

FIFTEENTH JUDICIAL DISTRICT COURT
Lafayette, Louisiana

FINANCIAL REPORT

Year Ended June 30, 2017

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INDEPENDENT AUDITOR'S REPORT

To the Honorable David Blanchet
 Fifteenth Judicial District Court
 Lafayette, 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 Fifteenth Judicial District Court, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Fifteenth Judicial District 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.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the

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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 Fifteenth Judicial District Court, as of June 30, 2017, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, schedule of proportionate share of net pension liability, and schedule of contributions on pages 33-39 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.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 3, 2017, on our consideration of the Fifteenth Judicial District Court's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Fifteenth Judicial District Court's internal control over financial reporting and compliance.

Dannall, Sikes, Gaudes & Frederick

A Corporation of Certified Public Accountants

Lafayette, Louisiana

October 3, 2017

BASIC FINANCIAL STATEMENTS
Government-Wide Financial Statements (GWFS)

FIFTEENTH JUDICIAL DISTRICT COURT

Statement of Net Position
June 30, 2017
(With Comparative Totals as of June 30, 2016)

	Governmental Activities	
	2017	2016
ASSETS		
Cash	\$ 1,419,989	\$ 1,392,685
Certificates of deposit	3,901,805	4,151,805
Due from other governmental entities	12,318	27,249
Prepaid expenses	26,817	31,098
Accrued income	158,010	273,225
Security deposits	3,300	3,300
Capital assets, net of accumulated depreciation	<u>60,948</u>	<u>68,114</u>
Total assets	<u>5,583,187</u>	<u>5,947,476</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	<u>729,321</u>	<u>1,102,516</u>
LIABILITIES		
Accrued expenses	169,180	169,429
Long-term liabilities:		
Net pension liability	<u>642,653</u>	<u>862,928</u>
Total liabilities	<u>811,833</u>	<u>1,032,357</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pensions	<u>278,861</u>	<u>253,277</u>
NET POSITION		
Invested in capital assets, net of related debt	60,948	68,114
Restricted	865,934	979,480
Unrestricted	<u>4,294,932</u>	<u>4,716,764</u>
Total net position	<u>\$ 5,221,814</u>	<u>\$ 5,764,358</u>

The accompanying notes are an integral part of this statement.

FIFTEENTH JUDICIAL DISTRICT COURT

Statement of Activities
Year Ended June 30, 2017

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Change in Net Position
		Charges for Services, Fines and Forfeitures	Operating Grants and Contributions	
Governmental Activities				
District Court	\$ 2,539,266	\$ 481,382	\$ 1,142,338	\$ (915,546)
Child Support	918,340	805,887	-	(112,453)
Misdemeanor Probation	484,531	474,095	-	(10,436)
Drug Court	<u>57,421</u>	<u>155,094</u>	<u>-</u>	<u>97,673</u>
Total governmental activities	<u>\$ 3,999,558</u>	<u>\$ 1,916,458</u>	<u>\$ 1,142,338</u>	<u>(940,762)</u>
General revenues:				
				25,292
Investment income				25,172
Other income				(4,372)
Loss on disposal of capital assets				<u>352,126</u>
Special - law clerk reimbursements				398,218
Total general revenues				<u>398,218</u>
Change in net position				(542,544)
Net position, beginning				<u>5,764,358</u>
Net position, ending				<u>\$ 5,221,814</u>

The accompanying notes are an integral part of this statement.

BASIC FINANCIAL STATEMENTS

Fund Financial Statements (FFS)

FIFTEENTH JUDICIAL DISTRICT COURT

Balance Sheet
Government Funds
June 30, 2017
(With Comparative Totals as of June 30, 2016)

	General Fund	Child Support Fund	Misdemeanor Probation Fund
ASSETS			
Cash	\$ 401,286	\$ 271,863	\$ 299,690
Certificates of deposit	1,700,000	1,601,805	400,000
Due from other funds	117,618	-	-
Due from other governmental entities	12,318	-	-
Prepaid expenses	18,909	998	6,910
Accrued income	130,191	1,886	-
Security deposits	-	-	3,300
Total assets	<u>2,380,322</u>	<u>1,876,552</u>	<u>709,900</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Due to other funds	7,394	61,894	32,423
Accrued expenses	<u>130,789</u>	<u>10,541</u>	<u>2,647</u>
Total liabilities	<u>138,183</u>	<u>72,435</u>	<u>35,070</u>
FUND BALANCES			
Nonspendable:			
Prepaid expenditures	18,909	998	6,910
Security deposits	-	-	3,300
Restricted for:			
Fund/program administration	-	201,314	664,620
Assigned	-	1,601,805	-
Unassigned	<u>2,223,230</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>2,242,139</u>	<u>1,804,117</u>	<u>674,830</u>
Total liabilities and fund balances	<u>\$ 2,380,322</u>	<u>\$ 1,876,552</u>	<u>\$ 709,900</u>

Drug Court Enhancement Fund	Totals (Memorandum Only)	
	2017	2016
\$ 447,150	\$ 1,419,989	\$ 1,392,685
200,000	3,901,805	4,151,805
-	117,618	88,260
-	12,318	27,249
-	26,817	31,098
25,933	158,010	273,225
-	3,300	3,300
<u>673,083</u>	<u>5,639,857</u>	<u>5,967,622</u>
15,355	117,066	88,260
<u>25,203</u>	<u>169,180</u>	<u>169,429</u>
<u>40,558</u>	<u>286,246</u>	<u>257,689</u>
-	26,817	31,098
-	3,300	3,300
-	865,934	979,480
632,525	2,234,330	2,196,140
-	2,223,230	2,499,915
<u>632,525</u>	<u>5,353,611</u>	<u>5,709,933</u>
<u>\$ 673,083</u>	<u>\$ 5,639,857</u>	<u>\$ 5,967,622</u>

The accompanying notes are an integral part of this statement.

FIFTEENTH JUDICIAL DISTRICT COURT

Reconciliation of the Governmental Funds Balance
Sheet to the Statement of Net Position
June 30, 2017

Total fund balances - governmental funds \$ 5,353,611

The cost of capital assets (furniture and equipment) purchased is reported as an expenditure in the governmental funds. The Statement of Net Position includes these capital assets among the assets of the Court as a whole. The cost of these capital assets is allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.

Cost of capital assets	\$ 405,079	
Accumulated depreciation	<u>(344,131)</u>	
Net capital assets		60,948

Net pension liability does not require the use of current financial resources and therefore is not reported in the funds. (642,653)

The net effect of deferred outflows of resources and deferred inflows of resources related to pensions does not require the use of current financial resources and therefore is not reported in governmental funds. 449,908

Net position of governmental activities \$ 5,221,814

The accompanying notes are an integral part of this statement.

FIFTEENTH JUDICIAL DISTRICT COURT

Statement of Revenues, Expenditures, and Changes
In Fund Balances – All Governmental Funds
Year Ended June 30, 2017
(With Comparative Totals for the Year Ended June 30, 2016)

	General Fund	Child Support Fund	Misdemeanor Probation Fund
Revenues			
Intergovernmental			
Court Fees	\$ 184,914	\$ -	\$ -
Bond Premiums	272,535	-	-
Families in Need of Services Grant	75,648	-	-
Drug Court Grants	605,228	-	-
Sobriety Court Grant	157,585	-	-
Family Preservation Court Grants	220,211	-	-
Administrative Collection Fees	21,933	805,887	474,095
Drug Court Fee Income	33,002	-	-
Families in Need of Service Supplement	50,664	-	-
Sanctions	2,000	-	-
Reimbursements - law clerks	352,126	-	-
Investment Income	12,717	9,289	2,586
Total Revenues	<u>1,988,563</u>	<u>815,176</u>	<u>476,681</u>
Expenditures			
Accounting	35,041	5,577	3,647
Commissioner expenses	1,609	-	-
Litter Abatement	-	-	8,640
Compensation, supplements, and benefits	1,338,655	670,863	380,110
Computer expenses	-	3,931	5,836
Contractual service	86,515	134,953	-
Cooperative endeavor - IDO	36,745	-	-
Court administration and reporters	12,744	3,586	-
Dues and subscriptions	14,126	15,343	-
FINS excess expense	50,253	-	-
Incentives	-	-	-
Insurance	21,364	3,698	1,123
Internet provider charges	384	1,860	3,208
CLE expenses-retired judges	1,729	-	-
Judges' allowances (including prior banked)	166,526	36,794	-
Judges' meeting expenses and ad hoc	3,306	-	-
Mileage in dist.-Acadia/ Vermilion hearing officers	-	3,529	-
Miscellaneous\other	21,519	5,623	1,125
Office expenses, services, and small equipment	56,343	19,923	60,858
Parking fees	9,360	-	630
Postage	315	2,477	4,168
Security expense	-	1,350	5,172
Telephone - cellular	5,810	2,333	6,641
Testing and lab	73,772	-	-
Travel and seminars	13,341	-	2,193
Treatment	389,329	-	-
Total expenditures	<u>2,338,786</u>	<u>911,840</u>	<u>483,351</u>
Excess (deficiency) of revenues over expenditures	<u>(350,223)</u>	<u>(96,664)</u>	<u>(6,670)</u>
Other financing sources (uses):			
Operating transfers in (out)	<u>69,045</u>	<u>-</u>	<u>(10,000)</u>
Net change in fund balance	(281,178)	(96,664)	(16,670)
Fund balance, beginning	<u>2,523,317</u>	<u>1,900,781</u>	<u>691,500</u>
Fund balance, ending	<u>\$ 2,242,139</u>	<u>\$ 1,804,117</u>	<u>\$ 674,830</u>

Drug Court Enhancement Fund	Totals (Memorandum Only)	
	2017	2016
\$ -	\$ 184,914	\$ 176,126
-	272,535	252,992
-	75,648	75,648
-	605,228	595,238
-	157,585	147,941
-	220,211	210,614
-	1,301,915	1,405,835
155,094	188,096	194,139
-	50,664	47,137
-	2,000	250
-	352,126	669,415
700	25,292	26,438
<u>155,794</u>	<u>3,436,214</u>	<u>3,801,773</u>
-	44,265	20,279
-	1,609	1,524
-	8,640	8,610
11,689	2,401,317	2,328,452
-	9,767	18,054
-	221,468	159,289
-	36,745	51,500
-	16,330	16,268
-	29,469	30,662
-	50,253	47,167
2,094	2,094	1,172
-	26,185	53,972
-	5,452	6,666
-	1,729	1,442
-	203,320	189,526
-	3,306	2,600
-	3,529	3,883
396	28,663	17,283
15,371	152,495	126,374
-	9,990	8,467
-	6,960	7,479
-	6,522	9,729
-	14,784	14,280
-	73,772	74,558
7,615	23,149	26,348
<u>21,394</u>	<u>410,723</u>	<u>430,836</u>
<u>58,559</u>	<u>3,792,536</u>	<u>3,656,420</u>
<u>97,235</u>	<u>(356,322)</u>	<u>145,353</u>
<u>(59,045)</u>	<u>-</u>	<u>-</u>
38,190	(356,322)	145,353
<u>594,335</u>	<u>5,709,933</u>	<u>5,564,580</u>
<u>\$ 632,525</u>	<u>\$ 5,353,611</u>	<u>\$ 5,709,933</u>

The accompanying notes are an integral part of this statement.

FIFTEENTH JUDICIAL DISTRICT COURT

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities Year Ended June 30, 2017

Net change in fund balances - total governmental funds		\$ (356,322)
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Governmental funds report capital outlays as expenditures.

However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay expenditures exceeded depreciation expense in the current period.

Loss on disposal of assets		(4,372)
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Capital outlay expenditures	\$ 22,205	
Depreciation expense	<u>(25,550)</u>	
Excess of capital outlays over depreciation		(3,345)

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

Pension contributions subsequent to the measurement date	108,588
Cost of benefits earned net of employee contributions	(382,433)
Amortization of excess contributions during the measurement period	72,290

The Court's proportionate share of non-employer contributions to the pension plans do not provide current financial resources and are not reported as revenue in the governmental funds.	<u>23,050</u>
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Change in net position of governmental activities	<u>\$ (542,544)</u>
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The accompanying notes are an integral part of this statement.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Fifteenth Judicial District Court (the “Court”) is comprised of three parishes within the State of Louisiana: Acadia, Lafayette, and Vermilion. The courthouses of the Fifteenth Judicial District are located in the three parish seats of Crowley (Acadia Parish), Lafayette (Lafayette Parish), and Abbeville (Vermilion Parish). The caseload of the Fifteenth Judicial District Court is handled by thirteen judges that are elected from sub-districts within the entire district. These judges all have general trial jurisdiction throughout the district and preside over individual divisions designated by the letters A through M as follows:

Division A	Judge John D. Trahan
Division B	Judge Jules D. Edwards, III
Division C	Judge Edward B. Broussard
Division D	Judge Edward D. Rubin
Division E	Judge Michelle M. Breaux
Division F	Judge David M. Smith
Division G	Judge Laurie A. Hulin
Division H	Judge David A. Blanchet
Division I	Judge Thomas R. Duplantier
Division J	Judge Kristian Earles
Division K	Judge Patrick L. Michot
Division L	Judge Marilyn C. Castle
Division M	Judge Charles G. Fitzgerald

The accompanying financial statements of the Court have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the Court are described below:

Basis of Presentation

The 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 relating to certain government functions or activities. The minimum number of funds maintained by the Court is consistent with legal and managerial requirements.

A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the restrictions, if any, on the spending activities.

The Court’s basic financial statements include both government-wide (reporting the Court as a whole) and fund financial statements (reporting the Court’s major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. All of the Court’s activities are classified as governmental activities.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basic Financial Statements - Government-Wide Financial Statements

The government-wide financial statements include a *Statement of Net Position* and *Statement of Activities*. These statements report financial information about the Court. In the process of aggregating data for the *Statement of Net Position* and *Statement of Activities* some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the “grossing up” effect on assets and liabilities within the governmental activities column.

In the *Statement of Net Position* the governmental type activities column (1) is presented on a consolidated basis by column, and (2) is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Court’s net position is reported in three parts: (1) *invested in capital assets, net of related debt* – consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets; (2) *restricted net position* – consists of net position with constraints placed on the use either by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or (b) law through constitutional provisions or enabling legislation; and (3) *unrestricted net position* – all other net assets that do not meet the definition of *restricted* or *invested in capital assets, net of related debt*. The Court first utilizes restricted resources to finance qualifying activities.

The *Statement of Activities* reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses associated with a distinct functional activity. Program revenues includes: (1) charges for services which report fees, fines, and forfeitures, and other charges to users of the Court’s services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets and include fees to developers. Other revenue sources not properly included with program revenues are reported as general revenues.

The Court reports all direct expenses by function in the *Statement of Activities*. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included as a direct expense of each function.

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

Basic Financial Statements - Fund Financial Statements

Fund financial statements are provided for governmental funds. The emphasis of fund financial statements is on major individual governmental funds, each reported in a separate column. All remaining governmental fund(s) are aggregated and reported as nonmajor fund(s).

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The following is a description of the governmental funds of the Court:

General Fund – To account for all financial resources traditionally associated with governments which are not required to be accounted for in another fund.

Special Revenues Funds – To account for the proceeds of specific revenue sources legally restricted to expenditures for specific purposes.

The Court has established several special revenue funds. The following is a brief description of each special revenue fund's purpose:

Child Support Fund - The Child Support Fund was established by Louisiana Revised Statute 46:236.5. It collects support payments on behalf of guardians who are being assisted by State aid. The Child Support Fund is authorized to receive payment of nonsupport funds on behalf of the State of Louisiana. It is also authorized to collect an administrative fee of .0395 cents of the transaction fee on payments. The fees are used to fund the administrative costs of the expedited processing system associated with a segregated family court within the Fifteenth Judicial District Court.

Misdemeanor Probation Fund - The Misdemeanor Probation Fund collects a \$35 per month supervision fee for misdemeanor cases and \$50 per month for felony cases pled down to a misdemeanor case. The fees are used to fund the administrative and personnel costs of the Misdemeanor Probation Program within the Fifteenth Judicial District Court.

Drug Court Enhancement Fund – The Drug Court Enhancement Fund was established by way of an ordinance that allows specific distribution of Lafayette Parish contempt fines charged for failure to appear. The Drug Court Enhancement Fund amounts that are distributed to Juvenile and Adult Drug Court programs are used to supplement grant monies that primarily fund these programs. The Enhancement Fund monies are used for training, additional staffing, materials, or any other "enhancements" to the programs that would not be possible due to lack of funding.

The emphasis in the fund financial statements is on the major funds in either the governmental or business-type activities categories. GASB Statement No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues, or expenditures/expenses of either fund category or the governmental and enterprise funds combined) for the determination of major funds. In addition, management may include a fund as a major fund that does not meet the minimum criteria established by GASB if management believes the fund is important to present as such for the financial statement users.

Measurement Focus and Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements; measurement focus refers to what is being measured. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accrual Basis - Government-Wide Financial Statements (GWFS)

The government-wide financial statements report 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 are recognized when grantor eligibility requirements are met.

Modified Accrual Basis - Governmental Fund Financial Statements (FFS)

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Their reported fund balance (net current assets) is considered a measure of “available spending resources.” Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spending resources” during a period. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they become measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditure-driven grant revenues are recorded when the qualifying expenditures have been incurred and all other grant requirements have been met. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, if measurable. Exceptions to this general rule include: (1) accumulated unpaid vacation, sick pay, and other employee amounts which are not accrued because they do not vest or accumulate; and (2) principal and interest on general long-term debt which is recognized when due. General capital asset acquisitions are reported as expenditures in governmental funds.

Major revenue sources susceptible to accrual include intergovernmental revenues and investment income. In general, other revenues are recognized when cash is received.

Budgets and Budgetary Accounting

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. The budget is employed as a management control device during the year that assists its users in financial activity analysis. All budget appropriations lapse at year-end. The budgets presented are the originally adopted budget and the final amended budget.

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 and expenditures during the reporting period. Actual results could differ from those estimates.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Certificates of Deposit

The Fifteenth Judicial District Court has certificates of deposit as of June 30, 2017 which are not subject to GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, and are therefore stated at cost, which approximates market.

Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods and services rendered. These receivables and payables are classified as *due from other funds* or *due to other funds* on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

Prepaid Expenses

Advance payments made that will benefit periods beyond the current fiscal year are recorded as prepaid expenses.

Compensated Absences

Employees earn a set amount of annual vacation leave depending on years of service. Vacation cannot be accumulated and compensation in lieu of vacation is not paid. Therefore, no provision for compensated absences has been made in the financial statements.

Capital Assets and Depreciation

The accounting treatment over property and equipment (fixed assets) depends on whether the assets are reported in the government-wide or fund financial statements.

Government-Wide Financial Statements:

The Court's property and equipment with useful lives of more than one year are stated at historical costs and comprehensively reported in the government-wide financial statements. The Court maintains a threshold level of \$250, or more for capitalizing capital assets. Donated assets are stated at fair value at the date donated. The Court has no donated assets. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations. Estimated useful lives, in years, for depreciable assets are as follows:

Machinery and equipment	5 – 15 years
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FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements:

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Fund Equity

Government-Wide Financial Statements:

The Fifteenth Judicial District Court's net position is reported in three parts: (1) *invested in capital assets, net of related debt* – consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets; (2) *restricted net position* – consists of net position with constraints place on the use either by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or (b) law through constitutional provisions or enabling legislation; and (3) *unrestricted net position* – all other net position that do not meet the definition of "restricted" or "invested in capital assets, net of related debt".

Fund Financial Statements:

Governmental fund equity is classified as fund balance in accordance with GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- **Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Management has classified prepaid expenditures and security deposits as being nonspendable as these items are not expected to be converted to cash.
- **Restricted:** This classification includes amounts for which constraints have been placed on the use of resources are either:
 - Externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or
 - Imposed by law through constitutional provisions or enabling legislation.

Management has classified fund balance for program administration as being restricted due to the constraints placed on the use of the money contributed by its grantor agencies.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- **Committed:** This classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (resolution) of the Fifteenth Judicial District Court's board of directors, which is the Court's highest level of decision-making authority. These amounts cannot be used for any other purpose unless the Judges en banc remove or change the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Judges en banc did not have any committed resources as of year-end.
- **Assigned:** This classification includes amounts that are constrained by the Judges en banc's intent to be used for a specific purpose but are neither restricted nor committed. This intent should be expressed by the Fifteenth Judicial District Court's (1) Judges en banc, (2) its finance committee, or (3) an official, such as the Administrator, to which the Judges en banc has delegated the authority to assign amounts to be used for a specific purpose.
- **Unassigned:** This classification is the residual fund balance for the General Fund. It also represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

When fund balance resources are available for a specific purpose in multiple classifications, the Fifteenth Judicial District Court will generally use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed. However, the Fifteenth Judicial District Court's management reserves the right to selectively spend unassigned resources first and to defer the use of the other classified funds.

Interfund Transfers

Quasi-external transactions are accounted for as revenues and 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. Legally authorized interfund transactions, except quasi-external transactions and reimbursements, are treated as operating transfers and are included in the results of operations. For purposes of the *Statement of Activities*, all interfund transfers between individual governmental funds have been eliminated.

Pensions

In government-wide financial statements, pensions are required to be recognized and disclosed using the accrual basis of accounting (see Note 17 and the required supplementary information immediately following the notes to the financial statements for more information), regardless of the amount recognized as pension expenditures on the modified accrual basis of accounting. The Fifteenth Judicial District Court recognizes a net pension liability for its participation in the Parochial Employee Retirement System, which represents the Fifteenth Judicial District Court's

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pensions (Continued)

proportionate share of the excess of the total pension liability over the fiduciary net position of the cost – sharing multiple employer pension plan, measured as of the District Court’s fiscal year – end. Changes in the net pension liability during the period are recorded as pension expense, or as deferred outflows or inflows of resources depending on the nature of the change, in the period incurred. Those that arise from changes in actuarial assumptions or other inputs and differences between expected or actual experience are amortized over the weighted average remaining service life of all participants in the pension plan and recorded as a component of pension expense beginning with the period in which they are incurred. Projected earnings on pension plan investments are recognized as a component of pension expense. Differences between projected and actual investment earnings are reported as deferred outflows or inflows of resources and amortized as a component of pension expense on a closed basis over a five – year period beginning with the period in which the difference occurred.

NOTE 2 CASH

For reporting purposes, cash includes demand deposits and interest-bearing demand deposits. Under State law, the Court may invest in United States bonds, treasury notes or certificates, or time certificates of deposit of State banks having their principal office in the State of Louisiana, or any other federally insured investment. The Court may also invest in shares of any homestead and building and loan association in any amount not exceeding the federally insured amount.

The amount of total bank balances is classified into three categories of credit risk:

1. Insured or collateralized with securities held by the government or by the government’s agent in the government’s name.
2. Collateralized with securities held by the pledging financial institution’s trust department or government’s agent in the government’s name.
3. Uncollateralized, including amounts collateralized with securities held by the pledging institution or the pledging institution’s trust department or agent, but not in the government’s name.

At June 30, 2017, the carrying value of the Court’s cash deposits, including demand deposits and time certificates of deposit, totaled \$5,321,794, and the bank balances totaled \$5,086,866. Of the bank balances, \$4,760,954 was covered by Federal Deposit Insurance Corporation (FDIC) and \$2,001,353, was covered by collateral held by the custodial bank in the bank’s name (Category III).

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 3 CERTIFICATES OF DEPOSIT

The District has certificates of deposit for the following funds as of June 30, 2017:

<u>Fund</u>	<u>Amount</u>	<u>Interest Rates</u>
General	\$ 1,700,000	.50% - 1.34%
Child Support	1,601,805	.15% - 1.25%
Misdemeanor Probation	400,000	.30% - .75%
Drug Court Enhancement	200,000	.30% - .40%
Totals	<u>\$ 3,901,805</u>	

NOTE 4 DUE FROM OTHER GOVERNMENTAL ENTITIES

The following is a summary of due from other governmental entities at June 30, 2017:

<u>Due From</u>	
Vermilion Parish	9,723
Acadia Parish Clerk	<u>2,595</u>
Total due from other governmental entities	<u>\$ 12,318</u>

NOTE 5 CAPITAL ASSETS

A summary of changes in capital assets reported in the government-wide financial statements for the year ended June 30, 2017, is as follows:

<u>Governmental activities</u>	<u>Balance June 30, 2016</u>	<u>Acquisitions</u>	<u>Dispositions</u>	<u>Balance June 30, 2017</u>
Capital assets being depreciated				
Machinery and equipment	\$ 401,811	\$ 22,205	\$ (18,937)	\$ 405,079
Less accumulated depreciation for				
Machinery and equipment	<u>(333,697)</u>	<u>(25,550)</u>	<u>15,116</u>	<u>(344,131)</u>
Governmental activities capital assets, net	<u>\$ 68,114</u>	<u>\$ (3,345)</u>	<u>\$ (3,821)</u>	<u>\$ 60,948</u>

Depreciation expense for the year ended June 30, 2017, was charged to governmental activities of the Court as follows:

District Court	\$ 15,464
Child Support	7,476
Misdemeanor Probation	1,180
Drug Court	<u>1,430</u>
Total depreciation expense	<u>\$ 25,550</u>

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 6 COURT FEES REVENUE

The Fifteenth Judicial District Court collected court fees during the fiscal year ended June 30, 2017 as follows:

<u>Parish</u>	<u>Amount</u>
Lafayette	\$ 123,493
Acadia	31,473
Vermilion	<u>29,948</u>
Total	<u>\$ 184,914</u>

NOTE 7 BOND PREMIUMS

This source of funds was instituted by Louisiana Revised Statute 22:1065.1. The statute provides that 2% of all judgments of bond forfeiture collected by the Sheriff's Department shall be paid to the court fund of the parish where the bond was posted. Bond premiums for the fiscal year ended June 30, 2017, totaled \$272,535.

NOTE 8 FAMILIES IN NEED OF SERVICES (FINS) ASSISTANCE PROGRAM

The Fifteenth Judicial District Court entered into a contract with the State of Louisiana, Department of Public Safety and Corrections Youth Services under the Families in Need of Services (FINS) Assistance Program. The Court has agreed to furnish the administration and implementation of the Families in Need of Services, Title VII of the Louisiana Children's Code, within the Fifteenth Judicial District, State of Louisiana. The Fifteenth Judicial District Court's General (Judicial Expense) Fund is the appointed administrator of the FINS Assistance Program. FINS is a pre-delinquency intervention program that provides interagency social work services to assist children with disciplinary problems from entering the juvenile court system by counseling with parents or other agencies to correct behavioral problems. Additional funding is received from the State of Louisiana Judicial Branch with costs in excess of funding being covered by the Judicial Expense Fund and surplus FINS funds from previous years. Total funding received or accrued, as necessary, from the Department of Public Safety and Corrections Youth Services and the State of Louisiana Judicial Branch for the year ended June 30, 2017, totaled \$126,312. Expenditures of the Fifteenth Judicial District Court General (Judicial Expense) Fund related to the FINS Program for the year ended June 30, 2017, totaled \$196,565. The program was supplemented by a transfer from other funds of \$20,000.

NOTE 9 FAMILY PRESERVATION COURT (FPC) PROGRAM

The Fifteenth Judicial District Court participates in a contract with the state of Louisiana Department of Children and Family Services. FPC is a program helping to rehabilitate parents who are in danger of losing their children due to substance abuse related issues with the courts. There are two funding sources for this program as follows: Supreme Court Grant and Children's Justice Act. Funding received or accrued, as necessary, from all FPC sources for the year ended June 30, 2017, totaled \$220,211. Expenditures of the Fifteenth Judicial District Court General (Judicial Expense) Fund related to the FPC program for the year ended June 30, 2017, totaled \$220,211.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 10 DRUG COURT (GRANT) PROGRAMS

The Fifteenth Judicial District Court entered into a contract with the Louisiana Supreme Court, Office of the Judicial Administrator, Supreme Court Drug Court Office under the Drug Court Program. The Court has agreed to provide assistance to adults and juveniles and their families to reduce dependency by promoting job preparation, work, and marriage; to reduce and prevent out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families. The Supreme Court Drug Court Office reimburses drug courts for services to Temporary Assistance for Needy Families (TANF) Eligible Drug Court Program clients to help these families understand the health risks associated with substance abuse and to assist them in becoming better able to successfully function in the family setting. The Fifteenth Judicial District Court's General Fund is the appointed administrator of the Drug Court Programs.

Funding received or accrued, as necessary, from the Supreme Court Drug Court Office for the year ended June 30, 2017, totaled \$408,044 for Adult Drug Court (ADC) and \$230,187 for Juvenile Drug Court (JDC). Expenditures of the Fifteenth Judicial District Court General (Judicial Expense) Fund related to the ADC and JDC Programs for the year ended June 30, 2017, totaled \$408,044 and \$230,187, respectively.

NOTE 11 SOBRIETY COURT GRANT

The Fifteenth Judicial District Court entered into a contract with the Louisiana Supreme Court, Office of the Judicial Administrator, Supreme Court Drug Court Office under the Louisiana Highway Safety Commission (LHSC) statewide Fatal and Injury Crash Reduction Effort. The first project goal is to identify and enroll participants into the Fifteenth Judicial District Court DWI Program, identified as Sobriety Court. The objectives defined to meet this goal are to develop a target population and receive referrals, conduct validated screenings and assessments on potential participants, and enroll twenty eligible non-violent substance-dependent DWI offenders in the DWI court program and graduate a minimum of seven participants within the program year. The next goal of the program is to reduce alcohol and substance abuse and recidivism among non-violent offenders by providing daily and weekly drug screenings to enrolled clients. Funding for this program is provided by the Louisiana Supreme Court Drug Court Office. For the year ended June 30, 2017, funding received or accrued, as necessary, totaled \$157,585, while related expenses totaled \$164,228. The program was supplemented by a transfer from the Drug Court Enhancement fund of \$5,000.

NOTE 12 INTERFUND TRANSFERS

Interfund transfers reported in the fund financial statements during the year ended June 30, 2017, were as follows:

	Transfers In	Transfers Out
General Fund	\$ 69,045	\$ -
Special Revenue		
Misdemeanor Probation Fund	-	10,000
Drug Court Enhancement	-	59,045
Total operating transfers	<u>\$ 69,045</u>	<u>\$ 69,045</u>

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 12 INTERFUND TRANSFERS (Continued)

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; (2) move receipts restricted to debt service from funds collecting the receipts to the debt service fund as debt service payments become due; and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 13 FEES, COMPENSATION SUPPLEMENTS, AND REIMBURSEMENTS

Personnel assigned to the judiciary include secretaries, receptionists, and court reporters. These personnel are paid by the three respective parishes of the Fifteenth Judicial District (Acadia, Lafayette, and Vermilion parishes). Some supplements and reimbursements are funded by the Court via payment to the respective parish governments. These reimbursements include wages, insurance, and retirement benefit costs. Compensation paid to law clerks assigned to the judiciary is established by the Court and funded by parishes. The Court pays health insurance premiums for the law clerks of the judiciary.

NOTE 14 CONTINGENCIES

Secretarial and clerical support staff of the District Court are paid by the respective parish police juries or consolidated governments. The judges of the district en banc are working to provide parity and uniformity in compensation and benefits. To date, it is uncertain if compensation has been provided in accordance with established policy. Also, it is uncertain which agency would be responsible if a liability exists. The amount of any potential liability has not been determined.

NOTE 15 RISK MANAGEMENT

The Fifteenth Judicial District Court is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Court has decided to retain the risk of liability exposure and presently, does not have any funds appropriated for the potential liability exposure.

NOTE 16 OPERATING LEASE

The Court is committed under an operating lease for office space. The lease commenced August 1, 2012, payable in monthly installments of \$5,700, for a term of five years. Future minimum operating lease commitments are as follows:

<u>Year ending June 30,</u>	
2018	5,700
2019	-
2020	-
2021	-
2022	-
Total	<u>\$ 5,700</u>

Rent expenditures under this lease totaled \$68,400 for the year ended June 30, 2017.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 17 PENSION PLAN

Plan Description

Substantially all employees of the Fifteenth Judicial District Court are members of the Parochial Employees' Retirement System of Louisiana (the "System"), a cost-sharing, multiple-employer, defined benefit public employee retirement system (PERS), controlled and administered by a separate Board of Trustees and was established and provided for by R.S.11:1901 of the Louisiana Revised Statute (LRS). Contributions of participating agencies are pooled within the system to fund accrued benefits, with contribution rates approved by the Louisiana legislature. The Court does not guarantee the benefits granted by the retirement system. The Court's payroll qualified to be covered by the system for the year ended June 30, 2017 was approximately \$1,756,194.

The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. Employees of the Court are members of Plan A. Under Plan A, employees hired prior to January 1, 2007 who retire (1) at or after age 65 with at least 7 years of creditable service, (2) at or after age 60 with at least 10 years of creditable service, (3) at or after age 55 with at least 25 years of creditable service, or (4) at any age with at least 30 years of creditable service are entitled to a retirement benefit payable monthly for life. Annual maximum benefit for employees hired prior to January 1, 2007, equals 3% multiplied by creditable years of service, multiplied by the average of the employee's highest consecutive 36 months' salary. Employees hired on or after January 1, 2007, who retire (1) at or after age 67 with at least 7 years of creditable service, (2) at or after age 62 with at least 10 years of creditable service, or (3) at or after age 55 with at least 30 years of creditable service are entitled to a retirement benefit payable monthly for life. Annual maximum benefit for employees hired on or after January 1, 2007, equals 3% multiplied by creditable years of service, multiplied by the average of the employee's highest consecutive 60 months' salary. Employees who terminate with at least the amount of creditable service stated previously and who do not withdraw their employee contributions, may retire at the ages specified previously and receive the benefit accrued to their date of termination.

The System also provides death and disability benefits. Benefits are established by state statute (LSA R.S. 11:1901, last modified by Act 584 of 2006).

Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for the Retirement System. DROP is an option for that member who is eligible for normal retirement. In lieu of terminating employment and accepting a service retirement, any member who is eligible to retire may elect to participate in the (DROP) in which they are enrolled for three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP fund. Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or roll over the fund to an Individual Retirement Account.

For individuals who become eligible to participate in the Deferred Retirement Option Plan on or after January 1, 2004, all amounts which remain credited to the individual's subaccount after termination in the Plan will be placed in liquid asset money market investments at the discretion of the board of trustees.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 17 RETIREMENT (Continued)

These subaccounts may be credited with interest based on money market rates of return or, at the option of the System, the funds may be credited to self-directed subaccounts. The participant in the self-directed portion of this Plan must agree that the benefits payable to the participant are not the obligations of the state or the System, and that any returns and other rights of the Plan are the sole liability and responsibility of the participant and the designated provider to which contributions have been made.

A plan member shall be eligible to retire and receive a disability benefit if they were hired prior to January 1, 2007, and has at least five years of creditable service or if hired after January 1, 2007, has seven years of creditable service, and is not eligible for normal retirement and has been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member shall be paid a disability benefit equal to the lesser of an amount equal to three percent of the member's final average compensation multiplied by his years of service, not to be less than fifteen, or three percent multiplied by years of service assuming continued service to age sixty.

The Board of Trustees is authorized to provide a cost of living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age sixty-five equal to 2% of the member's benefit paid on October 1, 1977, (or member's retirement date, if later). Also, the Board may provide a cost of living increase up to 2.5% for retirees 62 and older. (R.S. 11:1937). Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost of living adjustment commencing at age 55.

Funding Policy

According to state statute, contributions for all employers are actuarially determined each year. Under Plan A, members are required by State statute to contribute 9.50% of their annual covered salary and the Court is required to contribute at an actuarially determined rate. The employer contribution rate for the period of July 1, 2016 through December 31, 2016 was 13.00% and was 12.00%, thereafter, of annual covered payroll. The contribution requirements of Plan members and the Court are established and may be amended by the System's Board of Trustees. The Court's contributions to the System under Plan A for the years ended June 30, 2017, 2016, and 2015, were \$223,962, \$257,884, and \$285,151, respectively, equal to the required contributions for each year.

According to state statute, the System also receives $\frac{1}{4}$ of 1% of ad valorem taxes collected within the respective parish. The System also receives revenue sharing funds each year as appropriated by the Legislature. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 17 RETIREMENT (Continued)

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

At June 30, 2017, Court reported a liability of \$642,653 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Court's proportion of the net pension liability was based on a projection of the Court's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At December 31, 2016, the Court's proportion was 0.312041%, which was an increase of .015783% from its proportion measured as of December 31, 2015.

For the year ended June 30, 2017, the Court recognized pension expense of \$310,142. The Court recognized revenue of \$23,050 as its proportionate share of non-employer contributions for the year ended June 30, 2017.

At June 30, 2017, the Court reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 112,458
Net difference between projected and actual investment earnings on pension plan investments	498,722	-
Changes of assumptions	122,011	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	166,403
Employer contributions subsequent to the measurement date	108,588	-
Total	<u>\$ 729,321</u>	<u>\$ 278,861</u>

Court contributions subsequent to the measurement date in the amount of \$108,588 reported as deferred outflows of resources related to pensions will be recognized as a reduction of the net pension liability in the year ending June 30, 2017.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 17 RETIREMENT (Continued)

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

Year ending June 30,	
2017	\$ 117,304
2018	129,502
2019	74,164
2020	<u>20,902</u>
Total	<u>\$ 341,872</u>

Actuarial Assumptions

The total pension liability in the December 31, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation date	December 31, 2016
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Investment rate of return	7.00% (Net of investment expense)
Projected salary increases	5.25% (2.75% Merit/2.50% Inflation)
Mortality rates	RP-2000 Employee Sex Distinct Table was selected for employees. RP-2000 Healthy Annuitant Sex Distinct Tables were selected for annuitants and beneficiaries. RP-2000 Disabled Lives Mortality Table selected for disabled annuitants.
Expected remaining service lives	4 years
Cost of living adjustments	The present value of future benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.

The mortality rate assumption used was set based upon an experience study performed on plan data for the period January 1, 2010 through December 31, 2014. The data was then assigned credibility weighing and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the System's liabilities. The RP-2000 Healthy Annuitant Mortality Sex Distinct Tables (set forward two years for males and set forward one year for females) projected to 2031 using Scale AA was selected for annuitants and beneficiaries. For disabled annuitants, the RP-2000 Disabled Lives Mortality Table set back 5 years for males and 3 years for females was selected. For active employees, the RP-2000 Employee Sex Distinct Tables set back 4 years for males and 3 years for females was used.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 17 RETIREMENT (Continued)

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.00% and an adjustment for the effect of rebalancing/diversification.

The resulting expected long-term rate of return is 7.66% for the year ended December 31, 2016.

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2016 are summarized in the following table:

Asset Class	Expected Rate of Return	
	Target Asset Allocation	Long-Term Expected Portfolio Real Rate of Return
Fixed income	35%	1.24%
Equity	52%	3.63%
Alternatives	11%	0.67%
Real assets	<u>2%</u>	<u>0.12%</u>
Totals	<u>100%</u>	<u>5.66%</u>
Inflation		<u>2.00%</u>
Expected Arithmetic Nominal Return		<u>7.66%</u>

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement System's Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 17 RETIREMENT (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents Court's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the Court's net pension liability would be if it were calculated using a discount rate that is one percentage point lower 6.00% or one percentage point higher 8.00% than the current rate.

	<u>Discount rate</u>	<u>Net pension liability</u>
1% decrease	6.00%	\$ 1,922,432
Current discount rate	7.00%	\$ 642,653
1% increase	8.00%	\$ (439,440)

The Parochial Employees' Retirement System issues a publicly available report that includes financial statements and required supplemental information. That report may be obtained by writing to Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619 or by calling (225) 928-1361.

NOTE 18 CONCENTRATIONS OF CREDIT RISK

Intergovernmental receivables represent amounts due from other Acadia, Lafayette, and Vermilion Parishes governmental agencies and the State of Louisiana. Payment of these amounts is partly dependent upon the economic and financial conditions within these parishes and the State of Louisiana.

NOTE 19 FEDERAL AND STATE GRANTS

In the normal course of operations, the Court receives grant funds from various Federal and State agencies. The grant programs are subject to audits by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as a result of these audits is not believed to be material.

NOTE 20 SUBSEQUENT EVENTS

Management has evaluated subsequent events through October 3, 2017, the date at which the financial statements were available to be issued.

REQUIRED SUPPLEMENTAL INFORMATION

FIFTEENTH JUDICIAL DISTRICT COURT

**Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2017**

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	With Final Budget- Positive (Negative)
Revenues				
Intergovernmental				
Court fees	\$ 170,500	\$ 173,000	\$ 184,914	\$ 11,914
Bond premiums	235,000	260,100	272,535	12,435
Families in Need of Service grants	76,569	76,413	75,648	(765)
Drug Court grants	763,774	597,715	605,228	7,513
Sobriety Court grants	150,000	172,011	157,585	(14,426)
Family Preservation Court grants	225,148	216,298	220,211	3,913
Administrative collection fees	20,400	20,400	21,933	1,533
Drug Court fee income	52,000	31,600	33,002	1,402
Families in Need of Service Supplement	63,152	61,127	50,664	(10,463)
Sanctions	-	1,950	2,000	50
Reimbursements - law clerks	359,942	354,069	352,126	(1,943)
Investment income	<u>13,950</u>	<u>12,150</u>	<u>12,717</u>	<u>567</u>
Total revenues	<u>2,130,435</u>	<u>1,976,833</u>	<u>1,988,563</u>	<u>11,730</u>
Expenditures				
Accounting\legal	26,000	31,300	35,041	(3,741)
CLE expenses-retired judges	2,000	1,200	1,729	(529)
Commissioner expenses	3,000	3,000	1,609	1,391
Compensation, supplements, and benefits	1,019,299	983,592	1,338,655	(355,063)
Contractual services	411,564	383,039	86,515	296,524
Cooperative endeavor - IDO	-	36,637	36,745	(108)
Court administration and reporters	15,020	13,420	12,744	676
Dues and subscriptions	27,500	27,500	14,126	13,374
FINS excess expense	64,073	61,627	50,253	11,374
Insurance	21,654	21,654	21,364	290
Internet provider charges	1,000	1,000	384	616
Judges' allowances (including prior banked)	219,200	224,200	166,526	57,674
Judges' meeting expenses and ad hoc	7,000	2,100	3,306	(1,206)
Miscellaneous\other	25,535	45,886	21,519	24,367
Office expenses, services, and small equipment	56,768	53,994	56,343	(2,349)
Parking fees	9,000	9,000	9,360	(360)
Postage	-	-	315	(315)
Telephone - cellular	7,400	5,100	5,810	(710)
Testing and lab	128,600	77,200	73,772	3,428
Travel and seminars	15,491	13,561	13,341	220
Treatment	<u>515,600</u>	<u>418,153</u>	<u>389,329</u>	<u>28,824</u>
Total expenditures	<u>2,575,704</u>	<u>2,413,163</u>	<u>2,338,786</u>	<u>74,377</u>
Excess (deficiency) of revenues over expenditures	(445,269)	(436,330)	(350,223)	86,107
Other financing sources (uses):				
Operating transfers in (out)	<u>20,000</u>	<u>69,981</u>	<u>69,045</u>	<u>(936)</u>
Net change in fund balance	(425,269)	(366,349)	(281,178)	85,171
Fund balance, beginning	<u>2,567,025</u>	<u>2,480,740</u>	<u>2,523,317</u>	<u>42,577</u>
Fund balance, ending	<u>\$ 2,141,756</u>	<u>\$ 2,114,391</u>	<u>\$ 2,242,139</u>	<u>\$ 127,748</u>

See notes to required supplementary information.

FIFTEENTH JUDICIAL DISTRICT COURT

Budgetary Comparison Schedule
Child Support Fund
Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues				
Administrative collection fees	\$ 850,000	\$ 805,500	\$ 805,887	\$ 387
Investment income	<u>9,300</u>	<u>7,800</u>	<u>9,289</u>	<u>1,489</u>
Total revenues	<u>859,300</u>	<u>813,300</u>	<u>815,176</u>	<u>1,876</u>
Expenditures				
Accounting	4,800	5,600	5,577	23
Compensation, supplements, and benefits	682,925	669,275	670,863	(1,588)
Computer expenses	10,500	3,500	3,931	(431)
Contractual services	119,922	131,850	134,953	(3,103)
Court reporter	3,500	4,250	3,586	664
Development expenses	5,000	-	-	-
Dues and subscriptions	34,200	33,900	15,343	18,557
Insurance expense	3,350	3,700	3,698	2
Internet provider charges	3,000	1,500	1,860	(360)
Judges' expense allowance	34,400	34,400	36,794	(2,394)
Mileage in dist.-Acad./Verm. hearing officers	4,000	3,500	3,529	(29)
Miscellaneous/other	6,000	4,800	5,623	(823)
Office expenses, services, and small equipment	21,940	22,690	19,923	2,767
Postage	2,000	2,200	2,477	(277)
Security	6,500	3,500	1,350	2,150
Telephone - cellular	<u>1,500</u>	<u>2,100</u>	<u>2,333</u>	<u>(233)</u>
Total expenditures	<u>943,537</u>	<u>926,765</u>	<u>911,840</u>	<u>14,925</u>
Excess (deficiency) of revenues over expenditures	(84,237)	(113,465)	(96,664)	16,801
Other financial sources (uses):				
Operating transfers in (out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(84,237)	(113,465)	(96,664)	16,801
Fund balance, beginning	<u>1,964,901</u>	<u>1,900,531</u>	<u>1,900,781</u>	<u>250</u>
Fund balance, ending	<u>\$ 1,880,664</u>	<u>\$ 1,787,066</u>	<u>\$ 1,804,117</u>	<u>\$ 17,051</u>

See notes to required supplementary information.

FIFTEENTH JUDICIAL DISTRICT COURT

Budgetary Comparison Schedule
Misdemeanor Probation Fund
Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues				
Administrative collection fees	\$ 546,000	\$ 488,990	\$ 474,095	\$ (14,895)
Investment income	<u>2,200</u>	<u>2,300</u>	<u>2,586</u>	<u>286</u>
Total revenue	<u>548,200</u>	<u>491,290</u>	<u>476,681</u>	<u>(14,609)</u>
Expenditures				
Accounting	3,000	3,650	3,647	3
Litter Abatement	9,000	9,000	8,640	360
Compensation, supplements, and benefits	393,200	378,000	380,110	(2,110)
Computer expenses	19,500	6,140	5,836	304
Insurance expense	2,000	1,100	1,123	(23)
Internet provider charges	3,300	2,400	3,208	(808)
Miscellaneous/other	1,800	950	1,125	(175)
Office expenses, services, and small equipment	78,650	63,750	60,858	2,892
Parking fees	1,000	800	630	170
Postage	4,500	3,200	4,168	(968)
Security	6,400	5,200	5,172	28
Telephone	6,000	6,000	6,641	(641)
Travel and seminars	<u>2,000</u>	<u>1,100</u>	<u>2,193</u>	<u>(1,093)</u>
Total expenditures	<u>530,350</u>	<u>481,290</u>	<u>483,351</u>	<u>(2,061)</u>
Excess (deficiency) of revenues over expenditures	<u>17,850</u>	<u>10,000</u>	<u>(6,670)</u>	<u>(16,670)</u>
Other financial sources (uses):				
Operating transfers in (out)	<u>(10,000)</u>	<u>(10,000)</u>	<u>(10,000)</u>	<u>-</u>
Net change in fund balance	7,850	-	(16,670)	(16,670)
Fund balance, beginning	<u>626,685</u>	<u>681,825</u>	<u>691,500</u>	<u>(9,675)</u>
Fund balance, ending	<u>\$ 634,535</u>	<u>\$ 681,825</u>	<u>\$ 674,830</u>	<u>\$ (26,345)</u>

See notes to required supplementary information.

FIFTEENTH JUDICIAL DISTRICT COURT

Budgetary Comparison Schedule
Drug Court Enhancement Fund
Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues				
Adult Drug Court Fee Income	\$ 81,000	\$ 80,000	\$ 77,547	\$ (2,453)
Juvenile Drug Court Fee Income	81,000	80,000	77,547	(2,453)
Investment income	<u>400</u>	<u>670</u>	<u>700</u>	<u>30</u>
Total Revenues	<u>162,400</u>	<u>160,670</u>	<u>155,794</u>	<u>(4,876)</u>
Expenditures				
Contractual service	41,200	31,000	-	31,000
Compensation	16,400	17,445	11,689	5,756
Incentives	1,500	1,000	2,094	(1,094)
Miscellaneous/other	3,000	400	396	4
Office expenses, services, and small equipment	8,850	3,585	15,371	(11,786)
Travel and training	17,500	7,500	7,615	(115)
Treatment	<u>17,500</u>	<u>-</u>	<u>21,394</u>	<u>(21,394)</u>
Total expenditures	<u>105,950</u>	<u>60,930</u>	<u>58,559</u>	<u>2,371</u>
Excess (deficiency) of revenues over expenditures	<u>56,450</u>	<u>99,740</u>	<u>97,235</u>	<u>(2,505)</u>
Other financing sources (uses):				
Operating transfers in (out)	<u>(95,850)</u>	<u>(35,350)</u>	<u>(59,045)</u>	<u>23,695</u>
Net change in fund balance	(39,400)	64,390	38,190	21,190
Fund balance, beginning	<u>517,754</u>	<u>593,590</u>	<u>594,335</u>	<u>(745)</u>
Fund balance, ending	<u>\$ 478,354</u>	<u>\$ 657,980</u>	<u>\$ 632,525</u>	<u>\$ 20,445</u>

See notes to required supplementary information.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to the Budgetary Comparison Schedules

Budgets and budgetary accounting:

The Court follows the following procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to the beginning of each fiscal year, the Court Administrator prepares a proposed operating budget. The operating budget includes proposed expenditures and the means of financing them.
2. The budget is then approved by the Judges en banc.
3. An amendment involving the transfer of monies from one department to another or from one program or function to another or any other increases in expenditures exceeding amounts estimated must be approved by the Court.
4. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
5. The budget is employed as a management control device during the year that assists its users in financial activity analysis.

All budget appropriations lapse at year end. The budgets presented are the originally adopted budget and the final amended budget. Actual amounts may not vary more than 5% from the final amended budget at the individual fund level.

FIFTEENTH JUDICIAL DISTRICT COURT

Schedule of Proportionate Share of Net Pension Liability
Year Ended June 30, 2017

Year Ended	Proportion of the net pension liability	Proportionate share of the net pension liability	Covered employee payroll	Share of the net pension liability as a percentage of its covered employee payroll	Plan fiduciary net position as a percentage of the total pension liability
June 30, 2015	0.338928%	92,666	1,870,769	4.95%	99.15%
June 30, 2016	0.327824%	862,927	1,875,862	46.0%	92.23%
June 30, 2017	0.312041%	642,653	1,756,194	36.6%	94.15%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

FIFTEENTH JUDICIAL DISTRICT COURT

Schedule of Contributions
Year Ended June 30, 2017

Year Ended	Statutorily required contribution	Contributions relative to statutorily required contribution	Contribution deficiency (excess)	Covered employee payroll	Contributions as a percentage of coverd employee payrll
June 30, 2015	\$ 285,151	\$ 285,151	\$ -	\$ 1,870,769	15.2%
June 30, 2016	\$ 257,884	\$ 257,884	\$ -	\$ 1,875,862	13.8%
June 30, 2017	\$ 223,962	\$ 223,962	\$ -	\$ 1,756,194	12.8%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

ADDITIONAL INFORMATION

FIFTEENTH JUDICIAL DISTRICT COURT

Schedule of Compensation, Benefits, and Other Payments to Agency Head
Year Ended June 30, 2017

Judge David Banchet, Chief Judge

<u>Purpose</u>	<u>Amount</u>
Paid from Child Support Fund:	
Professional liability policy	1,728
Continuing professional education fees	1,274
Reimbursements - Dues, office expenses	1,652
Car allowance	3,989

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

To the Honorable David Blanchet
 Fifteenth Judicial District Court
 Lafayette, 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 Fifteenth Judicial District Court, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise Fifteenth Judicial District Court's basic financial statements and have issued our report thereon dated October 3, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Fifteenth Judicial District 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 Fifteenth Judicial District Court's internal control. Accordingly, we do not express an opinion on the effectiveness of Fifteenth Judicial District 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.

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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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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 Fifteenth Judicial District 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*.

Fifteenth Judicial District Court's Response to Findings

Fifteenth Judicial District Court's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. Fifteenth Judicial District Court's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

This report is intended solely for the information and use of the Fifteenth Judicial District Court's management, the judges en banc, and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Dannall, Sikes, Gaudes & Frederick

A Corporation of Certified Public Accountants

Lafayette, Louisiana
October 3, 2017

FIFTEENTH JUDICIAL DISTRICT COURT

Summary Schedule of Prior Audit Findings
Year Ended June 30, 2017

Section I Internal Control and Compliance Material to the Financial Statements

This section is not applicable for the year ended June 30, 2017.

Section II Internal Control And Compliance Material To Federal Awards

This section is not applicable for the year ended June 30, 2017.

Section III Management Letter

This section is not applicable for the year ended June 30, 2017.

FIFTEENTH JUDICIAL DISTRICT COURT

Schedule of Findings and Responses
Year Ended June 30, 2017

Part I: Summary of Auditor's Results

FINANCIAL STATEMENTS

Auditor's Report - Financial Statements

An unmodified opinion has been issued on Fifteenth Judicial District Court's financial statements as of and for the year ended June 30, 2017.

Deficiencies and Material Weaknesses in Internal Control - Financial Reporting

No deficiencies or material weaknesses in internal control over financial reporting were disclosed during the audit of the financial statements.

Material Noncompliance - Financial Reporting

The results of our tests disclosed no material instances of noncompliance, which are required to be reported under *Government Auditing Standards*.

FEDERAL AWARDS

This section is not applicable for the fiscal year ended June 30, 2017.

Part II: Findings Relating to an Audit in Accordance with *Government Auditing Standards*

This section is not applicable for the fiscal year ended June 30, 2017.

Part III: Findings and Questioned Costs Relating to Federal Programs

At June 30, 2017, the Fifteenth Judicial District Court did not meet the requirements to have a single audit in accordance with OMB Uniform Guidance, therefore this section is not applicable.

Part IV: Management Letter

The auditor did not issue a management letter this year

FIFTEENTH JUDICIAL DISTRICT COURT

Management's Corrective Action Plan
Year Ended June 30, 2017

Part I Internal Control and Compliance Material to the Financial Statement

This section is not applicable for the year ended June 30, 2017.

Part II Internal Control and compliance Material to Federal Awards

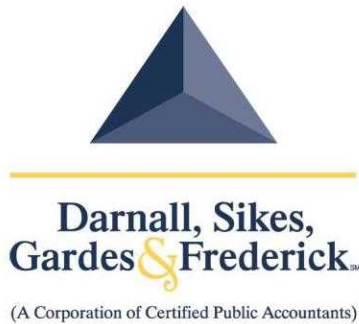
This section is not applicable for the year ended June 30, 2017.

Part III Management Letter

This Section is not applicable for the year ended June 30, 2017.

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Honorable David Blanchet
 Fifteenth Judicial District Court and
 The Louisiana Legislative Auditor
 Opelousas, Louisiana

We have performed the procedures enumerated below, which were agreed to by Fifteenth Judicial District Court (District), and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2016 through June 30, 2017. The District's management is responsible for those C/C areas identified in the SAUPs.

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

The procedures and associated findings are as follows:

Written Policies and Procedures

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

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

The District does not have any written policies and procedures that address the functions noted above.

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- b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes:

Written policies and procedures were obtained and address the functions (1) and (3) noted above. The written policies and procedures do not reference the function of how vendors are added to the vendor list noted above as (2), control to ensure compliance with the public bid law (4), and documentation required to be maintained for all bids and price quotes (5).

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

Written policies and procedures were obtained and address the functions noted above.

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

Written policies and procedures were obtained and address the functions noted above.

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

Written policies and procedures were obtained and do address the functions noted above.

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process:

The District does not have any written policies and procedures that address the functions noted above.

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage:

The District does not have any written policies and procedures that address the functions noted above.

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

Written policies and procedures were obtained and do address the functions noted above.

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the District's ethics policy. Note: Ethics requirements are not applicable to nonprofits:

The District does not have any written policies and procedures that address the functions noted above.

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

The District does not have any written policies and procedures that address the functions noted above.

Board (or Finance Committee, if applicable)

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

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

There are no written policies and procedures that address the functions noted above. The managing board met ten times during the fiscal period.

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

Minutes did not include or reference monthly budget-to-actual comparisons for the General Fund and major funds identified as such.

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

Deficit spending was not noted during the fiscal period.

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

The minutes do reference non-budgetary financial information.

Bank Reconciliations

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

Obtained a listing of client bank accounts from management and management provided representation that the listing is complete.

4. Using the listing provided by management, select all of the District's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity fund accounts may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:

- a) Bank reconciliations have been prepared:

Bank reconciliations have been prepared for all months during the fiscal period.

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

Bank reconciliations do not include evidence of management/board member's review of the bank reconciliations.

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

Bank reconciliations do include items that have been outstanding for more than 6 months, however, management did not have any documentation reflecting those items have been researched.

Collections

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

Obtained listing of cash collection locations and management provided representation that the listing is complete.

6. Using the listing provided by management, select all of the District's cash collection locations (if five locations or less) or one-third of the collection locations on a three year rotating basis (if more than 5 locations). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity funds may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each cash collection location selected:

- a) Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee:

The District does have a surety bond insurance policy covering each person responsible for collecting cash, function (1) and (3) above. The District does not have any written policies and procedures that address functions (2) noted above.

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

Written policies and procedures were obtained and do address the functions noted above.

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

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

Cash collection documentation was obtained for the selected weeks and we noted deposits were not all made within one day of collection. The number of days from receipt to deposit are summarized below:

Collection Day	Number of days between receipt to deposit			
	Location			
	1	2	3	4
9/26/2016	N/A	4	N/A	N/A
9/29/2016	N/A	1	N/A	N/A
9/30/2016	N/A	0	N/A	N/A
continued				

Collection Day	Number of days between receipt to deposit			
	Location			
	1	2	3	4
10/17/2016	N/A	N/A	N/A	1
10/18/2016	N/A	N/A	N/A	0
3/13/2017	2	N/A	1	N/A
3/14/2017	2	N/A	N/A	N/A
3/15/2017	2	N/A	N/A	N/A
3/16/2017	4	N/A	N/A	N/A
3/17/2017	3	N/A	N/A	N/A

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

Daily cash collections for the week selected are completely supported by documentation.

7. Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the District has a process specifically defined (identified as such by the District) to determine completeness of all collections, including electronic transfers, for each revenue source and agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation) by a person who is not responsible for collections:

The District does not have any documentation that address the functions noted above.

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

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

Obtained listing of disbursements and management provided representation that the listing is complete.

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

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

Examined supporting documentation for each of the disbursements selected and noted that purchases were initiated using a purchase order system.

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

Examined supporting documentation for each of the disbursements selected and noted appropriate approval of purchase orders by a person who did not initiate the transaction.

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

Examined supporting documentation for each of the disbursements selected and noted appropriate purchase order, receiving report, and approved invoice.

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

The District's policies and procedures provided do not address the function of adding vendors to the District's purchasing/disbursement system.

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

Written policies and procedures provided do address the separation of signatory authority from initiating or recording of purchase.

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

Supply of unused checks are maintained in a locked location, with restricted access from those persons with signatory authority.

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

The District does not utilize a signature stamp or signature machine.

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

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

Obtained listing of all active credit cards and management provided representation that the listing is complete.

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

Obtain the monthly statements, or combined statements if multiple cards are on one statement, for the selected cards. Select the monthly statement or combined statement with the largest dollar activity

for each card (for a debit card, select the monthly bank statement with the largest dollar amount of debit card purchases) and:

- a) Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]:

Examined supporting documentation for the monthly statement selected from each of the 10 cards selected noting one statement did not have written evidence of being reviewed and approved.

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

There were no finance charges and/or late fees assessed on the selected statements.

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

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

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

One transaction was not supported by an original itemized receipt.

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

Each transaction was supported by documentation of the business/public purpose.

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

There are written policies and procedures that address the functions noted above.

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

No exceptions noted.

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

No exceptions noted.

Travel and Expense Reimbursement

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

Obtained listing of travel and expense reimbursements, by person, and management provided representation that the listing is complete.

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

Written policies and procedures were obtained and the amounts listed in the District's policies regarding travel and expense reimbursements did not exceed GSA rates.

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

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

Expenses selected were reimbursed in accordance with written policies.

- b) Report whether each expense is supported by:

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

Expenses selected were reimbursed in accordance with appropriate supporting documentation or established per diem amount.

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

Documentation of business purpose noted for each expense reimbursement selected.

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

Documentation required by written policy noted for each expense reimbursement selected.

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

No exceptions noted.

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

Each expense reimbursement selected was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Contracts

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

Obtained listing of all contracts in effect and management provided representation that the listing is complete.

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

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

A formal/written contract supporting the service arrangements was noted for the vendors selected.

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

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

Contracts selected are not subject to the Louisiana Public Bid Law or Procurement Code.

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

The District provided contract documentation, however, the District did not solicit quotes as a best practice.

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

Contracts selected were not amended.

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

The invoices and related payments selected complied with the terms and conditions of the contract.

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

Obtained documentation of board approval for selected contracts as required by policy.

Payroll and Personnel

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

Obtained listing of employees with their related salaries and management's representation that the listing is complete.

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

Each employee selected was paid in accordance with the terms and conditions of the employment contract or pay rate structure.

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

Changes to pay rates during the fiscal period for selected employee were approved in writing.

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

- a) Report whether all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.):

Documentation of daily attendance and leave was noted for each employee selected.

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

Documentation of supervisor approval for attendance and leave was noted for each employee selected.

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

Documentation of written leave records were maintained for employees selected.

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

Obtained listing of employees terminated during the fiscal period and management provided representation that the listing is complete. There were no termination payments made to the selected employees.

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

Obtained supporting documentation relating to payroll taxes and retirement contributions during the fiscal period noting that related payments and required reporting forms were submitted to the applicable agencies by the required deadlines.

Ethics (excluding nonprofits)

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

Obtained ethics compliance documentation from management for all employees selected.

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

No alleged ethics violations were reported to the District during the fiscal year.

Debt Service (excluding nonprofits)

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

The District did not issue any debt during the current fiscal year.

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

The District did not have any debt outstanding during the current fiscal year.

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

The District did not have any tax millages relating to debt during the current fiscal year.

Other

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

Management has asserted that the District did not have any misappropriations of public funds or assets during the reporting period.

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

Required notices are posted on the District’s premises and website.

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

No exceptions noted.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those 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.

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

Dannall, Sikes, Gaudes & Frederick

A Corporation of Certified Public Accountants

Eunice, Louisiana
October 9, 2017



FIFTEENTH JUDICIAL DISTRICT COURT
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TINA LEMAIRE
COURT ADMINISTRATOR

PARISHES OF
ACADIA
LAFAYETTE
VERMILION

October 23, 2017

Darnall, Sikes, Gardes & Frederick
A Corporation of Certified Public Accountants
Eunice, Louisiana

The following is Management's response to the 2016-17 AUP report submitted for the Fifteenth Judicial District.

WRITTEN POLICIES and PROCEDURES

1. Budgeting
 - b) Purchasing
(2), (4) and (5) – Management will work toward documenting existing policy.
 - f) Contracting
Management will work toward documenting existing policy.
 - g) Credit Cards, etc.
Management will work toward documenting existing policy.
 - i) Ethics
Management will work toward documenting existing policy.
 - j) Debt Service
As the Court is prohibited from incurring debt, no policy is required.

BOARD

2.
 - a) Management will work toward collecting the archived minute entries that dictate when and how the judges meet *en banc*.
 - b) Management will work toward monthly reporting of budget-to-actual comparisons.

BANK RECONCILIATIONS

4.
 - b) Management has already resolved this issue, beginning with July 2017 statements.
 - c) Management will work toward documenting existing policy.
6.
 - a) Management will work toward implementing and documenting policy.
 - b) Management will work toward implementing and documenting policy.
7. Management will work toward implementing and documenting policy.
10. Management will investigate how it can implement said policy with manpower available.

CREDIT CARDS/DEBIT CARDS, ETC.

15. a) Management will continue to make a concerted effort with all divisions to have sales tickets attached to and/or signature approval on all credit invoices.
16. a) Management will continue to make a concerted effort with all divisions to have sales tickets attached and/or signature approval on all credit invoices.

CONTRACTS

21. b) Management will work toward documenting best practices for procurement.

Tina LeMaire
Court Administrator
Fifteenth Judicial District Court