

Juvenile Court for Caddo Parish

FINANCIAL STATEMENTS

December 31, 2017



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**Juvenile Court for Caddo Parish
Shreveport, Louisiana**

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December 31, 2017**

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Required Supplementary Information

Management's Discussion and Analysis (unaudited)

**Juvenile Court for Caddo Parish
Shreveport, Louisiana**

Management's Discussion and Analysis (unaudited)

December 31, 2017

This section of the Juvenile Court for Caddo Parish's ("Juvenile Court") annual financial report presents our discussion and analysis of the Juvenile Court's financial performance during the fiscal year that ended on December 31, 2017. Please read it in conjunction with the Juvenile Court's financial statements, which follow this section.

Financial Highlights

The following exhibits some of the more important highlights of the financial results for the government-wide financial statements for the year ended December 31, 2017:

- The Juvenile Court's total net position from governmental activities increased \$10,494 from the beginning of the fiscal year as a result of operations during the year;
- During the year ended December 31, 2017, the Juvenile Court's expenses were \$8,810 less than the \$631,870 recognized as revenue from charges for services and operating grants;
- The cost of operating the programs of the Juvenile Court was \$623,060, which represents a decrease in the costs of operations over the prior year of \$67,560 or a 9.78% (percent) decrease, and
- The General Fund reported unassigned fund balance of \$102,748.

Overview of the Financial Statements

This annual report consists of three parts – management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the Juvenile Court:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the Juvenile Court's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the Juvenile Court's governmental operations, reporting the Juvenile Court's operations in more detail than the government-wide statements.
 - The governmental funds statements illustrate how general government services, like court operations, were financed in the short-term as well as what remains for future spending, including a special revenue fund that provides information about the use of revenue earmarked by law for a particular purpose.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Exhibit 1 shows how the required parts of this annual report are arranged and relate to one another.

Exhibit 1 summarizes the major features of the Juvenile Court’s financial statements, including the portion of the Juvenile Court’s government they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis explains the structure of contents of each of the statements.

Exhibit 1		
Major Features of Juvenile Court’s Government and Fund Financial Statements		
	Government-Wide Statements	Governmental Funds
Scope	The entire Juvenile Court governmental unit	The activities of the Juvenile Court that are not proprietary or fiduciary
Required financial statements	<ul style="list-style-type: none"> • Statement of net position • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenue, expenditures and changes in fund balances
Accounting basis and measurements focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus
Type of asset/liability	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets are included
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is paid or received	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payments are due during the year or soon thereafter

Government-Wide Statements

The government-wide statements report information about the Juvenile Court as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the government’s assets and liabilities. All of the current year’s revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two government-wide statements report the Juvenile Court’s net position and how they have changed. Net position (the difference between the Juvenile Court’s total assets and total liabilities) is one way to measure the Juvenile Court’s financial health, or position.

For instance:

- Over time, increases or decreases in the Juvenile Court’s net position is an indicator of whether its financial health is improving or deteriorating.
- To assess the overall health of the Juvenile Court, you need to consider additional financial factors, such as changes in the finances of the State of Louisiana and the Caddo Parish Commission.

The government-wide financial statements of the Juvenile Court consist of:

- Governmental activities - all of the Juvenile Court's basic services are included here, such as services to protect the welfare of children.

Fund Financial Statements

The fund financial statements provide more detailed information about the Juvenile Court's most significant funds, not the Juvenile Court as a whole. Funds are accounting devices that the Juvenile Court uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law.

The Juvenile Court has one type of fund:

- Governmental funds – Most of the Juvenile Court's basic services are included in two governmental funds (general and special revenue) which focus on (1) how cash and other financial assets that can be readily converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the Juvenile Court's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statements, or on the subsequent page, that explains the relationships between the two types of financial statements.

Financial Analysis of the Juvenile Court as a Whole

Net Position The Juvenile Court's combined net position increased during 2017 by \$10,494 or 9.33% (percent), from \$112,470, at December 31, 2016, as shown in the following table:

	2017	2016	Increase (decrease)
Current and other assets	\$ 150,102	\$ 167,779	
Capital assets	13,368	-	
Total assets	<u>163,470</u>	<u>167,779</u>	
Current liabilities	<u>40,506</u>	<u>55,309</u>	
Net position			
Invested in capital assets	13,368	-	
Restricted	3,392	2,238	
Unrestricted	<u>106,204</u>	<u>110,232</u>	
Total net position	<u>\$ 122,964</u>	<u>\$ 112,470</u>	<u>\$ 10,494</u>

Changes in Net Position The following condensed government-wide governmental activity statement illustrates the major changes in operations for the Juvenile Court in 2017 as compared to 2016:

	2017	2016	Increase (decrease)	Percent change
Revenues	\$ 633,554	\$ 542,907	\$ 90,647	16.70%
Expenses	623,060	690,620	(67,560)	-9.78%
Change in net position	<u>\$ 10,494</u>	<u>\$ (147,713)</u>	<u>\$ (158,207)</u>	

Governmental Activities The Juvenile Court's total governmental revenue increased from 2016 by \$90,647 or 16.70% (percent), while expenses decreased by \$67,560 or 9.78% (percent), as compared to 2016. The decreases in expenses occurred primarily in Costs to Caddo Parish, which include reimbursements to Caddo Parish Commission for costs associated with the operation of the Juvenile Court.

There were no significant changes to the sources of revenue between 2017 and 2016.

	2017	2016	Increase (decrease)	Percent change
Revenue				
Charges for services	\$ 375,745	\$ 341,402	\$ 34,343	10.06%
Grants and contributions parish support	256,125	198,305	57,820	29.16%
Other	1,684	3,200	(1,516)	-47.39%
Total revenues	<u>633,554</u>	<u>542,907</u>	<u>90,647</u>	<u>16.70%</u>
Expenses				
Personnel services	255,476	163,154	92,322	56.59%
Other costs to deliver governmental programs	367,584	527,466	(159,882)	-30.31%
Total expenses	<u>623,060</u>	<u>690,620</u>	<u>(67,560)</u>	<u>-9.78%</u>
Change in net position	<u>\$ 10,494</u>	<u>\$ (147,713)</u>	<u>\$ (158,207)</u>	

Financial Analysis of the Juvenile Court's Funds

At the end of 2017, the Juvenile Court's governmental funds reported a combined fund balance of \$109,596, which decreased a total of \$2,874 from prior year fund balance of \$112,470. The prior year operations showed a decrease in fund balance of \$147,713.

Capital Assets The Juvenile Court’s investment in capital assets (net of accumulated depreciation) for its governmental activities as of December 31, 2017, is \$13,368.

This investment in capital assets includes vehicles.

	<u>2017</u>	<u>2016</u>
Vehicles	\$ 16,710	\$ -
Less accumulated depreciation	<u>(3,342)</u>	<u>-</u>
Net capital assets	<u>\$ 13,368</u>	<u>\$ -</u>

Additional information on the Juvenile Court’s capital assets can be found in Note 5 Capital Assets in this report.

Economic Factors and Next Year’s Budget

The Juvenile Court relies on the State of Louisiana, enforcement fees, and court fees for the majority of its funding. As with any company, the cost of business continues to rise. This office has taken steps to minimize those increases by maximizing the funds that are generated through fines and costs.

General Fund Budgetary Highlights

The Juvenile Court has prepared budgets that cover its governmental activities in the General Fund and Special Revenue Fund. Included in this financial report are comparison schedules that illustrate the actual results of these funds compared to the original and revised budgets.

Contacting the Juvenile Court’s Financial Management

This financial report is designed to provide the citizens, taxpayers, and creditors with a general overview of the Juvenile Court’s finances and to demonstrate the Juvenile Court’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mr. H. Ted Cox III, Administrator, 1835 Spring Street, Shreveport, LA 71101.

Basic Financial Statements

**Juvenile Court for Caddo Parish
Shreveport, Louisiana**

**Statement of Net Position
December 31, 2017**

Assets

Cash and cash equivalents	\$ 68,623
Investments	28,867
Due from other governments	48,826
Other receivables	330
Prepaid expenses	3,456
Capital assets, net of accumulated depreciation	<u>13,368</u>
 Total assets	 <u>163,470</u>

Liabilities

Accounts payable	25,345
Accrued Expenses	885
Due to other governments	<u>14,276</u>
 Total liabilities	 <u>40,506</u>

Net position

Invested in capital assets	13,368
Restricted for Child Support	3,392
Unrestricted	<u>106,204</u>
 Total net position	 <u>\$ 122,964</u>

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

**Juvenile Court for Caddo Parish
Shreveport, Louisiana**

**Statement of Activities
for the Year Ended December 31, 2017**

		Program Revenues			
Functions/programs	Expenses	Charges for services	Operating grants and contributions		Net (expense) revenue and changes in net position
Governmental activities					
Judicial	\$ 623,060	\$ 375,745	\$ 256,125		\$ 8,810
Total governmental activities	\$ 623,060	\$ 375,745	\$ 256,125		8,810
General revenues					
Interest and investment earnings					1,034
Other					650
Total general revenues					1,684
Change in net position					10,494
Net position, January 1, 2017					112,470
Net position, December 31, 2017					\$ 122,964

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

**Juvenile Court for Caddo Parish
Shreveport, Louisiana**

**Balance Sheet - Governmental Funds
December 31, 2017**

	Governmental Funds		
	General Fund	Child Support Special Revenue Fund	Total
Assets			
Cash and cash equivalents	\$ 68,623	\$ -	\$ 68,623
Investments	28,867	-	28,867
Due from other governments	26,571	22,255	48,826
Other receivables	330	-	330
Prepaid expenses	3,456	-	3,456
Total assets	\$ 127,847	\$ 22,255	\$ 150,102
 Liabilities and Fund Balances			
Liabilities			
Accounts payable	\$ 17,750	\$ 7,595	\$ 25,345
Due to other governments	3,893	10,383	14,276
Accrued salaries	-	885	885
Total liabilities	21,643	18,863	40,506
 Fund balances			
Nonspendable	3,456	-	3,456
Restricted to:			
Support enforcement	-	3,392	3,392
Unassigned	102,748	-	102,748
Total fund balances	106,204	3,392	109,596
Total liabilities and fund balances	\$ 127,847	\$ 22,255	\$ 150,102

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

**Juvenile Court for Caddo Parish
Shreveport, Louisiana**

**Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position
December 31, 2017**

Fund balances - total governmental funds	\$	109,596
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the governmental funds		
Those assets consist of:		
Governmental capital assets	\$ 16,710	
Less accumulated depreciation	<u>(3,342)</u>	<u>13,368</u>
Net position of governmental activities	\$	<u><u>122,964</u></u>

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

**Juvenile Court for Caddo Parish
Shreveport, Louisiana**

**Statement of Revenue, Expenditures and Changes in Fund Balances - Governmental Funds
for the Year Ended December 31, 2017**

	Governmental Funds		
	General Fund	Child Support Special Revenue Fund	Total
Revenue			
Fines, charges and commissions for services			
Support enforcement fees	\$ -	\$ 274,368	\$ 274,368
Court fees and costs	101,377	-	101,377
Intergovernmental revenue			
Federal and state financial assistance	256,125	-	256,125
Earnings on investments	770	264	1,034
Other	650	-	650
Total revenue	<u>358,922</u>	<u>274,632</u>	<u>633,554</u>
Expenditures			
Current operating			
Salaries regular employees	-	44,102	44,102
Costs to Caddo Parish	-	115,000	115,000
Costs to other governmental agencies	4,848	153	5,001
Dues	4,957	-	4,957
Education, travel and training	45,065	-	45,065
Employee benefits reimbursement	-	14,557	14,557
Family Drug Treatment Court			
Administrative and personnel	27,103	-	27,103
Treatment	184,271	-	184,271
Testing and laboratory	26,291	-	26,291
Training and travel	13,281	-	13,281
Other services	5,000	-	5,000
Insurance	2,138	-	2,138
Legal and auditing	4,750	4,750	9,500
Books and subscriptions	321	-	321
Miscellaneous	1,765	11	1,776
Office costs	10,116	-	10,116
Professional services	16,334	94,905	111,239
Capital outlay	16,710	-	16,710
Total expenditures	<u>362,950</u>	<u>273,478</u>	<u>636,428</u>
Net change in fund balance	(4,028)	1,154	(2,874)
Fund balance at beginning of year	110,232	2,238	112,470
Fund balance at end of year	<u>\$ 106,204</u>	<u>\$ 3,392</u>	<u>\$ 109,596</u>

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

**Juvenile Court for Caddo Parish
Shreveport, Louisiana**

**Reconciliation of the Statement of Revenue, Expenditures and
Changes in Fund Balances - Governmental Funds to the Statement of Activities
for the Year Ended December 31, 2017**

Net change in fund balances - total governmental funds	\$ (2,874)
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures; however, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Capital Outlay	16,710
Depreciation expense	<u>(3,342)</u>

Change in net position of governmental activities	<u>\$ 10,494</u>
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The accompanying notes are an integral part of the financial statements.

**Juvenile Court for Caddo Parish
Shreveport, Louisiana**

Notes to the Financial Statements

Introduction

The Juvenile Court for Caddo Parish (the “Juvenile Court”) is provided for under Louisiana Revised Statutes Sections 13:1564 through 13:1565. Three elected judges serve as the governing body of the Juvenile Court. All sessions of the Juvenile Court shall be held separate and apart from the First Judicial District Court in quarters to be provided by the governing authority of the Caddo Parish Commission (the “Commission”). The Commission is required to make all necessary provisions for the proper conduct of the Juvenile Court and to provide for all necessary expenses in connection with the operation of the Juvenile Court, except for expenses directly related to employees of the Caddo Parish Clerk of Court who serves as the ex officio clerk of the Juvenile Court, including the stenographer and all necessary and legitimate expenses incurred by the probation officers in the discharge of their official duties.

The Juvenile Court has exclusive juvenile jurisdiction in Caddo Parish including, but not limited to all juvenile violations, abuse and neglect, delinquency, traffic, non-support issues, and all other administrative and judicial matters involving juveniles in Caddo Parish, Louisiana.

During 2007, through an intergovernmental agreement between the Commission and the Juvenile Court, all programs involving care and rehabilitation of juveniles and the related resources of the Juvenile Court were transferred to the Department of Juvenile Services, created by Caddo Parish Commission Ordinance 4484.

Note 1 Summary of Significant Accounting Policies

A. Basis of Presentation

The Juvenile Court’s financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant policies established in GAAP, and used by the Juvenile Court, are discussed below.

Government-Wide and Fund Financial Statements

The financial statements comply with GASB Statement No. 34, *Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments*.

The government-wide financial statements (GWFS) (i.e., the statement of net position and the statement of activities) report information on all of the activities of the Juvenile Court.

B. Reporting Entity

As the governing authority of the parish, for reporting purposes, the Commission is the financial reporting entity for Caddo Parish. The financial reporting entity consists of (a) the primary government (Parish Commission), (b) organizations for which the primary government is financially responsible, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

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

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

The Commission has determined that the Juvenile Court is not a component unit of the parish because it is legally separate from the Commission and is governed by independently elected officials. The Commission is not considered accountable for the Juvenile Court due to the inability of the Commission to impose its will over the daily operations. While some financial burdens are placed on the Commission by the Juvenile Court, it is not significant enough to warrant inclusion in the reporting entity. Using the above criteria, it was also determined that the Juvenile Court has no component units.

The accompanying financial statements include all organizations, activities, and functions that comprise the Juvenile Court and do not present information on the Caddo Parish Commission, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. Fund Accounting

The Juvenile Court organizes its accounts on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues and expenditures. The Juvenile Court uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Funds of the Juvenile Court are classified as governmental funds. Governmental funds account for all of the Juvenile Court's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between the governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources that may be used to finance future period programs or operations. The following are the Juvenile Court's governmental funds:

Governmental Fund Type

General Fund

Accounts for revenues received through state and federal grants for Family Drug Treatment Court. It also includes the judicial expense fund fees, fines and costs imposed and collected by the Juvenile Court. The funds collected are under the control of the juvenile judges and may be used for any operating expense of the Juvenile Court including salaries for court reporters and other personnel, establishing and maintaining a law library, and buying or maintaining any type of equipment, supplies, or other items germane to or consistent with the efficient operation of the Juvenile Court, however, no judge's salary may be paid from the General Fund.

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue resources that are legally restricted to expenditure for specific purposes. The Juvenile Court has one special revenue fund:

Child Support Fund

Accounts for a five per cent (5%) fee assessed in non-support cases that are processed through the state's Child Support Enforcement Program.

D. Measurement Focus and Basis of Accounting

The government-wide financial statements were prepared using the economic resources measurement focus and accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the

requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*.

Program Revenues – Program revenues included in the Statement of Activities are derived directly from court costs, fines, forfeitures, and grants. Program revenues reduce the costs of the function to be financed from the Juvenile Court's general revenues.

Revenues represented by reimbursements and incentives under the Temporary Assistance for Needy Families (TANF) program are recognized when program expenditures are incurred in accordance with program guidelines. Court costs and fees provided for in Louisiana Statutes are recorded as received in cash. Investment earnings are recorded as earned since they are measurable and available.

Fund Financial Statements (FFS) – The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenue and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

Governmental funds are accounted for on the modified accrual basis of accounting. Under this basis of accounting, revenues are recognized in the accounting period in which they become susceptible to accrual – that is, when they become measurable and available to pay current liabilities. Grants are recorded when the Juvenile Court is entitled to such funds. Earnings on investments are recorded when earned. Substantially all other revenues are recorded when received.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Operating transfers between funds – Transfers between funds that are not expected to be repaid are accounting for as other financial sources (uses). These transactions are recorded as they occur. In those cases where repayment is expected, the transfers are accounted for through the various due from and due to accounts. Generally, these transfers are to pay operating costs of the Juvenile Court borne by one or the other of the Juvenile Court's funds.

E. Budgetary Practices

Budgets are adopted on a modified accrual basis, which is consistent with U.S. generally accepted accounting principles. Annual appropriated budgets are adopted for the general fund. All annual appropriations lapse at fiscal year-end.

The Louisiana Local Government Budget Act provides that "the total of proposed expenditures shall not exceed the total of estimated funds available for the ensuing year." The "total estimated funds available" is the sum of the estimated fund balance at the beginning of the year and the anticipated revenues for the current year.

Through the budget, the Juvenile Court allocates its resources and establishes its priorities. The annual budget assures the efficient and effective use of the Juvenile Court's economic resources. It establishes the foundation of effective financial planning by providing resource planning, performance measures and controls that permit the evaluation and adjustment of the Juvenile Court's performance.

The budget is structured such that revenues are budgeted by source and appropriations are budgeted by principal type of expenditure. Expenditures may not legally exceed appropriations at the fund level. Appropriations that are not expended lapse at year end. The Juvenile Court judges may revise or amend the budget at their discretion. Management may not amend the budget.

F. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits, interest bearing demand deposits, and savings deposits. Cash equivalents include short term, highly liquid investments with original maturities of 90 days or less when purchased. Highly liquid investments with Louisiana Asset Management Pool Inc. (LAMP) are included in cash and cash equivalents. Under state law, the Juvenile Court may deposit funds in demand deposits or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

G. Investments

Juvenile Court's investments are held by the Caddo Parish Commission in its pooled investment account.

State statutes authorize the Commission to invest in U.S. bonds, Treasury notes, and bills, or certificates or time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool Inc. (LAMP), a nonprofit corporation, formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. Investments of the Commission are stated at fair value. Investments, excluding the LAMP investments, are held in the Commission's name through a book-entry system at the Federal Reserve Bank. A separate financial report for LAMP can be located at the LAMP website, www.lamppool.com.

LAMP is designed to be highly liquid to give participants daily access to their account balances. For reporting purposes LAMP balances are included in cash and cash equivalents in the financial statements.

H. Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Uncollectible amounts are recognized as bad debts through the establishment of an allowance account at the time information becomes available that would indicate the uncollectibility of the receivable. At December 31, 2017, the allowance for doubtful accounts was \$0.

I. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are recorded at historical cost or estimated historical cost for assets where historical cost is not available and depreciated over their estimated useful lives. Donated capital assets, donated works of art or similar items, and capital assets received in a service concession arrangement are reported at acquisition value. The Juvenile Court maintains a threshold level for capitalization of capital assets except land. All land is capitalized, regardless of the amount. All other capital assets are capitalized utilizing a threshold of \$5,000 for land improvements, buildings and building improvements, furniture, equipment, vehicles, and construction in progress. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Estimated useful life is management’s estimate of how long the asset is expected to meet service demands. Capital assets have not been assigned a salvage value because management feels that the salvage value is immaterial. Straight-line depreciation is calculated based on the following estimated useful lives:

Land improvements	20 years
Buildings	40 – 45 years
Building improvements	20 years
Vehicles	5 years
Equipment	5 – 20 years

J. Interfund Transactions

Resources belonging to particular funds are commonly shared with other funds that need access to additional resources. When resources are provided without the expectation of repayment, the transaction is reported as a transfer and is treated as a source of income by the recipient fund and as expenditure by the providing fund. Quasi-external transactions, if any, are accounted for as revenues or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

K. Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

L. Net Position Classifications

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

- Invested in capital assets – Consists of capital assets, net of accumulated depreciation.
- Restricted net position – Consists of components of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- Unrestricted net position – Consists of all other components of net position that do not meet the definition of “restricted” or “invested in capital assets”.

The Juvenile Court applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

M. Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Juvenile Court is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent.

In the fund financial statements, governmental fund balance is presented in five possible categories:

Nonspendable - resources, which cannot be spent because they are either (a) not in spendable form (such as prepaid items) or; (b) legally or contractually, required to be maintained intact.

Restricted - resources with constraints placed on their use that are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed - resources which are subject to limitations or constraints to specific purposes the government imposes upon itself at its highest level of decision making (the Juvenile Court judges). These amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.

Assigned - resources neither restricted nor committed for which the Juvenile Court judges have a stated intended use.

Unassigned - resources which cannot be properly classified in one of the other four categories. The General Fund is the only fund that reports a positive unassigned fund balance amount.

The Juvenile Court would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

N. Future Pronouncements

In March 2017, the GASB issued GASB Statement No. 85, Omnibus 2017. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). The requirements of this Statement are effective for the year ending December 31, 2018 and the Juvenile Court is currently assessing their impact.

Note 2 Cash and Cash Equivalents

At December 31, 2017, the Juvenile Court had cash and cash equivalents (book balances) of \$68,623 in the governmental funds. This balance contains cash equivalents totaling \$3,394 consisting of highly liquid investments with LAMP. These funds were held for the Juvenile Court by the Commission in its pooled cash account. These deposits are stated at cost, which approximates market value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. There were no uninsured cash balances as of December 31, 2017.

Note 3 Investments

At December 31, 2017, the Juvenile Court had investments with a fair value totaling \$28,867. These investments were held for the Juvenile Court by the Caddo Parish Commission in its pooled investment account.

State statutes generally authorize the Juvenile Court to invest in direct obligations of the U.S. Treasury, U.S. government agency obligations, and LAMP, a local government investment pool. LAMP is administered by LAMP, Inc., a nonprofit corporation organized under the laws of the State of Louisiana. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. The fair value of investments is determined on a weekly basis to monitor any variances between amortized cost and fair value. For purposes of determining participant's shares, investments are valued at amortized cost. LAMP is designed to be highly liquid to give participants daily access to their account balances.

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Juvenile Court's investment policy requires all securities to be investment grade obligations, but does not address specific credit quality ratings. The Juvenile Court does not limit the amount that may be invested in securities on any one issuer. In accordance with the investment policy, the maximum permitted maturity of any individual security in the Commission's portfolio is five years. It is a further requirement that the overall portfolio be

structured to provide a minimum cash flow, through maturities, equal to 20% of the portfolio on an annual basis. Applicable state statutes do not address credit quality ratings, concentration of credit risk by issuer, or investment maturity limitations.

Custodial Credit Risk of Investments:

Custodial credit risk of investments is the risk that, in the event of the failure of a counterparty, the Caddo Parish Commission will not be able to recover the value of its investments or collateral securities in the possession of an outside party. The Commission has not adopted a policy to address custodial credit risk of investments; however, the Commission's investments in securities are protected by the Securities Investment Protection Corporation.

Interest Rate Risk:

This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, investments with longer maturities have a greater sensitivity to fair value due to changes in market interest rates. The Commission's investment policy requires all securities to be investment grade obligations, but does not address specific credit quality ratings. The Commission does not limit the amount that may be invested in the securities of any one issuer. In accordance with the investment policy, the maximum permitted maturity of any individual security in the Commission's portfolio is five years. It is a further requirement that the overall portfolio be structured to provide a minimum cash flow, through maturities, equal to 20% of the portfolio balance on an annual basis.

Fair Value Measurements:

GASB Statement No. 72, establishes a hierarchy of inputs to valuation techniques used to measure fair value. The Commission categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The implementation of this new statement did not change the method of measuring the fair value of the Commission's assets.

These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1—Investments reflect prices quoted in active markets.
- Level 2—Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active.
- Level 3—Investments reflect prices based upon unobservable sources.

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk.

Information about the fair value level and exposure of the Caddo Parish Commission’s investments to this risk, using the segmented time distribution model is as follows:

Security	Fair Value Level	Standard & Poor’s Rating	Percentage of total portfolio	Fair market value	Months to Maturity			
					0-6	7 - 12	13-24	Over 24
LAMP	N/A	N/A	3%	\$ 3,221,665	\$ 3,221,665	\$ -	\$ -	\$ -
Regions - money market	N/A	N/A	3%	3,944,260	3,944,260	-	-	-
Red River Bank - money market	N/A	N/A	3%	3,944,060	3,944,060	-	-	-
Total included in cash and cash equivalents			9%	11,109,985	11,109,985	-	-	-
Gibsland Certificate of Deposit	1	N/A	1%	752,495	752,495			
U.S. Treasury Notes	1	N/A	15%	18,328,066	-	2,908,345	33,101	15,386,620
U.S. chartered agencies:								
Federal National Mortgage Association	2	AAA	21%	25,202,697	7,593,467	3,002,850	5,445,458	9,160,922
Federal Home Loan Mortgage Association	2	AAA	12%	15,001,614	4,723,157	-	4,465,288	5,813,169
Federal Home Loan Bank	2	AAA	24%	28,956,416	6,373,204	-	9,459,318	13,123,894
Federal Farm Credit Bank	2	AAA	18%	21,994,639	-	4,968,400	7,424,238	9,602,001
Total investments			91%	110,235,927	19,442,323	10,879,595	26,827,403	53,086,606
Total			100%	\$121,345,912	\$ 30,552,308	\$ 10,879,595	\$ 26,827,403	\$ 53,086,606
Percentage of portfolio value				100%	25%	9%	22%	44%

The balance of cash in LAMP, Regions, and Red River Bank totaling \$11,109,985 is classified as “Cash and Cash equivalents” on the Statement of Net Position of the Caddo Parish Commission because the accounts operate as or similar to a money market fund.

The total investments with original maturities of three months or more when purchased are \$110,235,927. These investments are classified as “Investments” on the Statement of Net Position of \$109,402,773 and the Statement of Fiduciary Assets and Liabilities of \$833,154, respectively.

Note 4 Receivables

Receivables at December 31, 2017, primarily consisted of drug court reimbursements, support enforcement fees, and interest income, which were earned during the year ended December 31, 2017, but not remitted by the collecting agency until after year-end.

	General Fund	Child Support Fund	Total
Louisiana Supreme Court:			
Drug court reimbursement	\$ 26,571	\$ 22,255	\$ 48,826
Other receivables	330	-	330
Totals	\$ 26,901	\$ 22,255	\$ 49,156

Note 5 Capital Assets

A summary of changes in capital assets is as follows:

	Balance December 31, 2016	Additions	Reductions	Balance December 31, 2017
<u>Governmental activities:</u>				
Vehicles	\$ -	\$ 16,710	\$ -	\$ 16,710
Less: Accumulated depreciation	-	(3,342)	-	(3,342)
Net capital assets	<u>\$ -</u>	<u>\$ 13,368</u>	<u>\$ -</u>	<u>\$ 13,368</u>

Note 6 Related Party Transactions

Louisiana Revised Statute R.S. 13:1565 requires that the Caddo Parish Commission make all necessary provisions for the proper conduct of the business of the Juvenile Court and to provide all necessary expenses in connection with the operation of the Court. The Caddo Parish Commission provides the facilities, related utility costs for such facilities, accounting services, employee salaries and benefits, and the costs necessary for the proper operation of the Juvenile Court. For the year ended December 31, 2017, the Juvenile Court reimbursed the Caddo Parish Commission \$115,000 for costs associated with the operation of the Juvenile Court. In addition, the Juvenile Court reimbursed the Caddo Parish Commission \$152,009 for payroll and administrative costs associated with Family Drug Court for the year ended December 31, 2017.

Note 7 Contingencies

Grant Disallowances - The Juvenile Court participates in one federally assisted grant program, Temporary Assistance for Needy Families (TANF). The program is subject to various compliance audits. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under the terms of the grant. The Juvenile Court management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

Required Supplementary Information

**Juvenile Court for Caddo Parish
Shreveport, Louisiana**

**Budgetary Comparison Schedule
General Fund
for the Year Ended December 31, 2017**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenue				
Fees, charges, and commissions for services				
Court ordered classroom	\$ 8,000	\$ 8,000	10,215	\$ 2,215
Court fees and costs	61,425	61,425	90,979	29,554
Grant revenue	200,000	255,000	256,125	1,125
Outside agency collections	500	500	183	(317)
Earnings on investments	1,000	1,000	770	(230)
Other	600	600	650	50
Total revenue	271,525	326,525	358,922	32,397
Expenditures				
General government				
Current operating				
Books and subscriptions	6,000	6,000	321	5,679
Dues	2,000	2,000	4,957	(2,957)
Education, travel and training	28,925	43,925	45,065	(1,140)
Office supplies	3,000	3,000	4,086	(1,086)
Copy supplies	3,000	3,000	-	3,000
Telephone	2,500	2,500	4,322	(1,822)
Legal and auditing	4,500	4,500	4,750	(250)
Professional services	-	-	16,334	(16,334)
Grant programs expenses	200,000	255,000	255,946	(946)
Insurance	6,000	6,000	2,138	3,862
Costs to other governmental entities	5,000	5,000	4,668	332
Outside agency distributions	500	500	180	320
Office equipment	3,000	3,000	1,046	1,954
Other equipment	5,000	5,000	662	4,338
Miscellaneous expense	2,100	2,100	1,765	335
Capital outlay	-	17,000	16,710	290
Total expenditures	271,525	358,525	362,950	(4,425)
Deficiency of revenue over expenditures	-	(32,000)	(4,028)	27,972
Beginning fund balance	110,232	110,232	110,232	-
Ending fund balance	\$ 110,232	\$ 78,232	\$ 106,204	\$ 27,972

See Independent Auditors' Report.

**Juvenile Court for Caddo Parish
Shreveport, Louisiana**

**Budgetary Comparison Schedule
Child Support Fund
for the Year Ended December 31, 2017**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
Revenue				
Fees, charges, and commissions for services:				
Support enforcement	\$ 350,000	\$ 270,000	\$ 274,368	\$ 4,368
Earnings on investments	2,000	2,000	264	(1,736)
Total revenue	352,000	272,000	274,632	2,632
Expenditures				
General government				
Current operating				
Salaries Regular Employees	45,000	45,000	44,102	898
Parochial retirement	1,650	1,650	1,236	414
Medicare insurance	4,000	4,000	3,433	567
Supplemental benefits	10,000	10,000	9,888	112
Legal and auditing	4,000	4,000	4,750	(750)
Professional services	37,350	94,350	94,905	(555)
Costs to Caddo Parish	250,000	115,000	115,000	-
Other	-	-	164	(164)
Total expenditures	352,000	274,000	273,478	522
Deficiency of revenue over expenditures	-	(2,000)	1,154	3,154
Beginning fund balance	2,238	2,238	2,238	-
Ending fund balance	\$ 2,238	\$ 238	\$ 3,392	\$ 3,154

See Independent Auditors' Report.

Other Supplementary Information

**Juvenile Court for Caddo Parish
Shreveport, Louisiana**

**Schedule of Compensation, Reimbursements, Benefits,
and Other Payments to Agency Head
for the Year Ended December 31, 2017**

Agency Head Name: H. Ted Cox III, Administrator

Purpose	Amount
Cell phone	\$ 879
Reimbursements	\$ 102
Conference travel	\$ 60
Dues	\$ 110

*Salary and benefits were not provided to the Administrator by the Juvenile Court for Caddo Parish.

INDEPENDENT AUDITORS' REPORTS



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INDEPENDENT AUDITORS' REPORT

The Honorable Judges
Juvenile Court for Caddo Parish
Shreveport, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Juvenile Court for Caddo Parish (Juvenile Court), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Juvenile Court's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Juvenile Court as of December 31, 2017, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *Management's Discussion and Analysis, and Budgetary Comparison Schedules*, on pages 1-5, and 23-24 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Juvenile Court's basic financial statements. The Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Agency Head is presented in accordance with Act 706 of the 2014 Legislative Session, and is not a required part of the basic financial statements.

The Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Agency Head is the responsibility of management and was derived and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Agency Head, is 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 30, 2018, on our consideration of the Juvenile 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 Juvenile 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 Juvenile Court's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS, & INGRAM, LLC

Shreveport, Louisiana

June 30, 2018



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**INDEPENDENT AUDITORS' REPORT ON INTERNAL
CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

The Honorable Judges
Juvenile Court for Caddo Parish
Shreveport, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Juvenile Court for Caddo Parish (Juvenile Court), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Juvenile Court for Caddo Parish's basic financial statements, and have issued our report thereon dated June 30, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Juvenile Court's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Juvenile Court's internal control. Accordingly, we do not express an opinion on the effectiveness of the Juvenile 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

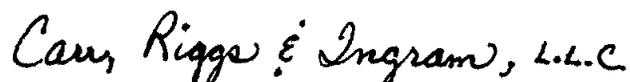
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Juvenile 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the Juvenile Court, in a separate letter dated June 30, 2018.

Purpose of This Report

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



CARR, RIGGS, & INGRAM, LLC

Shreveport, Louisiana
June 30, 2018

Juvenile Court for Caddo Parish
Schedule of Findings and Responses
for the Year Ended December 31, 2017

We have audited the basic financial statements of the Juvenile Court for Caddo Parish as of and for the year ended December 31, 2017, and have issued our report thereon dated June 30, 2018. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of December 31, 2017, resulted in an unmodified opinion. A management letter was issued for the year ended December 31, 2017, and dated June 30, 2018.

Section 1 – Summary of Auditors’ Report

Report on Internal Control and Compliance Material to the Financial Statements

Internal Control	
Material Weakness	No
Other Conditions	No
Compliance	
Compliance Material to Financial Statements	No

Federal Awards

N/A

Section II – Financial Statement Findings Reported in Accordance with *Governmental Auditing Standards*

Current Year Findings

None

Prior Year Findings

None

Section III – Federal Award Findings and Responses

None



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Management Letter

The Honorable Judges
Juvenile Court for Caddo Parish
Shreveport, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Juvenile Court for Caddo Parish (Juvenile Court) for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Juvenile Court's basic financial statements, and have issued our report thereon dated June 30, 2018. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

During the course of our examination, we became aware of the following matters which represent immaterial deviations of compliance or suggestions for improved internal controls.

MLC 2017-001 Local Government Budget Act

Year of Origination – December 31, 2017

Observation:

The Local Government Budget Act and specifically Louisiana Revised Statute 39:1311 requires that the governing authority adopt a budget amendment if there is a 5% or greater shortage in revenue or a 5% or greater overage in expenditures or if there is a 5% or greater variance in the actual fund balance at the beginning of the year. Actual expenditures for the General Fund exceeded budgeted expenditures by 34% and actual revenue for the Child Support Fund was under budgeted revenue by 22%.

Recommendation:

We recommend that procedures be implemented to monitor the budget and actual revenues and expenditures throughout the year.

Views of responsible officials and corrective actions:

The budget was amended to correct this problem as soon as the error was discovered. We agree with the recommendation and will implement a review process to ensure that this does not occur again.

This report is intended solely for the information and use of the Juvenile Court, management and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS, & INGRAM, LLC

Shreveport, Louisiana
June 30, 2018