



Louisiana Legislative Auditor Audit Risk Alert

*Baton Rouge Office
Phone No. (225) 339-3800
Fax No. (225) 339-3870*

AUDIT RISK ALERT # 11 (See related Audit Risk Alerts No. [34](#) and [35](#))

DATE: August 14, 2018 (updated October 13, 2021)

SUBJECT: Fines, fees and court costs collected on behalf of other entities

This audit risk alert addresses the auditor's responsibility to test collection and remittance of fines, fees, and court costs collected by local government agencies on behalf of other entities.

Some local government agencies are authorized by various Louisiana Revised Statutes (R.S.) or other laws to collect and remit certain fines, fees and court costs on behalf of other entities. These fines, fees and court costs include but are not limited to:

- Court costs collected on behalf of district public defenders ([R.S. 15:168](#))
- Fines and penalties imposed by local law enforcement bodies on motorists exceeding the posted speed limit by less than ten miles an hour, collected on behalf of the Louisiana Highway Safety Fund ([R.S. 32:266](#))
- Court costs and fines for littering collected on behalf of various entities, including the Keep Louisiana Beautiful Fund ([R.S. 30:2531](#) and [2532](#))

In audits performed under *Government Auditing Standards* (the Yellow Book), CPAs are required to test and report on the agency's compliance with material laws and regulations. In order to facilitate the tests of fines, fees, and court costs collected on behalf of other entities, the Louisiana Legislative Auditor (LLA) has added Representation # 18 to the [Louisiana Compliance Questionnaire for Audit Engagements of Governments](#), which may be found in the *Louisiana Governmental Audit Guide*:

We have remitted all fees, fines, and court costs collected on behalf of other entities, in compliance with applicable Louisiana Revised Statutes or other laws.

The remainder of the representations in the *Louisiana Compliance Questionnaire* have been renumbered accordingly.

This revision to the *Louisiana Compliance Questionnaire* is effective upon publication of this audit risk alert. Please notify the local government agencies you audit that during their next audit they will be expected to identify all fees, fines, and court costs collected on behalf of other entities; and provide evidence to the auditor that they have complied with

the applicable Louisiana Revised Statutes or other laws with respect to remittance of these monies.

CPA firms are expected to test the agency's representations in the *Louisiana Compliance Questionnaire* during their audits, and to appropriately report matters of noncompliance.

We ask that you review these documents and address these issues with the local government agencies you are auditing.

If you have any questions about the matter discussed in this audit risk alert, please contact Sandra Whitehead at swhitehead@lla.la.gov or (225) 339-3811; or Diane Allison at dallison@lla.la.gov or (225) 339-3812.