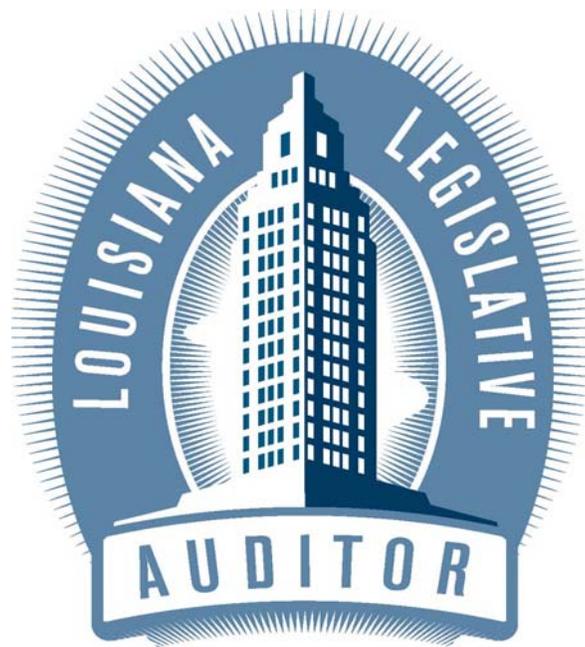


RICHLAND PARISH POLICE JURY



ADVISORY SERVICES REPORT  
ISSUED APRIL 29, 2009

**LEGISLATIVE AUDITOR  
1600 NORTH THIRD STREET  
POST OFFICE BOX 94397  
BATON ROUGE, LOUISIANA 70804-9397**

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STEVE J. THERIOT, CPA

**DIRECTOR OF ADVISORY SERVICES**  
JOY S. IRWIN, CPA

Under the provisions of state law, this report is a public document. A copy of this report has been submitted to the Governor, to the Attorney General, and to other public officials as required by state law. A copy of this report has been made available for public inspection at the Baton Rouge office of the Legislative Auditor and at the office of the parish clerk of court.

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LOUISIANA LEGISLATIVE AUDITOR  
STEVE J. THERIOT, CPA

April 29, 2009

**MS. SHARON GEE, PRESIDENT,  
AND MEMBERS OF THE RICHLAND  
PARISH POLICE JURY**  
Rayville, Louisiana

My staff applied our *Checklist of Best Practices in Government* in providing advisory services for the financial operations of the Richland Parish Police Jury (police jury). In addition, we reviewed your resolution of the audit findings reported in the police jury's December 31, 2007, audited financial statements.

Attachment I contains our findings and recommendations resulting from our assessment and Attachment II provides the status of the December 31, 2007, audit findings. Management's response is presented in Appendix A.

Our recommendations are intended to assist you in your efforts to (1) improve controls over the police jury's financial operations; (2) implement good business practices; and (3) ensure the police jury's compliance with the Louisiana constitution and state laws.

This assessment is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards; therefore, we are not offering an opinion on the police jury's financial statements or system of internal control nor assurance as to compliance with laws and regulations.

Respectfully submitted,

Steve J. Theriot, CPA  
Legislative Auditor

RLT:ESS:JSI:sr

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## Findings and Recommendations



The following are the findings and recommendations resulting from our advisory services. The police jury should consider the costs of implementing the recommendations compared to the benefits they will provide. For any recommendations not implemented, the police jury should be aware of the risks.

We reviewed our findings and recommendations with certain management of the police jury to provide them an opportunity for their response. Management's response is presented in Appendix A.

### **Noncompliance With Parish Transportation Fund Act**

The police jury was not complying with all provisions of the Parish Transportation Fund Act (PTA). The police jury receives approximately \$300,000 per year from the Parish Transportation Fund and collects a sales tax to fund road construction in its districts. We advise the police jury that failure to comply with the requirements of the PTA may cause suspension of and possible forfeiture of parish transportation funds, criminal sanctions for malfeasance, and potential personal liability for civil damages to restore improperly expended funds. *[Note: We remind the police jury that issues of noncompliance with the PTA were previously reported to the police jury by my office in a public report dated May 2, 2001.]*

The PTA is a set of state laws [Louisiana Revised Statute (R.S.) 48:751-762] which, among other things, provides for state funding to the parish for the maintenance, construction, and repairs of parish roads, and requires the funds to be used for the benefit of the parish as a whole and in accord with the priority ranking by the police jury. The PTA requires the most critical needs existing parishwide according to the priority ranking to be met first.

**Road Administration** - Contrary to state law (PTA), the police jury was administering its parishwide road program under the old *ward system*, a method whereby funds are divided among the districts/wards and the individual jurors specify and prioritize the road projects in their individual districts (done without regard to the most critical needs of the parish as a whole). The PTA requires the parishwide road program to be administered efficiently and centrally by the police jury as a whole, a method of administration commonly referred to as the *unit system*.

**Capital Improvement Program** - Contrary to state law,<sup>1</sup> the police jury did not adopt a three-year capital improvement program for parish roads that was based on a priority ranking for the most critical needs existing parishwide. Although there was a listing of projects for the years 2009, 2010, and 2011, the projects were not listed in a prioritized ranking based on parishwide needs nor were any construction projects based upon engineering plans and inspection as required.

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<sup>1</sup>**R.S. 48:755(A)** requires, among other things, the police jury to adopt a parishwide system of administration which should include the development of a capital improvement program on a selective basis. All construction should be based upon engineering plans and inspection.

**R.S. 48:755(B)(1)** requires, among other things, the police jury to adopt a list of all projects to be constructed during the year and the following two years, all of which should be listed in a prioritized ranking based on parishwide needs. The capital improvement program should be adopted annually (prior to the beginning of the first year of the three-year plan) regardless of whether the police jury anticipates capital improvements in the first year of the plan.

Recommendation: The police jury should immediately stop using the ward system and begin complying with all requirements of the PTA. As such, the police jury should adopt a parishwide unit system of road administration that includes the following:

1. A capital improvement program that uses a three-year priority schedule. The three-year priority schedule should include a list of all projects to be constructed in the current fiscal year by order of priority, as well as the two following fiscal years. All road construction projects, including overlay projects, must be based upon engineering plans and inspection. This priority schedule must be approved by the police jury each year by a majority vote in an open meeting, and the schedule may be amended as additional funding is secured and roadways are included or removed from the parish system.
2. A selective maintenance program under the authority of the parish road manager.
3. Centralized purchasing of equipment and supplies.
4. Centralized accounting.

### **Segregation of Accounting Duties**

Accounting duties were not adequately segregated for a proper system of checks and balances. Good business practices and proper controls dictate that duties be segregated so that no individual performs/controls all duties related to a financial area/function. Ideally, different employees should be responsible for transaction (1) authorization; (2) custody; (3) recordkeeping; and (4) reconciliation. Without adequate segregation of duties and supervisory oversight, errors or fraud could occur and not be detected, increasing the risk of loss or theft of jury assets.

The secretary-treasurer (treasurer) and the assistant secretary-treasurer (assistant treasurer) are assigned to work on separate funds (e.g., General Fund, Road Fund, et cetera) of the police jury and are responsible for performing all accounting duties related to their assigned funds. Furthermore, none of their work was being reviewed and approved.

For example, for the General Fund, the treasurer (1) approves the purchases; (2) receives, processes, and records the vendor invoices in the computer system; (3) prints the checks to pay vendors; (4) signs the checks using a check-signing machine; (5) mails/distributes the checks; and (6) reconciles the bank account, all of which is done without any supervisory review and approval.

Recommendation: We recommend that the police jury and treasurer evaluate the overall business operations and restructure/reassign duties to ensure there is an adequate system of checks and balances. Also, implementing compensating controls such as requiring unopened bank statements to be given to the police jury president for review (before the statements are given to an employee to reconcile) could help reduce risk.

**Plan for Future Operations**

The police jury has been spending more than the available revenues of the general fund which has resulted in a steady decrease in fund balance/surplus. At December 31, 2007, fund balance was \$59,200 (unreserved and undesignated). The police jury did not have a formal plan for making both short-term and long-range spending cuts to ensure that it will operate within its available funding and maintain a reasonable fund balance for the general fund.

According to the police jury’s audited financial statements for 2005, 2006, and 2007, deficit spending in the general fund totaled approximately \$64,000, as summarized below.

	<b>2007</b>	<b>2006</b>	<b>2005</b>
Revenues	\$867,110	\$711,152	\$690,697
Expenditures	908,656	727,633	696,447
(Deficit)	(\$41,546)	(\$16,481)	(\$5,750)

In addition, police jury records reflect continued deficit spending in 2008. For the 10-month period ending October 31, 2008, deficit spending in the general fund totaled approximately \$15,000.

**Recommendation:** The police jury should stop deficit spending. We suggest that the police jury do the following:

- Prepare and adopt a written plan (plan) for the general fund which includes both short- and long-term spending cuts and/or increases in revenues that will eliminate continued deficit spending. The plan should be used for decision-making and budgeting purposes.
- Monitor the plan at least quarterly to ensure operations of the general fund are on target and update the plan accordingly.
- Monitor the financial statements and budget monthly to ensure that operations are within the available funding and that a reasonable fund balance is maintained.

**Budget-to-Actual Variances**

The monthly budget-to-actual variances, both the amounts and percentages, shown on the computer-generated comparison schedule were not correct. Without accurate variance information, the police jury cannot effectively exercise its fiduciary responsibilities of managing the fiscal operations of parish government (e.g., amending the budget in compliance with R.S. 39:1311.A when there is a 5% variance in expenditures).

Recommendation: The treasurer should consult with the software vendor to correct this financial reporting issue. Each month, the treasurer should present the police jury with budget-to-actual comparison schedules that reflect accurate variance amounts and percentages. The treasurer should review and explain the reason(s) for any significant budget variances, including warnings of any corrective action needed (e.g., budget cuts, amend the budget, et cetera).

### **Written Policies and Procedures**

The police jury's written policies and procedures were not complete. Written policies and procedures aid in the continuity of police jury operations and are necessary to provide a clear understanding of what should be done, how it should be done, who should do it, and when it should be done.

Recommendation: The police jury should develop and implement written policies and procedures, in accordance with applicable Louisiana laws, related to the following:

- Ethics, including prohibited activities (e.g., related-party transactions) and requiring an annual letter from each jury member and employee attesting to his/her compliance with the ethics policy
- Sick leave, including how leave is accounted for and used (e.g., accumulated and carried over to the next year, not paid upon separation of employment, et cetera)
- Retention of public records, including e-mail communications
- Budgeting, including procedures for preparing, adopting, monitoring, and amending budgets
- Receipts/collections, including receiving, recording, and preparing deposits
- Disbursements, including processing, reviewing, and approving expenditures
- Procurement/purchasing, including how purchases are initiated and approved and checks and balances to ensure compliance with the public bid law
- Capital assets, including recording, tagging, inventorying, and safeguarding the assets
- Travel, including rates for business mileage, meals, lodging, parking, and filing standard expense reimbursement reports
- Computers, including backing up and storing computer files, and procedures for disaster recovery/business continuity
- Investments, including procedures for investing excess cash and ensuring that bank balances and investments are fully secured

- Cellular telephones, including accounting for the business and personal use
- Off-road diesel inventories, including securing access to pumps and accounting for usage
- Fuelman (gasoline and diesel) purchases, including requiring employees to accurately record odometer readings

### **Purchasing and Disbursements**

Controls over purchasing and disbursements need to be improved.

1. Controls over the check-signing machine were inadequate. A check-signing machine is used to sign checks for which (1) the two machine keys are not removed after use; (2) two employees are not required to be present when checks are signed; and (3) the number of checks signed by the machine is not logged and reconciled/agreed to the number of checks listed in the check register.

Recommendation: To strengthen jury oversight over disbursements, we recommend that the police jury discontinue using the machine and require “live” signatures of designated jurors on the checks.

Should the police jury continue using the check-signing machine, we suggest that the following controls be implemented:

- Maintain the two machine keys under lock and place under the control of two employees (dual control). Also, the keys should be removed from the machine immediately after use and secured.
  - Require two employees to be present when checks are signed. To ensure that the number of checks signed (according to the machine’s meter reading) agrees to the number of checks listed in the check register, a log should be prepared (and maintained) that lists the beginning and ending meter readings with the total number of checks signed. Both employees should initial the log certifying that the number of checks signed agrees to the number of checks listed in the check register.
2. Payments/checks issued to vendors were not reviewed and approved by the police jury or a designated jury member.

Recommendation: We recommend that the invoices and related documentation (e.g., purchase orders and receiving reports) be attached with the checks and be submitted to the president for his/her review and approval. The president should initial and date his/her approval on the invoices before the checks are signed and mailed.

3. Documentation relating to public bids was not maintained in an organized manner. Good business practices dictate that bid documentation be filed together in an orderly manner to readily demonstrate compliance with the public bid law.

Recommendation: The treasurer should ensure that documentation is maintained in a bid folder that includes, at a minimum, the following:

- Bid notification letters, including the contract, plans, and specifications
  - Documentation that bids were properly advertised
  - Bid opening documentation, including tabulation sheet and indication of selected bid
  - All original bids/responses received
  - Copies of minutes
4. Purchase orders were not always prepared before items (e.g., materials and supplies) were purchased.

Recommendation: Purchase orders should be prepared and approved (in writing) before items are purchased. As part of the approval process, the treasurer should verify that the costs are budgeted and that funds are available to pay for the items.

### **Payroll Recordkeeping**

Controls over payroll need to be improved.

**Attendance and Leave Records** - The treasurer, assistant treasurer, and parish manager were not recording their attendance at work and their leave (annual and sick leave) from work. Without attendance and leave records, the police jury cannot ensure that leave privileges are reasonable and are not being abused.

Recommendation: The police jury should ensure that all employees, including the treasurer, assistant treasurer, and parish manager are preparing timecards/sheets and leave slips to document hours worked and leave taken.

**Overstated Leave Balances** - The payroll system was improperly duplicating leave earned in a pay period for employees who were paid more than one check during the pay period. For example, our assessment revealed instances in 2008 in which the treasurer, assistant treasurer, and parish manager were paid two separate checks (e.g., regular paycheck plus a supplemental check for overtime) in a pay period and the payroll system calculated and duplicated their earned leave in error.

Recommendation: The treasurer should request the payroll software vendor to assist in resolving the system's duplication of earned leave when multiple checks are issued to an employee. The leave records of the three employees and all other employees should be analyzed in detail to determine the total amount of leave that has been recorded by the system in error. We recommend that any adjustments recorded in employees' leave records/balances be reviewed and approved by the police jury.

**Supervisor Review and Approval** - Supervisors (e.g., road foremen) were not reviewing and approving the timecards of their workers.

Recommendation: Each pay period, employees should sign their timecard/sheet and submit to their supervisor for review and approval. Supervisors should review the timecards for accuracy and initial their approval on the timecards. We recommend that the police jury president review and approve (in writing) the timesheets and leave slips of the treasurer and parish manager.

### **Northside Utility District No. 2**

The police jury administers the Northside Utility District #2 (district) and our assessment revealed that controls over customer utility accounts need to be improved.

**Cut-off Policy** - The police jury did not have a formal cut-off policy for terminating services on past due accounts.

Recommendation: The police jury should adopt and enforce a cut-off policy to ensure utility services (water and sewer) are promptly terminated on all customers who do not pay their bill by the due date. Aggressive action should be taken to collect all past due balances, including legal action when necessary.

**Reconciling Accounts Receivable Balances** - The accounts receivable balance on the detailed utility customer listing was not being reconciled/agreed monthly with the accounts receivable balance in the district's accounting system (general ledger). The reconciliation of these two independent records each month is very important and essential for a good system of controls over customer accounts receivable.

Recommendation: The treasurer should begin recording all utility account transactions (e.g., billings, payments, and adjustments) in the accounts receivable account in the district's accounting system to allow for a monthly reconciliation with the balance in the utility system. Any differences between the two balances should be investigated and resolved immediately.

**Reconciling Customer Meter Deposits** - The customer meter deposits balance in the utility system was not being reconciled/agreed with the liability recorded in the district's accounting system and with the cash maintained in the restricted bank account. As of September 30, 2008, the utility customer listing totaled \$13,815; the meter deposit bank account balance was \$17,695; and the meter deposit liability in the general ledger was \$0. The police jury has a fiduciary responsibility to properly account for customer meter deposits.

Recommendation: The treasurer should begin recording all meter deposit transactions in the meter deposit liability account in the district's accounting system to allow for monthly reconciliation with the balance in the utility system and with the balance in the bank account. Any differences between the three balances should be investigated and resolved immediately.

### **Disaster Recovery Plan**

We recommend that a written disaster recovery/business continuity plan for the police jury be prepared and tested/revised annually. Having a written plan is good business practice as it will provide the steps to be performed to continue police jury operations in the event of a disaster, fire, or terrorist attack.

## Summary of Audit Findings



The following represents a summary of the audit findings reported in the December 31, 2007, audited financial statements (reported by the police jury's independent auditor) and the disposition of those findings based on our inquiries and general observations as of December 19, 2008.

<b>December 31, 2007, Audit Findings</b>	<b>Disposition as of December 19, 2008</b>
1. Duties were not adequately segregated to provide effective internal control.	<u>Unresolved.</u> (See finding, <i>Segregation of Accounting Duties.</i> )
2. The 2007 annual budget for the Library Fund was not adopted by the police jury prior to January 1, 2007, as required by state law.	<u>Resolved.</u> The police jury complied with state law by adopting the 2008 annual budget on December 3, 2007 (prior to January 1, 2008).
<p>3. Controls Need to be Improved:</p> <ul style="list-style-type: none"> <li>• Not all employees were signing their timecards as required by the police jury's procedure manual.</li> <li>• Foremen were not documenting their review and approval on employees' timecards.</li> <li>• There was no policy on earning and accumulating sick leave.</li> <li>• There was no policy for reimbursement of meals and mileage.</li> <li>• Noncompliance with the terms of a contract/grant resulted in approximately \$20,000 not being reimbursed to the police jury.</li> <li>• Contracted services with mechanics and truckers to haul materials are costing significant amounts of money.</li> <li>• The police jury reported theft of gasoline to the district attorney but took no further action.</li> </ul>	<p><u>Resolved.</u> Our assessment revealed that timecards were being signed by all employees.</p> <p><u>Unresolved.</u> (See finding, <i>Payroll Recordkeeping - Supervisor Review and Approval.</i>)</p> <p><u>Unresolved.</u> (See finding, <i>Written Policies and Procedures.</i>)</p> <p><u>Unresolved.</u> (See finding, <i>Written Policies and Procedures.</i>)</p> <p><u>Unresolved.</u> The money has not been received by the police jury, but we understand that the parish manager is making efforts to obtain these funds.</p> <p><u>Unresolved.</u> The parish manager told us that he was reviewing the costs and benefits of these contracts as well as other options available to the police jury.</p> <p><u>Resolved.</u> We were informed that the employee reimbursed the police jury for the cost of the gas and is no longer employed by the jury.</p>

<ul style="list-style-type: none"> <li>• Disbursements were not always supported by (1) purchase orders; (2) purchase orders that were approved before the purchases were made; (3) adequate details of the items purchased; and (4) signed receiving reports.</li> <li>• Comparative budget information was not being recorded on the purchase orders as required by the procedure manual.</li> <li>• After receiving police jury approval to purchase equipment, the former parish manager was not inviting all local vendors (who sell that type equipment) to participate in drafting specifications, as required by the procedure manual.</li> <li>• The police jury paid finance charges and late fees to vendors.</li> <li>• There were no details/explanations for the “equipment” charges reflected on cell phone bills.</li> <li>• The police jury purchased food and related supplies for meetings in which there was not always documentation of the participants’ names or the business purposes for the meetings.</li> <li>• FEMA reimbursed approximately \$6,000 of administrative costs that has not been used to reimburse such expenditures.</li> <li>• Quarterly expenditure reimbursement reports submitted to FEMA were not prepared correctly, and there may not be adequate documentation to support the reimbursement requests.</li> </ul>	<p><u>Unresolved.</u> (See finding, <i>Purchasing and Disbursements.</i>)</p> <p><u>Unresolved.</u> Budget information was not being documented on purchase orders.</p> <p><u>Resolved.</u> The new parish manager told us that he was aware of this requirement and that, in 2008, he invited the three local equipment vendors to participate in drafting the specifications of a trackhoe.</p> <p><u>Unresolved.</u> Our assessment revealed an instance in which the police jury paid a late fee on a telephone bill.</p> <p><u>Resolved.</u> Our assessment did not reveal “equipment” charges on cell phone bills.</p> <p><u>Resolved.</u> The parish manager implemented employee sign-in sheets at meetings and was documenting the business purpose(s) for such meetings.</p> <p><u>Unresolved.</u> We were informed that the funds have not been allocated to reimburse administrative costs.</p> <p><u>Resolved.</u> The police jury hired an employee to assist the parish manager in complying with the reporting and documentation requirements of FEMA.</p>
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<ul style="list-style-type: none"> <li>• The wages reported on the former parish manager’s Form W-2 failed to include \$2,000 paid to him for administering a grant project. Also, the police jury failed to withhold payroll taxes on this \$2,000 payment.</li> <li>• The police jury failed to withhold payroll taxes on leave (excess accumulated annual leave) paid to employees. In addition, the police jury reported the leave payments as earnings on Form 1099 rather than on the employees’ Form W-2.</li> <li>• Road foremen did not always maintain adequate documentation to support the meals purchased for parish prisoners (while working on behalf of the police jury).</li> <li>• The police jury did not accept the low bid for the purchase of three backhoes and its reasoning for not accepting the low bid was not documented.</li> <li>• Without police jury approval, the former parish manager entered into equipment lease agreements for two motor graders.</li> <li>• The police jury paid for services performed by a business owned by the son of the former parish manager.</li> </ul>	<p><u>Unresolved.</u> The police jury did not amend the former parish manager’s Form W-2 (or any other applicable payroll tax reporting forms) to properly include this additional compensation paid to him.</p> <p><u>Unresolved.</u> The police jury did not amend the employees’ Form W-2 (or any other applicable payroll tax reporting forms) to properly include the leave compensation payments.</p> <p><u>Resolved.</u> Our assessment revealed there was adequate documentation maintained for meals purchased for prisoners.</p> <p><u>Resolved.</u> Our assessment did not reveal any purchases in 2008 for which higher bids were accepted by the police jury.</p> <p><u>Resolved.</u> We were informed that there have been no new lease agreements in 2008.</p> <p><u>Resolved.</u> We were informed that the police jury was reimbursed, and our assessment did not reveal any related-party transactions.</p>
<p>4. Amounts due to other funds (interfund payables) of the police jury were not being repaid.</p>	<p><u>Unresolved.</u> Not all funds were fully repaid.</p>
<p>5. The police jury failed to adopt a system of road administration in accordance with the Parish Transportation Fund Act.</p>	<p><u>Unresolved.</u> (See finding, <i>Noncompliance with Parish Transportation Fund Act.</i>)</p>
<p>6. The police jury did not have sufficient expertise on staff to prepare the annual financial statements and note disclosures.</p>	<p><u>Unresolved.</u> The police jury maintains it is not economically feasible to hire personnel with such expertise.</p>

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## Management's Response



### RICHLAND PARISH POLICE JURY

P.O. BOX 668  
TELEPHONE (318) 728-2061  
FAX (318) 728-7004  
RAYVILLE, LOUISIANA 71269

OFFICERS  
PRESIDENT  
Sharon Gee

April 17, 2009

VICE-PRESIDENT  
Jesse Washington

Mr. Steve J. Theriot CPA  
Legislature Auditor Advisory Council  
State of Louisiana  
P.O. Box 94397  
Baton Rouge, Louisiana 70804-9397

PARISH MANAGER  
Larry Wheeler

SEC.-TREASURER  
Kathy A. Burns

MEMBERS  
DIST. 1

Willie A. Tatum  
303 Little John Drive  
Delhi, La 71232

Dear Mr. Theriot:

DIST. 2  
Jesse B. Washington  
117 Valley Street  
Delhi, La 71232

The is the police jury response to the findings as stated by your office staff pertaining to the Disposition as of December 19, 2008 in reference to December 31, 2007, Audit Findings.

DIST. 3  
Sharon D. Gee  
34 Lewis Road  
Rayville, La 71269

Sincerely,



Kathy Burns  
Secretary-Treasurer  
Richland Parish Police Jury

DIST. 4  
James S. Lofton  
1389 Hwy 183  
Rayville, La 71269

DIST. 5  
Judy A. Green  
125 Zebadee Lane  
Rayville, La. 71269

DIST. 6  
Althan Smith  
302 Brittan Street  
Rayville, La 71269

DIST. 7  
Kenneth McKay  
P.O. 1 Archibald  
Archibald, La 71218

DIST. 8  
William T. Moore  
96 Bayou Road  
Rayville, La 71269

DIST. 9  
Ronald F. Gilley  
3466 Hwy 135  
Mangham, La 71269

1. The police jury and treasurer are in the process of reevaluating the overall business operation, restructure and reassigning duties to ensure a system of checks and balances. Unopened bank statements will be opened before given to an employee to reconcile.
  
3. Controls Needs to be Improved:
  - Foremen are documenting their review and approval on employees' time cards.
  - The policy states that sick time shall be accumulated at the same rate as vacation time according to the procedure manual.(2004)
  - We are in the process of establishing a policy for reimbursement of meals and mileage.
  - The police jury will follow state guidelines before expending any funds allocated for grants.
  - The police jury will be making every effort to minimize the cost related to mechanics and hauling materials.
  - A memo has been sent out to the foremen and all employees to sign off stating that he/she understands proper procedures for purchase orders. However, if one does not fully understand procedures, he should notify his immediate supervisor.
  - Page (7) of the procedure manual stated that the purchase orders may not require budget information, but was not amended on page (8) .
  - Bills will be reviewed by management before employees are authorized to make payments to deter any late charges or finance fees.
  - By order of the police jury FEMA reimbursement for administration will be reimburse to the proper fund in the amount of \$ 5,993.67.
  - Salary for administering grants will no longer be paid out of the operating funds, but will be reported on the proper form.

- Due to the information receive from the retirement system concerning employees receiving vacation salary paid out in a lump sum that no retirement was required to be withheld from employer nor employees, a 1099 was issued in error. In the future salaries paid out in a lump sum will be reported on the proper form.
4. The Police Jury is in the process of fully paying amount due to others funds.
  5. The police jury is adopting a parish-wide unit of system of road administration that includes a capital improvement program that utilizes a 3- year priority schedule. The three year priority schedule will include a list of all projects to be constructed in the current fiscal year by order of priority, and the following two fiscal years. The priority schedule will be approved by the police jury each year by a majority vote in an open meeting, and amended as deemed necessary. It is not economically feasible at this time to hire an engineer.
  6. The police jury does not have funds to hire personnel with this expertise.

#### Plan for Future Operations

- The police jury will work on preparing and adopt a written budget for the general funds that will eliminate continue deficit spending.
- Monitor plan quarterly.
- Monitor the financial statements and budget monthly to ensure operations are within the available funding and a reasonable fund balance is maintained.

#### Budget-to-Actual Variances

- Treasurer has consulted with the software vendor to correct the financial reporting issue and it has been resolved.

#### Written polices and procedures

1. The Police jury is looking into getting a firm to help them with updating their procedure manual.

#### Purchasing and Disbursement

Police jury will continue to use the check-signing machine and adhere to the following:

- As of April 2009 the two machine keys are under lock and has been placed under the control of two employees. Also, the keys are being removed from the machine and secured.
  - Two employees will be present when using check machine.
2. The police jury will look into the recommendations as stated.
  3. Documentation relating to public bids will be maintained in an organized manner in a folder.
  4. Purchases orders will be monitor more carefully to make sure funds are available for purchase.

#### Payroll Recordkeeping

Overstated Leave Balances have been corrected on employees and has been resolved with the software vendor.

#### Northside Utility District No 2

The police jury will look into the recommendations concerning northside utility district.

The meter deposits held for customers that left the system owing a water bill will be applied to that bill and if a refund is due it will be given back to the customers.

The treasure will follow recommendation for recording transactions in the meter deposits liability account.