



LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

October 30, 2013

The Honorable Eddie Beckwith, Jr., Mayor
City of Tallulah
204 North Cedar Street
Tallulah, Louisiana 71282

Dear Mayor Beckwith:

As you are aware, members of my Advisory Services staff visited the City of Tallulah (City) to assess certain matters contained within the City's 2012 audit report. My staff completed their assessment and subsequently discussed their findings and recommendations with you, the City Clerk, Legal Counsel, and the Police Chief. This letter summarizes the results of our assessment and the resulting discussion.

Although the City has contracted with a firm to perform certain accounting services and my staff confirmed that improvements have been made, certain issues remain unresolved. We stress the importance of addressing the following issues and encourage you to consider our recommendations as you work to resolve them:

- The Mayor, Police Chief, and City Clerk received payment for accrued unused annual leave which caused their annual compensation to exceed the compensation established by City ordinance No. 06-07-01.
- The City does not maintain formal records to support the annual leave earned and used by the Mayor, Police Chief, and City Clerk. In accordance with Attorney General Opinions No. 03-91, 00-279, and 96-391, such records must be maintained in order to receive such benefits.
- The City does not have a formal cash management plan to ensure that a positive cash flow is maintained month to month.
- The City's internal review processes did not ensure the timely payment of all credit card accounts, resulting in late fee charges on a credit card account.
- Bank deposits were not being made in a timely manner in accordance with Louisiana Revised Statute (La. R.S.) 39:1212.
- The City does not maintain a formal tracking system to account for all traffic citations, including their status (e.g., paid, reduced, or dismissed).

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- The City does not disconnect past-due customers' utility services on a timely basis.
- Contrary to City policy, the business purpose was not documented for all City credit card charges/purchases.
- The City needs to comply with La. R.S. 44:411, relative to records retention.

My staff will be monitoring the resolution of these issues. We stress the need to consider our recommendations (as discussed in the meeting with you) and to work towards resolving these issues. If you have any questions about the assessment, please call Stuart Dickey or Mike Battle at 225-339-3800.

Sincerely,

A handwritten signature in blue ink that reads "Daryl G. Purpera". The signature is fluid and cursive, with the first name "Daryl" being more prominent.

Daryl G. Purpera, CPA, CFE
Legislative Auditor

cc: City Council Members

DGP/ch

TALLULAH 2013