

LOUISIANA SUPREME COURT
STATE OF LOUISIANA



FINANCIAL AUDIT SERVICES
MANAGEMENT LETTER
ISSUED FEBRUARY 24, 2016

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Louisiana Legislative Auditor

Daryl G. Purpera, CPA, CFE

Louisiana Supreme Court



February 2016

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Introduction

As a part of the Single Audit of the State of Louisiana (Single Audit) for the fiscal year ended June 30, 2015, we performed procedures at the Louisiana Supreme Court (Court) to evaluate the effectiveness of the Court's internal controls over a major federal program and to determine whether the Court complied with applicable laws and regulations.

The Court is Louisiana's highest court and is composed of seven justices elected from districts throughout Louisiana. The Chief Justice serves as the chief administrative officer of the judicial system.

Results of Our Procedures

Federal Compliance – Single Audit of the State of Louisiana

As a part of the Single Audit for the year ended June 30, 2015, we performed internal control and compliance testing as required by Office of Management and Budget (OMB) Circular A-133 on the Court's major federal program, the Temporary Assistance for Needy Families program (CFDA 93.558).

Those tests included evaluating the effectiveness of the Court's internal controls designed to prevent or detect material noncompliance with program requirements and determining whether the Court complied with applicable program requirements.

Based on the results of these Single Audit procedures, we did not report any internal control deficiencies or noncompliance with program requirements.

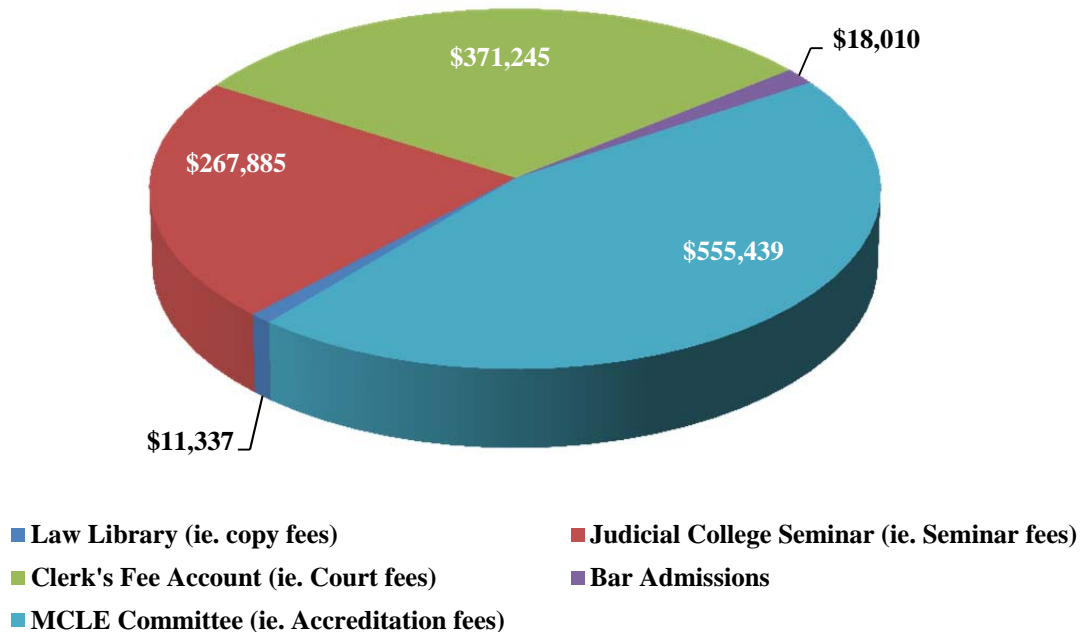
Other Procedures

In addition to the Single Audit procedures previously noted, we evaluated the Court's operations and system of internal controls through inquiry, observation, and review of its policies and procedures, including a review of the applicable laws and regulations. Based on the documentation of the Court's controls and our understanding of related laws and regulations, we performed procedures on selected controls and transactions related to self-generated revenues and cash.

- The Court's total self-generated revenues collected for fiscal years 2014 and 2015 were \$1,223,916 and \$1,581,485, respectively. Our procedures included a review of the Court's controls and policies related to the collection of fees such as copy fees, court fees, bar admissions, seminar fees, and accreditation fees. The Court had adequate controls in place to ensure that fees were fairly collected, deposited timely, and accurately recorded.
- We also performed procedures to determine that bank reconciliations were prepared and reviewed in a timely manner.

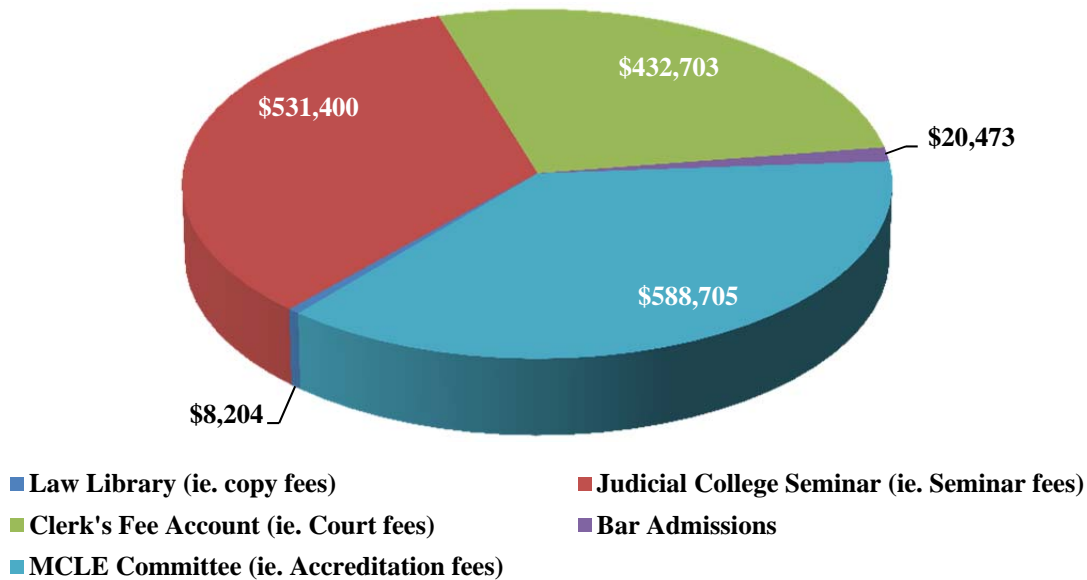
Based on the results of the procedures performed, we found no issues or weaknesses that were required to be reported.

Exhibit 1
2014 Self-generated Revenues
Total: \$1,223,916



Source: 2014 Annual Fiscal Report

Exhibit 2
2015 Self-generated Revenues
Total: \$1,581,485



Source: 2015 Annual Fiscal Report

Self-generated revenues collected by the Court consists of fees the Court is statutorily authorized to collect. These revenues have increased by \$357,569, or 29%, in fiscal year 2015. The majority of the increase is due to the \$263,515, or 98%, increase in Judicial College collections as a direct result of Act 405 of the 2014 Regular Session. The Act allowed for collection of additional fees for court filings.

Trend Analysis

We compared the most current and prior-year financial activity using the Court's annual fiscal reports and/or system-generated reports to identify trends and obtained explanations from the Court's management for significant variances that could potentially indicate areas of risk. Management provided reasonable explanations for all significant variances.

Under Louisiana Revised Statute 24:513, this report is a public document, and it has been distributed to appropriate public officials.

Respectfully submitted,

Daryl G. Purpera, CPA, CFE
 Legislative Auditor

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APPENDIX A: SCOPE AND METHODOLOGY

We performed certain procedures at the Louisiana Supreme Court (Court) for the period from July 1, 2013, through June 30, 2015, to evaluate relevant systems of internal control in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States. The procedures included inquiry, observation, review of policies and procedures, and a review of relevant laws and regulations. Our procedures, summarized below, are a part of the Single Audit of the State of Louisiana (Single Audit) for the year ended June 30, 2015.

- We evaluated the Court's operations and system of internal control through inquiry, observation, and review of its policies and procedures, including a review of the laws and regulations applicable to the Court.
- We performed procedures on the Temporary Assistance for Needy Families program (CFDA 93.558) for the year ending June 30, 2015, as a part of the 2015 Single Audit.
- Based on the documentation of the Court's controls and our understanding of related laws and regulations, we performed procedures on selected controls and transactions relating to self-generated revenues and cash.
- We compared the most current and prior-year financial activity using the Court's annual fiscal reports and/or system-generated reports and obtained explanations from the Court's management for any significant variances.

The purpose of this report is solely to describe the scope of our work at the Court and not to provide an opinion on the effectiveness of the Court's internal control over financial reporting or on compliance. Accordingly, this report is not intended to be and should not be used for any other purpose.

We did not audit or review the Court's Annual Fiscal Report and, accordingly, we do not express an opinion on that report. The Court's accounts are an integral part of the state of Louisiana's financial statements, upon which the Louisiana Legislative Auditor expresses opinions.