732,007	
Fund Balance, End of Year			\$ 2,567,427	

See independent auditor's report.

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Non-Support Fund
For the Year Ended December 31, 2023**

	<u>Budgetary Amounts</u>		<u>Actual - Budgetary Basis</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Judicial Fees				
Court Ordered Payments	\$ 540,000	\$ 561,222	\$ 561,222	\$ -
Other Revenues				
Interest Earned		35	35	-
Total Revenues	540,000	561,257	561,257	-
Expenditures				
Public Safety - Court System				
Salaries and Related Benefits	520,000	480,374	480,374	-
Contractual Services				
Legal and Professional Fees		8,750	8,750	-
Total Expenditures	520,000	489,124	489,124	-
Excess of Revenues Over Expenditures	20,000	72,133	72,133	-
Net Change in Fund Balance	\$ 20,000	\$ 72,133	72,133	\$ -
Fund Balance, Beginning of Year			27,969	
Fund Balance, End of Year			\$ 100,102	

See independent auditor's report.

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Specialty Courts Fund
For the Year Ended December 31, 2023**

	<u>Budgetary Amounts</u>		Actual - Budgetary Basis	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Court Revenues				
Court Costs	\$ 6,000	\$ 4,060	\$ 4,060	\$ -
Other Revenues				
Federal Grants	684,945	950,641	950,641	-
State Grants	1,557,000	1,028,686	1,028,686	-
Other Grants	133,000	35,850	35,850	-
Interest Earned	200	102	102	-
Total Revenues	2,381,145	2,019,339	2,019,339	-
Expenditures				
Public Safety - Court System				
Salaries and Related Benefits	1,200,000	1,078,577	1,078,577	-
Contractual Services				
Evaluation/Testing/Treatment	834,120	666,224	666,224	-
Legal and Professional Fees	60,000	62,000	62,000	-
Rent	48,000	45,000	45,000	-
Utilities	4,000	3,653	3,653	-
Contract Labor	75,000	75,375	75,375	-
Other	105,025	90,772	90,772	-
Materials and Supplies	12,000	8,720	8,720	-
Lodging and Registration Fees	35,000	11,136	11,136	-
Capital Outlays	8,000	1,336	1,336	-
Total Expenditures	2,381,145	2,042,793	2,042,793	-
Excess of Revenues Over Expenditures	-	(23,454)	(23,454)	-
Net Change in Fund Balance	\$ -	\$ (23,454)	(23,454)	\$ -
Fund Balance, Beginning of Year			<u>27,975</u>	
Fund Balance, End of Year			<u>\$ 4,521</u>	

See independent auditor's report.

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Probation Fee Fund
For the Year Ended December 31, 2023**

	<u>Budgetary Amounts</u>		Actual - Budgetary Basis	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Court Revenues				
Court Costs	\$ 500	\$ -	\$ -	\$ -
Judicial Fees				
Probation Fees	600,000	614,487	614,487	-
Court Ordered Payments	1,000	-	-	-
Other Revenues				
Interest Earned	-	-	25	25
Total Revenues	601,500	614,487	614,512	25
Expenditures				
Public Safety - Court System				
Salaries and Related Benefits	435,000	416,589	416,589	-
Contractual Services				
Evaluation/Testing/Treatment	9,700	8,157	8,157	-
Legal and Professional Fees	-	8,750	8,750	-
Rent	750	127	127	-
Utilities	-	1,325	1,325	-
Contract Labor	92,400	127,539	127,539	-
Other	7,300	3,956	3,956	-
Materials and Supplies	2,200	12,900	12,900	-
Lodging and Registration Fees	6,750	10,111	10,111	-
Capital Outlays	10,000	-	-	-
Total Expenditures	564,100	589,454	589,454	-
Excess of Revenues Over Expenditures	37,400	25,033	25,058	25
Net Change in Fund Balance	\$ 37,400	\$ 25,033	25,058	\$ 25
Fund Balance, Beginning of Year			<u>120,027</u>	
Fund Balance, End of Year			<u>\$ 145,085</u>	

See independent auditor's report.

OTHER SUPPLEMENTARY INFORMATION

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA
Schedules of Compensation, Benefits, and Other Payments
to Agency Heads
For the Year Ended December 31, 2023**

Agency Head

District A - Honorable Raymond S. Childress

Purpose	Amount Paid by the Court
Salary	\$0
Benefits - Insurance	\$0
Benefits - Retirement	\$0
Benefits - Other	\$0
Mileage	\$0
Automobile Allowance	\$0
Per Diem	\$1,298
Reimbursements	\$0
Travel	\$0
Registration Fees	\$2,375
Cell Phone	\$1,246
Dues	\$100
Conference Travel	\$64
Continuing Professional Education Fees	\$0
Lodging	\$1,277
Other Expenses	\$38
Special Meals	\$173

See independent auditor's report.

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA
Schedules of Compensation, Benefits, and Other Payments
to Agency Heads (Continued)
For the Year Ended December 31, 2023**

Agency Head

District B - Honorable August J. Hand

Purpose	Amount Paid by the Court
Salary	\$0
Benefits - Insurance	\$0
Benefits - Retirement	\$0
Benefits - Other	\$0
Mileage	\$0
Automobile Allowance	\$4,631
Per Diem	\$944
Reimbursements	\$0
Travel	\$0
Registration Fees	\$639
Cell Phone	\$1,246
Dues	\$0
Conference Travel	\$0
Continuing Professional Education Fees	\$0
Lodging	\$1,834
Other Expenses	\$0
Special Meals	\$48

See independent auditor's report.

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA
Schedules of Compensation, Benefits, and Other Payments
to Agency Heads (Continued)
For the Year Ended December 31, 2023**

Agency Head

District C - Honorable Richard A. Swartz, Jr.

Purpose	Amount Paid by the Court
Salary	\$0
Benefits - Insurance	\$0
Benefits - Retirement	\$0
Benefits - Other	\$0
Mileage	\$3,584
Automobile Allowance	\$0
Per Diem	\$826
Reimbursements	\$0
Travel	\$0
Registration Fees	\$0
Cell Phone	\$1,246
Dues	\$0
Conference Travel	\$910
Continuing Professional Education Fees	\$0
Lodging	\$1,046
Other Expenses	\$12
Special Meals	\$48

See independent auditor's report.

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA
Schedules of Compensation, Benefits, and Other Payments
to Agency Heads (Continued)
For the Year Ended December 31, 2023**

Agency Head

District D - Honorable John A. Keller

Purpose	Amount Paid by the Court
Salary	\$0
Benefits - Insurance	\$0
Benefits - Retirement	\$0
Benefits - Other	\$0
Mileage	\$0
Automobile Allowance	\$0
Per Diem	\$0
Reimbursements	\$0
Travel	\$0
Registration Fees	\$0
Cell Phone	\$1,246
Dues	\$100
Conference Travel	\$0
Continuing Professional Education Fees	\$0
Lodging	\$1,284
Other Expenses	\$0
Special Meals	\$48

See independent auditor's report.

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA
Schedules of Compensation, Benefits, and Other Payments
to Agency Heads (Continued)
For the Year Ended December 31, 2023**

Agency Head

District E - Honorable William H. Burris, Chief Judge

Purpose	Amount Paid by the Court
Salary	\$0
Benefits - Insurance	\$0
Benefits - Retirement	\$0
Benefits - Other	\$0
Mileage	\$2,137
Automobile Allowance	\$0
Per Diem	\$1,062
Reimbursements	\$0
Travel	\$0
Registration Fees	\$775
Cell Phone	\$1,246
Dues	\$100
Conference Travel	\$721
Continuing Professional Education Fees	\$0
Lodging	\$1,543
Other Expenses	\$0
Special Meals	\$48

See independent auditor's report.

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA
Schedules of Compensation, Benefits, and Other Payments
to Agency Heads (Continued)
For the Year Ended December 31, 2023**

Agency Head

District F - Honorable Vincent J. Lobello

Purpose	Amount Paid by the Court
Salary	\$0
Benefits - Insurance	\$0
Benefits - Retirement	\$0
Benefits - Other	\$0
Mileage	\$1,875
Automobile Allowance	\$0
Per Diem	\$826
Reimbursements	\$0
Travel	\$0
Registration Fees	\$1,680
Cell Phone	\$1,246
Dues	\$180
Conference Travel	\$1,688
Continuing Professional Education Fees	\$0
Lodging	\$1,046
Other Expenses	\$115
Special Meals	\$48

See independent auditor's report.

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA
Schedules of Compensation, Benefits, and Other Payments
to Agency Heads (Continued)
For the Year Ended December 31, 2023**

Agency Head

District G - Honorable Scott C. Gardner

Purpose	Amount Paid by the Court
Salary	\$0
Benefits - Insurance	\$0
Benefits - Retirement	\$0
Benefits - Other	\$0
Mileage	\$0
Automobile Allowance	\$0
Per Diem	\$0
Reimbursements	\$0
Travel	\$0
Registration Fees	\$0
Cell Phone	\$1,246
Dues	\$50
Conference Travel	\$0
Continuing Professional Education Fees	\$0
Lodging	\$0
Other Expenses	\$0
Special Meals	\$48

See independent auditor's report.

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA
Schedules of Compensation, Benefits, and Other Payments
to Agency Heads (Continued)
For the Year Ended December 31, 2023**

Agency Head

District H - Honorable Alan A. Zaunbrecher

Purpose	Amount Paid by the Court
Salary	\$0
Benefits - Insurance	\$0
Benefits - Retirement	\$0
Benefits - Other	\$0
Mileage	\$0
Automobile Allowance	\$0
Per Diem	\$0
Reimbursements	\$0
Travel	\$0
Registration Fees	\$35
Cell Phone	\$1,246
Dues	\$100
Conference Travel	\$0
Continuing Professional Education Fees	\$0
Lodging	\$0
Other Expenses	\$0
Special Meals	\$48

See independent auditor's report.

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA
Schedules of Compensation, Benefits, and Other Payments
to Agency Heads (Continued)
For the Year Ended December 31, 2023**

Agency Head

District I - Honorable Reginald T. Badeaux, III

Purpose	Amount Paid by the Court
Salary	\$0
Benefits - Insurance	\$0
Benefits - Retirement	\$0
Benefits - Other	\$0
Mileage	\$0
Automobile Allowance	\$0
Per Diem	\$0
Reimbursements	\$0
Travel	\$0
Registration Fees	\$0
Cell Phone	\$1,246
Dues	\$0
Conference Travel	\$0
Continuing Professional Education Fees	\$0
Lodging	\$0
Other Expenses	\$0
Special Meals	\$48

See independent auditor's report.

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA
Schedules of Compensation, Benefits, and Other Payments
to Agency Heads (Continued)
For the Year Ended December 31, 2023**

Agency Head

District J - Honorable Ellen M. Creel

Purpose	Amount Paid by the Court
Salary	\$0
Benefits - Insurance	\$0
Benefits - Retirement	\$0
Benefits - Other	\$0
Mileage	\$1,069
Automobile Allowance	\$0
Per Diem	\$531
Reimbursements	\$0
Travel	\$0
Registration Fees	\$1,617
Cell Phone	\$1,246
Dues	\$0
Conference Travel	\$573
Continuing Professional Education Fees	\$0
Lodging	\$897
Other Expenses	\$22
Special Meals	\$48

See independent auditor's report.

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA
Schedules of Compensation, Benefits, and Other Payments
to Agency Heads (Continued)
For the Year Ended December 31, 2023**

Agency Head

District K - Honorable Patrice W. Oppenheim

Purpose	Amount Paid by the Court
Salary	\$0
Benefits - Insurance	\$0
Benefits - Retirement	\$0
Benefits - Other	\$0
Mileage	\$0
Automobile Allowance	\$4,808
Per Diem	\$236
Reimbursements	\$0
Travel	\$0
Registration Fees	\$245
Cell Phone	\$1,246
Dues	\$710
Conference Travel	\$0
Continuing Professional Education Fees	\$0
Lodging	\$134
Other Expenses	\$0
Special Meals	\$48

See independent auditor's report.

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA
Schedules of Compensation, Benefits, and Other Payments
to Agency Heads (Continued)
For the Year Ended December 31, 2023**

Agency Head

District L - Honorable Dawn Amacker

Purpose	Amount Paid by the Court
Salary	\$0
Benefits - Insurance	\$0
Benefits - Retirement	\$0
Benefits - Other	\$0
Mileage	\$0
Automobile Allowance	\$4,152
Per Diem	\$426
Reimbursements	\$0
Travel	\$0
Registration Fees	\$0
Cell Phone	\$1,246
Dues	\$740
Conference Travel	\$0
Continuing Professional Education Fees	\$0
Lodging	\$0
Other Expenses	\$75
Special Meals	\$48

See independent auditor's report.

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA
Justice System Funding Schedule - Receiving Entity
As Required by Act 87 of the 2020 Regular Legislative Session
Judicial Expense Fund - Cash Basis Presentation
For the Six-Month Periods Ended June 30, 2023 and December 31, 2023**

	First Six- Month Period Ended 6/30/2023	Second Six- Month Period Ended 12/31/2023
Receipts from:		
St. Tammany Parish Clerk of Court, Civil Fees	\$ 61,265	\$ 69,927
Washington Parish Clerk of Court, Civil Fees	11,085	7,680
St. Tammany Parish Sheriff's Office, Bail Bond Fees	73,067	71,904
Probation	5,750	1,350
St. Tammany Parish Sheriff's Office, Criminal Fines	31,185	30,310
Washington Parish Sheriff's Office, Criminal Fines	310	280
Subtotal Receipts	\$ 182,662	\$ 181,451
Ending Balance of Amounts Assessed but not Received	\$ -	\$ -

See independent auditor's report.

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA
Justice System Funding Schedule - Receiving Entity
As Required by Act 87 of the 2020 Regular Legislative Session
Non-Support Fund - Cash Basis Presentation
For the Six-Month Periods Ended June 30, 2023 and December 31, 2023**

	First Six- Month Period Ended 6/30/2023	Second Six- Month Period Ended 12/31/2023
Receipts from:		
Louisiana Department of Social Services, Civil Fees	\$ 276,928	\$ 284,294
Subtotal Receipts	<u>\$ 276,928</u>	<u>\$ 284,294</u>
Ending Balance of Amounts Assessed but not Received	<u>\$ -</u>	<u>\$ -</u>

See independent auditor's report.

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA
Justice System Funding Schedule - Receiving Entity
As Required by Act 87 of the 2020 Regular Legislative Session
Probation Fee Fund - Cash Basis Presentation
For the Six-Month Periods Ended June 30, 2023 and December 31, 2023**

	First Six- Month Period Ended 6/30/2023	Second Six- Month Period Ended 12/31/2023
Receipts from:		
Washington Parish Sheriff Office	\$ 118	\$ 105
Probation Fees (DPS&C, Money Order Collections)	339,121	275,144
Subtotal Receipts	\$ 339,239	\$ 275,249
Ending Balance of Amounts Assessed but not Received	\$ -	\$ -

See independent auditor's report.

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA
Justice System Funding Schedule - Receiving Entity
As Required by Act 87 of the 2020 Regular Legislative Session
Specialty Courts Fund - Cash Basis Presentation
For the Six-Month Periods Ended June 30, 2023 and December 31, 2023**

	First Six- Month Period Ended 6/30/2023	Second Six- Month Period Ended 12/31/2023
Receipts from:		
St. Tammany Parish Sheriff's Office, Criminal Court Costs	\$ 2,389	\$ 1,671
Subtotal Receipts	<u>\$ 2,389</u>	<u>\$ 1,671</u>
Ending Balance of Amounts Assessed but not Received	<u>\$ -</u>	<u>\$ 300</u>

See independent auditor's report.

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA
Schedule of FINS Assistance Program Funds -
Revenue and Expenditure Activity
For the Period January 1, 2023 to December 31, 2023**

Revenues	\$ 69,261
Expenditures	<u>71,032</u>
Excess of Expenditures Over Revenues	<u><u>\$ (1,771)</u></u>

See independent auditor's report.

**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**

Independent Auditor's Report

To the Chief Judge and Judges
of the Twenty-Second Judicial District Court
Washington, St. Tammany Parishes, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Twenty-Second Judicial District Court (the Court), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Court's basic financial statements, and have issued our report thereon dated June 19, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Court's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 Court'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 Court'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 Legislative Auditor as a public document.



A Professional Accounting Corporation

Covington, LA
June 19, 2024

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY UNIFORM GUIDANCE**

Independent Auditor's Report

To the Chief Judge and Judges
of the Twenty-Second Judicial District Court
Washington, St. Tammany Parishes, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Twenty-Second Judicial District Court's (the Court) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Court's major federal programs for the year ended December 31, 2023. The Court's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Twenty-Second Judicial District Court complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (Government Auditing Standards); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Court and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Court's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Court's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Court's compliance based on our audit. 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Court's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Court's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Court's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Court's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed. The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "LaForte".

A Professional Accounting Corporation

Covington, LA
June 19, 2024

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023**

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Grantor's Number	Expenditures
<u>U.S. Department of Health and Human Services</u>			
Direct Award			
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	N/A	\$ 223,590
Assisted Outpatient Treatment	93.997	N/A	240,130
Passed through the Supreme Court State of Louisiana			
Office of the Judicial Administration			
Temporary Assistance for Needy Families - Drug Court	93.558		200,082
Temporary Assistance for Needy Families - Family Preservation Court	93.558		<u>135,349</u>
Total TANF			335,431
Total U.S. Department of Health and Human Services			<u>799,151</u>
<u>U.S. Department of Transportation</u>			
Passed through the Supreme Court State of Louisiana			
National Priority Safety Programs	20.616		<u>81,989</u>
Total U.S. Department of Transportation			<u>81,989</u>
<u>U.S. Department of Justice</u>			
Direct Award			
Drug Court Discretionary Grant Program	16.585		<u>69,501</u>
Total U.S. Department of Justice			<u>69,501</u>
Total Expenditures of Federal Awards			<u>\$ 950,641</u>

See notes to schedule of expenditures of federal awards.

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA**

**Notes to Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023**

Note 1. General

The accompanying schedule of expenditures of federal awards presents the activity of all federal financial assistance programs of the Twenty-Second Judicial District Court (the Court). The Court's reporting entity is defined in Note 1 to the basic financial statements for the year ended December 31, 2023. All federal financial assistance received directly from federal agencies is included on the schedule, as well as federal assistance passed through other government agencies.

Note 2. Basis of Accounting

The accompanying schedule of expenditures of federal awards is presented using the modified accrual basis of accounting which is described in Note 1 to the Court's basic financial statements for the year ended December 31, 2023.

Note 3. De Minimis Cost Rate

The Court has not elected to use the 10% de minimis indirect cost rate as provided for in the Uniform Guidance.

**TWENTY-SECOND JUDICIAL DISTRICT COURT
WASHINGTON, ST. TAMMANY PARISHES, LOUISIANA
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2023**

A. SUMMARY OF AUDITOR’S RESULTS

Financial Statements

- | | |
|--|---------------|
| 1. Type of auditor’s report | Unmodified |
| 2. Internal control over financial reporting | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | None Reported |
| c. Noncompliance material to the financial statements noted? | No |

Federal Awards

- | | |
|---|---------------|
| 3. Internal control over major programs | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | None Reported |
| 4. Type of auditor’s report issued on compliance for each major program | Unmodified |
| 5. Audit findings disclosed that are required in accordance with Section 2 CFR 200.516(a) | None |
| 6. Identification of major programs | |

<u>Program Name</u>	<u>Assistance Listing Number</u>
Temporary Assistance for Needy Families (TANF)	93.558

- | | |
|---|-----------|
| 7. Dollar threshold used to distinguish between Type A and B programs | \$750,000 |
| 8. Auditee qualified as a low-risk auditee under 2 CFR 200.520? | Yes |

B. FINDINGS - FINANCIAL STATEMENT AUDIT

None.

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

None.

AGREED-UPON PROCEDURES REPORT
Twenty-Second Judicial District Court

Independent Accountant's Report
On Applying Agreed-Upon Procedures

For the Period January 1, 2023 - December 31, 2023

To the Chief Judge and Judges of the
Twenty-Second Judicial District Court
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the Twenty-Second Judicial District Court's (the Court) control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal year January 1, 2023 through December 31, 2023. Twenty-Second Judicial District Court's management is responsible for those C/C areas identified in the SAUPs.

The 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 the LLA's SAUPs for the fiscal year January 1, 2023 through December 31, 2023. Additionally, the 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 results are as follows:

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.

Results: No exceptions were found as a result of these procedures.

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, 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.*
- 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.

Results: No exceptions were found as a result of these 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.

Results: No exceptions were found as a result of these 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 agency 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.

Results: No exceptions were found as a result of these 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.

Results: No exceptions were found as a result of these 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., 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 (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). 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: No exceptions were found as a result of these procedures.

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 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.

Results: No exceptions were found as a result of these procedures.

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.

Results: No exceptions were found as a result of these procedures.

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 whether 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, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Results: No exceptions were found as a result of these 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.

Results: No exceptions were found as a result of these 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).

Results: No exceptions were found as a result of these procedures.

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.

Results: No exceptions were found as a result of these procedures.

13) Information Technology Disaster Recovery/Business Continuity

- A. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**
- i. 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.
 - ii. 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.
 - iii. 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.
- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

C. 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.

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

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 1st, 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.

Results: No exceptions were found as a result of these procedures

We were engaged by the 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 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 on those C/C areas identified in Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures, and the results of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

A handwritten signature in cursive script that reads "LaForte".

A Professional Accounting Corporation

Covington, LA
June 19, 2024