

STATE POLICE COMMISSION  
STATE OF LOUISIANA



FINANCIAL AUDIT SERVICES  
PROCEDURAL REPORT  
ISSUED AUGUST 8, 2018

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# Louisiana Legislative Auditor

Daryl G. Purpera, CPA, CFE

## State Police Commission



August 2018

Audit Control # 80180117

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## Introduction

The primary purpose of our procedures at the State Police Commission (Commission) was to evaluate certain controls the Commission uses to ensure accurate financial reporting, compliance with applicable laws and regulations, and overall accountability over public funds.

## Results of Our Procedures

We evaluated the Commission's operations and system of internal control through inquiry, observation, and review of its policies and procedures, including a review of the applicable laws and regulations. Based on the documentation of Commission's controls and our understanding of related laws and regulations, as well as the results of our analytical procedures, we performed procedures on selected controls and transactions relating to LaCarte purchasing cards, travel expenditures, contracts, and payroll. We also reviewed the Commission's compliance with certain state laws, including ethics.

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### LaCarte Purchasing Cards

The Commission has one purchasing card, which is used by the Program Manager for office supplies and other small purchases. We analyzed credit card transactions for the period July 1, 2015, through March 31, 2018. We traced selected credit card purchases to supporting documentation and evaluated the purpose of the purchase, compliance with laws and regulations, and proper approval. No exceptions were noted.

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### Travel Expenditures

Travel expenditures include reimbursements for Commission members to attend meetings. Fiscal year 2016 through 2018 travel expenditures totaled \$21,957 through June 30, 2018. We traced selected travel reimbursements to supporting documentation and evaluated compliance with laws and regulations. No exceptions were noted.

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## **Contracts**

The Commission contracted with Taylor, Porter, Brooks, and Phillips Law Firm; T. Taylor Townsend Law Firm; and Louisiana State University in Shreveport to perform legal and testing services. For fiscal years 2016 through 2018, contract expenditures totaled \$309,474 through June 30, 2018. We traced selected contract payments to contract terms and evaluated compliance with laws and regulations. No exceptions were noted.

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## **Payroll**

Approximately 68% of the Commission's fiscal year 2018 expenditures relate to payroll costs. Commission personnel include the Director, Program Manager, and a Test Analyst. We traced selected employees' salaries to contract terms or pay structure, evaluated controls over time and attendance records, and evaluated termination payments. No exceptions were noted.

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## **Other Compliance Areas**

We evaluated evidence to determine if required ethics training was completed by the Commission's members and employees. We determined the Commission members and employees completed the required annual ethics training. In FY 2016, ethics violations related to political contributions made by three commission members during their terms were self-reported to the Commission. The Commission investigated the violations, and the Commission members involved subsequently resigned from the Commission. We determined that the Commission took appropriate actions on ethics violations reported to the Commission during the engagement period. No exceptions were noted.

We reviewed the Commission's minutes for the fiscal period and determined the Commission met (with a quorum) regularly in accordance with the schedule planned by the Commission. No exceptions were noted.

We accessed the "entity name" online information included in the Division of Administration's boards and commissions database and determined that the entity submitted board meeting notices and minutes for all meetings during fiscal years 2016 through 2018. In addition, we obtained the budget information for fiscal year 2018 and determined that the information agreed with the budget information contained in the database. No exceptions were noted.

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## **Comparison of Activity between Years**

We compared the most current and prior-year financial activity using the Commission's general ledger and other system generated reports to identify trends and obtained explanations from management for any significant variances. The following charts show the Commission's fiscal year 2018 cash basis expenditures through June 30, 2018, and compare total expenditures for

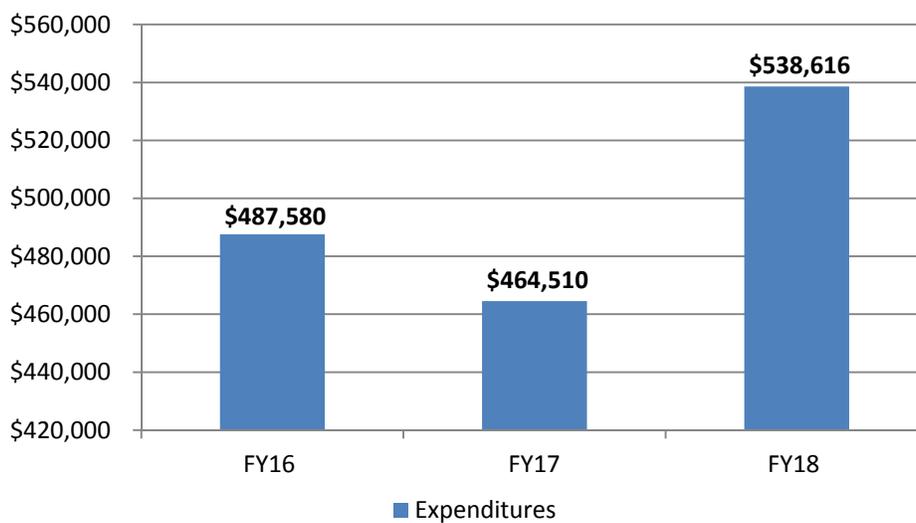
fiscal years 2016 through 2018. Fiscal year 2017 expenditures decreased due to the Executive Director’s position being vacant for two months. Fiscal year 2018 expenditures increased as a result of the replacement of a computer server, renovations and moving costs related to the Commission’s current offices, and election costs to fill the employee representative position on the Commission.

**Exhibit 1**  
**Fiscal Year 2018 Expenditures, as of June 30, 2018**  
 Total: \$538,616



Source: Commission's General Ledger

**Exhibit 2**  
**Total Expenditures, by Fiscal Year**



Source: Commission's General Ledger

Under Louisiana Revised Statute 24:513, this report is a public document, and it has been distributed to appropriate public officials.

Respectfully submitted,



Thomas H. Cole, CPA  
First Assistant Legislative Auditor

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## APPENDIX A: SCOPE AND METHODOLOGY

We conducted certain procedures at the State Police Commission (Commission) for the period from July 1, 2015, through June 30, 2018. Our objective was to evaluate certain internal controls the Commission uses to ensure accurate financial reporting, compliance with applicable laws and regulations, and to provide accountability over public funds. The scope of our procedures, which are summarized below, was significantly less than an audit conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States. We did not audit or review the Commission's Annual Fiscal Reports, and accordingly, we do not express opinions on those reports. The Commission's accounts are an integral part of the state of Louisiana's financial statements, upon which the Louisiana Legislative Auditor expresses opinions.

- We evaluated the Commission's operations and system of internal control through inquiry, observation, and review of its policies and procedures, including a review of the laws and regulations applicable to the Commission.
- Based on the documentation of the Commission's controls and our understanding of related laws and regulations, we performed procedures on selected controls and transactions relating to LaCarte purchasing cards, travel expenditures, contracts, and payroll. We also reviewed the Commission's compliance with certain state laws, including ethics.
- We compared the most current and prior-year financial activity using the Commission's general ledger and other system generated reports and obtained explanations from the Commission's management for any significant variances that could potentially indicate areas of risk.

The purpose of this report is solely to describe the scope of our work at the Commission and not to provide an opinion on the effectiveness of the Commission's internal control over financial reporting or on compliance. Accordingly, this report is not intended to be, and should not be, used for any other purpose.