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The Honorable Johnny Herrington, Mayor  
and the members of the Board of Aldermen  
P.O. Box 398  
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I have applied certain agreed-upon procedures, as discussed below, to accounting records of the Police Department of the City of Springhill, as described in my engagement letter dated December 28, 2002. It is understood that this report is solely for the information of management, the incoming and the outgoing Police Chiefs, and the Louisiana Legislative Auditor. I performed certain analytical procedures, as of and for the six months ended December 31, 2002. I discussed certain transactions and reconciling procedures with the City Clerk and Officer in charge of police department accounting records, and I also selected a test of expenditures to perform a detail review. Those procedures, the results and any recommendations are as follows:

**Procedures:** I performed an analytical review of revenues and expenditures for the police department by comparing December 31, 2002, amounts projected for a year to audited amounts at June 30, 2002. I discussed any large or unusual fluctuations with the City Clerk and the Officer in charge of police department accounting records to determine the nature of such differences.

I discussed procedures for approval and payment of all police department expenditures with the City Clerk to determine that all expenditures paid out of the police supervision bank account were reviewed by management.

A list of all pre-numbered tickets issued during the period was obtained and all missing tickets were determined to be VOID or still in the officer's book – unissued.

A test of 15 tickets, 9% of the total issued, were selected at random from the list. These tickets were traced to disposition in the Court Docket, and if applicable any bond collected was traced to the cash receipts book and from there to the bank deposit detail and to the bank statement.

A test of 25 cash receipts, 9% of the receipts issued, were selected at random. These receipts were traced to the bank deposit detail and to the bank statement.

The bond bank account which is maintained in the police department was reviewed to determine that it was properly reconciled to the general ledger.

All checks written from the bond account were examined for proper endorsement by the designated party, and to determine that the expenditure appeared proper.

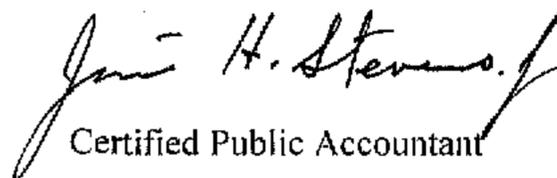
There were five (5) checks written for informant's fees during the period as follows:

Two (2) checks to Chief Sherrel Smith - 687.00  
Two (2) checks to Officer Will Lynd - 350.00  
One (1) check to Officer Ronnie Coleman - 100.00

When I asked for the supporting documentation for these checks, totaling 1,137.00, I was told that Officer Will Lynd maintained these records at his home. Officer Will Lynd no longer works for the police department and repeated requests for the records have been ignored.

- Finding SP2002-1:** The test of cash receipts disclosed that cash collected for bonds is generally deposited once a week, after court. Although the majority of money is collected the day of court, bonds are also paid in advance by many people, and these funds are held until court has been convened, often as long as a week.
- Recommendation:** I recommend for the security of public funds and in order to strengthen your internal control system, that all bank deposits be made daily.
- Management's Reply:** Police Chief Ronnie Coleman says he understands the recommendation, and it will be implemented immediately.
- Finding SP2002-2:** The City is in violation of the Louisiana Public Records Law under R.S. 44:1-163, because the records of informant's fees are not secured in the police department.
- Recommendation:** Every effort should be used to have these records returned and secured in the police department, but with access only by those officers designated by the Police Chief. Policy should be changed to prohibit such records from leaving the department in the future.
- Management's Reply:** Requests have been made of both the previous Police Chief and the Officer responsible for these records. We will continue to make every effort to secure these records.
- Subsequent Note:** This engagement was requested by both the incoming Chief of Police, and the outgoing Chief of Police. As a courtesy to the outgoing Chief of Police, I held an exit conference with him by telephone prior to release of this report. Shortly after that conversation, I was informed by the Officer in charge of financial records that Officer Will Lynd had brought his file on informant's fees paid to her. I requested her to determine that all five (5) of the informant's fees listed above were accounted for. She confirmed that all the expenditures were documented.

Because the above procedures do not constitute an audit conducted in accordance with auditing standards generally accepted in the United States of America, or the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the U.S. General Accounting Office, I do not express an opinion on any of the accounts or items referred to above. Had I performed additional procedures or had I conducted an audit of the financial statements in accordance with auditing standards generally accepted in the United States of America, additional matters might have come to my attention that would have been reported to you. This report relates only to the accounts and items specified above and does not extend to any financial statements of the City of Springhill taken as a whole.

  
Certified Public Accountant

March 20, 2003