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# **Rapides Parish Police Jury**

**Office of Economic and Workforce Development  
and, Office of Workforce Operations**

## **Independent Accountants' Report on Applying Agreed Upon Procedures**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 9-26-01

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# ROZIER, HARRINGTON & MCKAY

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### INDEPENDENT ACCOUNTANTS REPORT ON APPLYING AGREED-UPON PROCEDURES

August 24, 2001

To the Rapides Parish Police Jury  
Alexandria, Louisiana

We have performed the procedures enumerated below, which were agreed to by the Rapides Police Jury. These agreed upon procedures were performed solely to assist the Rapides Parish Police Jury, its employees and consultants, with administering employee leave associated with the Parish's Office of Economic and Workforce Development, and its Office of Workforce Operations (the Offices). The Offices were formally known as the JTPA Office and are sometimes referred to as the JTPA Office. This engagement to apply agreed-upon procedures was performed in accordance with standards established by the American Institute of Certified Public Accountants and *Government Auditing Standards* issued by the Comptroller General of the United States. The sufficiency of the procedures is solely the responsibility of the specified users of the 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.

#### **IDENTIFICATION OF LEAVE POLICIES:**

Based on discussions with administrative personnel, we determined that employee leave is governed by the Parish's civil service policy manual. Copies of the relevant pages from the policy manual were obtained for use in completing the remaining procedures.

#### **DOCUMENTATION OF ADMINISTRATIVE PROCEDURES:**

Based on discussions with administrative personnel and review of supporting documentation, we have obtained a basic understanding of the administrative procedures associated with administering employee leave policies. A summary of these procedures is provided as follows:

- The Offices operate MIP Fund Accounting Software. The software is programmed to automatically accrue leave earned by employees at the conclusion of each pay period. Furthermore, the software produces a leave history report that provides a monthly summary of leave activity for each employee. A sample from the leave history report can be found in the accompanying Exhibit A.
- Due to the nature of their duties and responsibilities, certain employees are not eligible to receive compensatory time in exchange for work in excess of 40 hours during a weekly

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period. These ineligible employees are referred to as exempt employees and they are not required to document attendance. The remaining nonexempt employees are required to document attendance by signing in or out upon entering and leaving the Offices. An example of a typical Daily Attendance Record completed by nonexempt employees appears in the accompanying Exhibit B.

- For each pay period, an accounting clerk prepares a payroll spreadsheet for each of the Offices' facilities. The payroll spreadsheet summarizes each employee's attendance history for the pay period and is subject to approval from a supervisor. An example of a typical payroll spreadsheet appears in the accompanying Exhibit C.
- Employees are required to request leave by completing a formal leave application, which is subject to supervisory approval. A copy of the form used to apply for leave is provided in the accompanying Exhibit D.
- Each of the Offices has a Director and the Directors are responsible for approving the leave request submitted by the employees that they supervise. Leave request submitted by the Directors are subject to approval by the President of the Police Jury.

**EXAMINATION OF SUPPORTING DOCUMENTATION:**

We randomly selected a sample of sixty (60) payroll transactions processed during the period from January 1, 2001 through August 15, 2001. Procedures applied to the sample and the result of those procedures are presented as follows:

**Computation of Leave Earned:**

For each transaction selected, we computed the amount of annual leave and sick leave earned during the pay period. This calculation was based on the employee's hire date and hours for the pay period as reported by the payroll spreadsheet. The results of our calculation were compared to the leave earned for the pay period appearing on the leave history report. There were no differences between the amounts that we calculated and the amounts appearing on the leave history report.

**Comparison of the Payroll Spreadsheet with Daily Attendance Records:**

Our sample of sixty transactions included 47 transactions attributable to nonexempt employees. For each of these nonexempt transactions, we compared the amount of annual leave used as reported on the payroll spreadsheet to Offices' Daily Attendance Records. Out of the 47 transactions considered, there were 11 differences between the payroll spreadsheet and the attendance record. Further consideration of these differences is provided as follows:

- In 10 of the instances when the payroll spreadsheet and the attendance records reported different amounts, it appears that annual leave was erroneously reported on the payroll spreadsheet. In each of these instances, the employee's file contained an application for leave that supported the amount that appeared on the attendance records.
- Attendance records for April 3, 2001 indicated that an employee was absent for a period on one hour; however, this hour away from the premises was not reflected on the payroll

spreadsheet. Furthermore, there was no leave application on file and no corresponding use of leave reported on the employee's leave history.

Based on the findings presented above, approximately 23% of the annual leave transactions were erroneously reported on the payroll spreadsheets. The high degree of errors indicates that attendance records are not being considered prior to processing the offices' payroll.

**Analysis of Leave History Reports:**

For each transaction in the sample, we considered whether annual leave used was properly reported on the leave history report. With the exception of the 1 hour absence occurring on April 3, 2001 that was described above, all leave taken was deducted from the employee's leave balance appearing on the leave history report. However; we did detect some problems with the timing of the leave transactions appearing on the leave history reports. These problems are described as follows:

- In most cases, annual leave taken by employees was posted to the accounting system in the subsequent pay period. Posting transactions in this manner tends to overstate the amount of accrued leave reported at the end of each pay period. In addition, the timing of these transactions indicates that payroll checks are being issued before leave applications are processed.
- According to the Offices' leave policy, accumulated annual leave in excess of 160 hours on an employee's anniversary date must be forfeited. On one occasion, leave was posted to the accounting system before it was actually used. According to the employee responsible for posting leave, the transaction was posted in advance to avoid a forfeiture that would have occurred on the employee's anniversary date.

Upon discovering that leave was posted in advance in order to circumvent the personnel policy, we attempted to determine if this practice had occurred on other occasions. The year to date leave history report was reviewed in order to identify employees with large annual leave balances that reported leave used immediately preceding their anniversary date. Based on this review, we discovered one occasion when leave posted on April 26, 2001 was not actually used until July 1, 2001.

**Analysis of Applications for Leave:**

For each transaction in the sample, we considered whether annual leave taken was supported by an approved application for leave. With the exception of the 1 hour absence occurring on April 3, 2001 that was previously described, all annual leave taken was supported by an approved leave application

**IDENTIFICATION OF POTENTIAL MODIFICATIONS:**

As discussed in our engagement letter, we have considered whether modifications may be necessary to improve policies and procedures or comply with requirements associated with federal funds. Our recommendations are described as follows:

**Compliance with Personnel Policy:**

As discussed previously, we discovered two occasions when annual leave was posted in advance to avoid mandatory forfeitures imposed by personnel policies. Posting transactions in this manner appears to be a deliberate manipulation of accounting records in order to circumvent established policies. Management should take whatever action is necessary to prevent any further misrepresentations of this nature. Furthermore, employees should be advised that personnel policies will be enforced as written and any annual leave in excess of 160 hours should be used before the employees next anniversary date.

**Time Sheets:**

Currently timesheets are used solely to distributed the cost of an employee's compensation among various cost centers. In order to make the timesheets more useful, we suggest revising timesheets to include additional information as follows:

- Provide a format for presenting time that distinguishes between hours worked, annual leave, sick leave, holidays and any other leave.
- Provide space for a signature indicating the supervisors review and approval of the timesheet.
- Provide space for documenting comparison of the timesheet with daily attendance records.
- Provide space for documenting comparison of the timesheet with the employees application for leave.

An example of the proposed format appears in the accompanying Exhibit E.

**Payroll Spreadsheet:**

As discussed previously, payroll spreadsheets that we examined included numerous errors involving amounts reported as accrued leave. Furthermore, the payroll spreadsheets seem to serve little purpose other than providing a format for supervisors to approve payment. Since, the payroll spreadsheet has limited usefulness and since timesheets can be revised to provide space for the supervisors approval, it may be unnecessary to continue preparing payroll spreadsheets.

**Timing of Payroll:**

Before payroll checks are issued, the following administrative task should be completed:

- Review timesheet for clerical accuracy and supervisor's approval.
- Compare timesheets with daily attendance records.
- Compare timesheets with applications for leave.
- Contact employees to resolve any questions or problems.

Currently payroll checks are issued on the last day of each pay period; however, processing payroll checks in such a prompt manner does not allow sufficient time to complete necessary

administrative procedures. In order to correct this situation, we suggest issuing payroll check on the day after the close of the payroll period.

**Applications for Leave:**

The applications for leave that we have examined were usually recorded in the subsequent payroll period. In order to permit processing the applications for leave in the correct payroll period, we suggest requiring employees to attach all applications for leave to their timesheet.

**Proposed Policy Revisions:**

Based on our consideration of the Offices' attendance records, we observed that employees engage in a substantial amount of out of town travel. Due to the volume of out-of-town travel, it is likely that employees will experience illnesses or engage in personal activities during certain trips. Since absences of this nature are likely to occur, we suggest clarifying leave policies in the following matters:

- Adopt a written policy stating that absences from work occurring while an employee is traveling in connection with their duties will be subject to the same provisions that apply to an absence from the offices during an ordinary workday.
- Absences occurring while traveling will require an application for leave. Furthermore, all absences not due to illness will require prior supervisory approval.

We were not engaged to, and did not perform an audit, the objective of which would be the expression of an opinion on the Offices' administration of accrued leave. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the specified users listed above and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes.



ROZIER, HARRINGTON & MCKAY  
Certified Public Accountants

**Exhibit A**  
**Leave History Report**

The document appearing below is page from the Leave History Report produced by MIP Fund Accounting System. The report provides a monthly summary of leave activity for each employee.

Report Time: 10:06:19		Rapides Parish Police Jury / OHRD				Page: 10		
Report Date: 08/21/01		Leave History Report						
		From 01/01/01 Through 08/21/01						
Empl. ID	Employee Name	Date	Vacation		Sick		Other	
			Accrual	Use	Accrual	Use	Accrual	Use
Employee ID Totals - A01012			48.5199	-43.5000	72.7799	-72.5000	.0000	.0000
Begin Balance			-5.0199		-.2799		.0000	
End Balance			.0000		.0000		.0000	
A01026 LESLEY THOMPSON								
		02/28/01	2.7360	.0000	4.1040	.0000	.0000	.0000
		03/15/01	3.3440	.0000	5.0160	-2.5000	.0000	.0000
		03/30/01	3.3440	-7.0000	5.0160	-5.5000	.0000	.0000
		04/12/01	2.6695	-3.7500	4.0043	-9.5000	.0000	.0000
		04/30/01	3.0400	-1.0000	4.5600	.0000	.0000	.0000
		05/15/01	3.3440	.0000	5.0160	.0000	.0000	.0000
		05/31/01	3.6480	-6.0000	5.4720	-9.7500	.0000	.0000
		06/15/01	3.3440	-4.0000	5.0160	-3.7500	.0000	.0000
		06/29/01	.9120	-3.7000	1.3680	-7.5500	.0000	.0000
		07/31/01	.2850	.0000	.4275	.0000	.0000	.0000
		08/15/01	.6080	-.5000	.9120	.0000	.0000	.0000
Employee ID Totals - A01026			27.2745	-25.9500	40.9118	-38.5500	.0000	.0000
Begin Balance			5.2923		5.0160		.0000	
End Balance			6.6178		7.3778		.0000	
A01041 CURTIS HAVENS								
		04/12/01	.0000	.0000	.0000	.0000	.0000	-.0000
		04/12/01	3.0400	.0000	4.5600	.0000	.0000	-.0000
		04/30/01	3.3440	.0000	5.0160	.0000	.0000	-.0000
		05/15/01	3.3440	.0000	5.0160	.0000	.0000	-.0000
		05/31/01	3.6480	.0000	5.4720	.0000	.0000	-.0000
		06/15/01	3.3440	.0000	5.0160	.0000	.0000	-.0000
		06/29/01	3.0400	.0000	4.5600	.0000	.0000	-.0000
		07/13/01	3.0400	.0000	4.5600	.0000	.0000	-.0000
		07/31/01	3.6480	.0000	5.4720	-6.0000	.0000	-.0000
		08/15/01	3.6480	-16.0000	5.4720	.0000	.0000	-.0000
Employee ID Totals - A01041			30.0960	-16.0000	45.1440	-6.0000	.0000	.0000
Begin Balance			-.3040		-.4560		.0000	
End Balance			13.7920		36.6880		.0000	
*** Report Totals ***			1801.3744	-1817.7000	1789.6627	-1335.8000	.0000	-15.5000
Begin Balance			2148.7639		4462.0971		154.7500	
End Balance			2332.4383		4915.9598		139.2500	

**Exhibit B**  
**Daily Attendance Record**

The document appearing below is a copy of an actual attendance record that nonexempt employees are required to maintain. An attendance record of this nature is located near the entrance of each building and employees are required to sign in and out.

Week of 8/4/01

Rapides Parish Police Jury  
Daily Attendance Record

La Jol  
Department

Name	SATURDAY		SUNDAY		MONDAY		TUESDAY		WEDNESDAY		THURSDAY		FRIDAY		TOTAL HOURS	INITIALS					
	IN	OUT	IN	OUT	IN	OUT	IN	OUT	IN	OUT	IN	OUT	IN	OUT							
90086 Theda Edwards					9:00	12:00	3	8:00	1:00	5	10:00	1:00	3	9:00	1:00	5	11:00	4:30	5.5	20.375	JME
90108 Joseph Nelson					8:00	1:00	5	8:00	1:00	5	8:00	1:00	5	8:00	1:00	5	8:00	1:00	5	20.375	JME
94063 Donna Harvey					8:00	11:00	3	8:00	11:00	3	9:00	11:00	2	8:00	11:00	3	8:00	11:00	3	12.375	JME
90117 Evelyn Thomas					8:00	11:00	3	8:00	11:00	3	8:00	11:00	3	8:00	11:00	3	8:00	11:00	3	12.375	JME
90048 Verna Keer					8:00	12:00	4	8:00	12:00	4	8:00	12:00	4	8:00	12:00	4	8:00	12:00	4	16.375	JME
0000 Curtis Hevans					7:00	12:00	5	7:00	12:00	5	7:00	12:00	5	7:00	12:00	5	7:00	12:00	5	20.375	JME

*Key Smith*  
Supervisor Certification      Key Smith

# Exhibit C Payroll Spreadsheet

The document appearing below is a copy of a spreadsheet that is prepared for each pay period. The spreadsheet summarizes the attendance for the employees working in a particular office and provides space for a supervisors signature indicating approval.

FROM JULY 1, 2001 TO JULY 15, 2001

**ECONOMIC & WORKFORCE DEVELOPMENT  
RAPIDES PARISH POLICE JURY**

M - Military Leave  
L - Leave Without Pay  
H - Holiday Pay

R - Regular Pay  
A - Annual Leave  
B - Sick Leave

EMP. NO.	NAME	SOCIAL SECURITY NUMBER	JOB CLASSIFICATION	Days																TOTAL	Other	Rate	WAGES	REMARK
				1	2	3	4	5	6	7	8	9	10	11	12	13	14	15						
75061	Margaret Jones	436-04-7180	Office Manager	X	8	A	H	A	5.5	X	X	8	8	8	8	8	X	X	69.18.	8H		801		
77046	Jan Haworth	435-70-0435	Executive Director OEWD	X		8	H	8	8	X	X	8	8	8	8	X	X	72	8H		801			
82061	David Carradine	433-29-0212	Laborer	X	2.5	6	H	2	1.6	X	X	8	8	8	8	X	X	52.8.12	8H		801			
84021	Carol Stanford	438-88-6676	Finance Director	X	8	8	H	8	8	X	X	8	8	8	8	X	X	72	8H		801			
80108	Brenda Hilburn	438-82-4297	Account Clerk	X	8	8	H	5.2	8	X	X	8	8	8	8	X	X	69.75.2.25	8H		801			
80127	Mary McCampbell	433-72-0435	Planner	X	8	8	H	8	8	X	X	8	8	8	8	X	X	72	8H		801			
86044	Anita Craig	433-98-7913	Accountant	X	8	8	H	8	8	X	X	8	8	8	8	X	X	72	8H		801			

**APPROVED FOR PAYMENT**

\_\_\_\_\_

\_\_\_\_\_

**Exhibit D**  
**Application for Leave**

The document appearing below is a sample of the form that employees are required to fill out requesting leave.

Revised 12/21/99

**ECONOMIC AND WORKFORCE DEVELOPMENT  
APPLICATION FOR LEAVE**

#####  
EMPLOYEE # \_\_\_\_\_ EMPLOYEE NAME \_\_\_\_\_

BEGINNING DATE \_\_\_\_\_ ENDING DATE \_\_\_\_\_  
#####

CIRCLE TYPE OF LEAVE

(minimum charge for sick is one hour/annual leave is half an hour)

SICK ANNUAL COMP EMERGENCY FUNERAL \*OTHER \_\_\_\_\_

\*Civil, Military, Leave Without Pay

NUMBER OF HOURS TO BE TAKEN \_\_\_\_\_

IF LESS THAN ONE FULL DAY - SPECIFY HOURS OF DAY TAKEN:

_____	date	_____	hours	_____	date	_____	hours	_____	date	_____	hours
-------	------	-------	-------	-------	------	-------	-------	-------	------	-------	-------

#####

FOR SICK LEAVE ONLY

UNABLE TO ATTEND AND PERFORM DUTIES FOR REASON CITED BELOW - CIRCLE ONE

ILLNESS OR INJURY

MEDICAL, DENTAL, OR OPTICAL APPOINTMENT

OTHER (PLEASE SPECIFY) \_\_\_\_\_

\*\*\*Physician's Certificate required if absent 3 consecutive days\*\*\*

#####

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Department Head

**Exhibit E**  
**Proposed Revised Timesheet**

**Employee Name** \_\_\_\_\_

	Day														Total	Sick	Other		
	1	2	3	4	5	6	7	8	9	10	11	12	13	14				15	
<b>Program 1</b>																			
Regular	4.0	4.0						8.0	8.0					4.0	4.0	32.0			
Annual										4.0						4.0			
Sick																0.0			
Holiday			4.0														4.0		
Other																		0.0	
<b>Program 2</b>																			
Regular	4.0						8.0							2.0	2.5	16.5			
Annual										2.0						2.0			
Sick																0.0			
Holiday			2.0														2.0		
Other																		0.0	
<b>Program 3</b>																			
Regular		4.0					8.0							2.0	1.5	15.5			
Annual										2.0						2.0			
Sick																0.0			
Holiday			2.0														2.0		
Other																		0.0	
<b>Program 4</b>																			
Regular																0.0			
Annual																0.0			
Sick																0.0			
Holiday																0.0			
Other																0.0		0.0	
<b>Program 5</b>																			
Regular																0.0			
Annual																0.0			
Sick																0.0			
Holiday																0.0			
Other																0.0		0.0	
<b>Totals</b>	<b>8.0</b>	<b>8.0</b>	<b>8.0</b>	<b>0.0</b>	<b>0.0</b>	<b>8.0</b>	<b>8.0</b>	<b>8.0</b>	<b>8.0</b>	<b>8.0</b>	<b>0.0</b>	<b>0.0</b>	<b>8.0</b>	<b>8.0</b>	<b>64.0</b>	<b>8.0</b>	<b>0.0</b>	<b>8.0</b>	<b>0.0</b>

Total Hours 80.0

Initials

Employee Signature \_\_\_\_\_

Accuracy Verified By \_\_\_\_\_

Supervisors Signature \_\_\_\_\_

Totals Agreed with Attendance Records By \_\_\_\_\_

Totals Agreed with Attached Leave Request By \_\_\_\_\_