



LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

December 10, 2014

The Honorable Tim Walker, Chief of Police
City of Harahan
6441 Jefferson Highway
Harahan, Louisiana 70123

The Honorable Provino Mosca, Mayor
City of Harahan
6437 Jefferson Highway
Harahan, Louisiana 70123

Dear Gentlemen:

As you are aware, my Advisory Services staff visited the City of Harahan (City) to assess certain matters/questions submitted to my office. While the matters were related to the operations of the Police Department and focused mainly on the prior Police Department administration, we are providing recommendations intended to help the current administration build a stronger system of internal controls. Our assessment was limited in scope to the matters described in this report and was substantially less in scope than an audit.

Below are areas where improvement is needed, along with our recommendations to help guide your efforts. Management's responses are included in Appendix A.

1. Police Overtime

There were some concerns that the current 2014 budget was being reduced by 2013 overtime expenditures. A total of \$14,149 of Police Department overtime was recorded incorrectly in the City's accounting records as 2014 overtime expenditures. However, the City's accountant and Police Department staff informed us that the accounting records have been updated to remove these overtime payments from 2014 and to correctly record them in the 2013 year.

Recommendations: Although it appears that this issue has been resolved, the Chief of Police may want to consult with the Mayor's Office to ensure/confirm that the proper accounting adjustments have been made to the 2013 and 2014

accounting records, and to ensure the accuracy of overtime expenses in the Police Department's 2014 budget.

2. Purchasing

We identified areas where internal controls can and should be strengthened over purchasing in the City and Police Department.

Recommendation: The Chief of Police and Mayor (or designees) should work together to develop and implement written policies and procedures guiding overall purchasing processes. Refer to our website for guidance when drafting policies and procedures at www.la.state.la.us/bestpractices.

Recommendation: The Mayor, in consultation with department heads, should ensure that the City develops and implements a comprehensive policies and procedures manual that will serve as guidance for all City departments and functions.

Recommendation: The Chief of Police and Mayor (or designees) should ensure that budgeted funds are available before purchases are initiated. Furthermore, the computer system's budgeting controls should be strictly monitored to ensure that controls are not being overridden to allow for purchases that would otherwise not be allowed.

Recommendation: The Chief of Police should ensure that purchasing files are maintained in a comprehensive and complete manner. For example, all paid vendor invoices and supporting documents should be filed together (i.e., do not separate the supporting documents into separate files).

3. Public Bid Law

We identified possible noncompliance with the Louisiana Public Bid Law related to the purchase of four vehicles in prior years (2011 and 2013), two by the City and two by the Police Department.

Recommendations: The Chief of Police and Mayor (or their designees) should ensure that:

- written policies and procedures are developed (and implemented) that address/provide the various legal requirements of the Public Bid Law [e.g., Louisiana Revised Statute (La. R.S.) 38:2212.1].

Refer to our website for further guidance when drafting and implementing policies and procedures (www.la.state.la.us/bestpractices and <http://app.la.state.la.us/lala.nsf/vwFAQsPublicPurchasing>);

- personnel obtain at least three telephone quotes (in writing) for all purchases of materials and supplies, including vehicles for law enforcement purposes, costing between \$10,000 and \$30,000 in compliance with state law;
- vehicle lease-purchase transactions are conducted in compliance with bid requirements as provided for in state law [La. R.S. 38:2212.1(A)(1)(b)]. We note that the Louisiana Attorney General (in Opinion 00-0433) provides that bids should be obtained and documented before lease-purchase contracts are executed; and
- sufficient documentation is maintained to confirm/demonstrate that the Public Bid Law was properly followed. We note that this also applies in situations where the City is being reimbursed by Jefferson Parish Government under a Cooperative Endeavor Agreement.

Recommendation: The Mayor and Chief of Police should consult with legal counsel and the Louisiana Attorney General's office regarding vehicle purchases which may have violated the Public Bid Law.

4. Asset Forfeiture Bank Account

During our assessment, we found that the Police Department was uncertain as to who should have ownership/control of funds maintained in the Asset Forfeiture bank account.

The Department of Justice's (DOJ) Asset Forfeiture Program allows the sharing of federally-forfeited property with participating state and local law enforcement agencies. A DOJ program contact informed us that agencies are required to follow their jurisdictional policies with regards to which entity maintains the bank account. According to the Mayor, the City does not have a specific policy providing for the ownership/control of this bank account. Without a policy to the contrary, and considering the Mayor is required by La. R.S. 33:404 A.(8) to sign warrants (i.e., checks) drawn on the City treasury, it appears that the Mayor would be the appropriate official to maintain ownership/control of the bank account and sign all checks.

Recommendations: The Chief of Police, Mayor, and the City’s legal counsel should work together to draft a policy for Council approval. The policy should comply with the requirements set forth in the *Guide to Equitable Sharing for State and Local Law Enforcement Agencies*. The policy should include such guidance as the City official who is responsible for maintaining the checkbook and executing transactions (e.g., signing checks) on this bank account, the spending approval processes and documentation required, the allowable expenses and prohibited expenses, and the recordkeeping requirements.

5. Public Records

The City, including its Police and other departments, did not have a current and comprehensive records retention schedule in accordance with state law (La. R.S. 44:411).

Recommendations: The Chief of Police and Mayor should work together to draft and implement policies and procedures addressing the maintenance and disposal of records. Policies and procedures should address items such as length of time records are required to be maintained, maintenance processes, disposal processes, staff assigned to maintenance and disposal functions, prohibited disposal processes, and requirements of and interaction with the Louisiana Secretary of State’s Office (e.g., retention schedule submission as required by law; records disposal request form needed before disposal of records can be carried out).

Recommendations: The Chief of Police and Mayor should work together to develop and submit a records retention schedule as required by law. The Louisiana Secretary of State’s Office should be contacted for assistance with the development and submission of its legally-required retention schedule.

Recommendation: The Chief of Police should consult with the Mayor’s Office regarding the final resolution of the “Request to Dispose of Records” that the City has on file. City records show that approval was received from the Secretary of State’s Office that may allow the Police Department to dispose of certain records that they are currently maintaining/storing.

6. Capital Assets

We identified areas regarding the safeguarding of assets where internal controls should be strengthened. For example, the City’s auditor informed us that the City has an inventory listing of capital assets, but it does not include all equipment and

property of the Police Department. Failure to identify and periodically account for assets/property exposes the City to possible loss, theft, and misuse of its assets.

Recommendation: The Mayor and the Chief of Police (or their designees) should work together to develop a written capital asset policy that addresses assets of the Police Department.

Recommendations: A complete physical inventory of capital assets of the Police Department (and all other departments of the City) should be taken at least annually. The inventory listing should be updated each year for any assets purchased or disposed of during the year. Any assets not located during the inventory should be addressed and appropriately resolved.

Recommendation: The Chief of Police should contact the Louisiana Property Assistance Agency (LPAA) to request their assistance with selling/disposing of equipment. The LPAA has a website to access necessary forms and guidance at <http://www.doa.louisiana.gov/LPAA>. Refer to our website for a FAQ regarding Disposition of Surplus Property.

7. Confiscated Evidence

Below are our recommendations to strengthen internal controls over confiscated weapons and drugs:

Recommendations: The Chief of Police, in consultation with the City's legal counsel, should develop detailed policies and procedures covering the processes of evidence collection, including recording, maintaining, inventorying, and disposing of evidence. Policies and procedures should address such issues as the time period that evidence/weapons is to be maintained and when a destruction order (or an order to return the evidence to the lawful owner) is to be obtained from the court/judge and District Attorney. The Chief of Police should refer to our website for guidance at <http://www.la.state.la.us/userfiles/file/evidenceroom.pdf>.

Recommendations: After approval of the policies and procedures, the Chief of Police should obtain destruction orders for all evidence held that exceeds the policy period. The destruction order should include date, location, items destroyed, and signature of the persons destroying and witnessing the destruction.

Recommendations: The Chief of Police should require staff to maintain all evidence in an organized manner (e.g., all evidence containers should be placed in numerical sequence for easy retrieval). Staff should conduct periodic physical inventories of evidence throughout the year. Any missing evidence or other irregularities should be investigated and resolved in a timely manner.

Recommendations: The Chief of Police should ensure that all evidence rooms are properly secured/controlled as follows:

- Access to the evidence lockers/rooms should be limited to authorized personnel only;
- Sign-in/sign-out logs should be maintained to document access, dates, names, and reason(s) for access;
- Two locks should be placed on all evidence room doors and the keys placed under dual control;
- Two designated employees should enter the evidence room whenever any evidence is to be stored or retrieved;
- The chain of custody for evidence processing should be fully segregated. That is, more than one employee should be responsible for receiving, recording, storing, and retrieving evidence; and
- Utilize cameras to monitor evidence rooms.

8. Traffic Tickets/Citations

We identified areas where internal controls should be strengthened over traffic tickets/citations. Our assessment also revealed possible noncompliance with state laws.

Recommendations: The Chief of Police and Mayor should work together to develop, adopt, and implement written policies and procedures for the wide-ranging traffic ticket process. Comprehensive policies and procedures will help City and Police Department officials ensure that traffic tickets are accounted for in an effective and efficient manner. Policies and procedures should, at a minimum, require the Chief of Police (or his designee) to:

- assign specific police department personnel to be in charge of managing and maintaining the documentation relating to traffic ticket books and citations. This should include detailing the responsibilities of the position(s) from ticket book issuance through final disposition of citations;
- adequately secure the supply/inventory of blank ticket books;
- issue ticket books to police officers, record/document each ticket book issuance, and maintain such documentation in accordance with state law [La. R.S. 398.1(B)];
- issue new ticket books to officers only after all citations are returned from the previously issued ticket book and those citations are properly reconciled/accounted for;
- ensure that police officers issue traffic citations in sequential number order;
- ensure that police officers return all tickets/citations without exception (issued and spoiled/voided citations) in accordance with state law [La. R.S. 32:398.2 (D)];
- maintain a record of all issued and spoiled/voided citations turned in by police officers. We advise that such citation records/logs contain information such as the ticket number, date issued, issuing officer, violation type, and final disposition including amount paid. You may want to refer to La. R.S. 32:398.1 (B) and 32:398.2 (E) for further guidance;
- submit the citations to the Mayor's Court on a timely, consistent basis for processing and collection. This will help the Chief of Police and court officials ensure that all traffic citations are disposed of in the court of proper jurisdiction in compliance with state law [La. R.S. 32:398.2 (A) (B)]. We further advise that should citations be reduced or dismissed out of court, they may only be dismissed by the proper prosecutorial authority and the reduction or dismissal should be included in the minutes/records of the court;

- communicate with the Mayor's court on a regular basis to obtain the final disposition of all traffic citations so that this information can be timely recorded;
- periodically review records such as ticket book logs and citation logs to ensure completeness and to investigate and resolve any irregularities;
- provide records to the City clerk (fiscal officer) to audit on a quarterly basis in compliance with La. R.S. 32:398.3(B) and 33:422; and
- work with the Mayor's court to ensure that all traffic violations are reported to the Louisiana Department of Public Safety in compliance with state law [La. R.S. 32:393 (C)(1)(b)].

For additional policies and procedures guidance, we recommend that you refer to our website (<http://www.la.state.la.us/bestpractices/>) and to the May 2011 issue of the Louisiana Municipal Association's *Municipal Review* publication.

Recommendations: The Chief of Police should ensure that all tickets and citations are accounted for in accordance with La. R.S. 32:398.1 and 32:398.2. The Chief of Police should require all citations to be submitted to the Police Department Clerk in numerical sequence, and the Police Department Clerk should document all issued/submitted citations and submit to the City's Clerk of Court in numerical sequence.

Recommendations: The Chief of Police and the City Clerk of Court's Office should work together to develop and implement a formal process that will require a planned, periodic assessment of ticket/citation data to identify problems and resolve them in a timely manner. This assessment should include a review of issued ticket books compared to citations turned in to the Police Department and submitted to the Clerk of Court's Office.

Recommendation: The Police Department Clerk and the Clerk of Court should review the ticket/citation numbers in their respective database(s) and investigate and resolve any detected issues (e.g., missing ticket numbers; officers sharing ticket books; and officers writing from two books simultaneously).

Recommendation: The Mayor should work with his legal counsel to ensure that only the proper prosecutorial entity(s) is reducing/dismissing citations. More specifically, the Mayor should work with his legal counsel to determine if the

The Honorable Tim Walker, Chief of Police
The Honorable Provino Mosca, Mayor
City of Harahan
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Diversion Program is legal/allowable since a magistrate and prosecutor have been appointed to conduct the proceedings of the Mayor's Court. Consideration should be given to Louisiana Attorney General Opinions 93-313; 98-426; 06-0075; 11-0129; and to La. R.S. 32:398.3.

Recommendation: The Chief of Police should work with Mayor's Office to establish clear lines of communication ensuring that the Police Department receives the Mayor's Court disposition of every citation in compliance with La. R.S. 32:398.2. The Chief of Police should require Police Department records to be updated with such disposition information on a timely basis. We encourage the Mayor and Chief of Police to continue their efforts to develop a shared database that will allow such sharing of disposition information.

Recommendations: The Mayor and City Clerk, with input from the Chief of Police and his staff, should develop audit procedures that are designed to ensure that all tickets/citations are audited on at least a quarterly basis in compliance with La. R.S. 32:398.3(B). The Mayor should share the results of the City's quarterly audit with the Chief of Police. Furthermore, implementation of such audit procedures should help ensure that all tickets and related revenues are accounted for.

I encourage you and your staffs to work together to evaluate these issues and make the recommended improvements. My staff will be monitoring and following up on these issues. If you have any questions, please contact Mike Battle or Glenda LeBlanc at (225) 339-3800.

Respectfully submitted

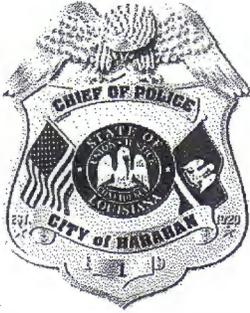


Daryl G. Purpera, CPA, CFE
Legislative Auditor

DGP/ch

APPENDIX A

Management's Response



Chief Tim Walker

Harahan Police Department

December 3, 2014

Louisiana Legislative Auditor
Daryl G. Purpera, CPA, CFE
P. O. Box 94397
Baton Rouge, LA 70804-9397

Dear Sir:

Harahan Police Department Response

1. Police Overtime:

\$14,148.38 was credited back to the Police Overtime Account on August 18, 2014. We concur with this comment. The Police Department will follow up with the Finance Department if any new issue should arise concerning due payroll.

2. Purchasing:

We agree with the recommendations. We will work with City Hall Administration to develop and implement a written policy and procedures guide line to be followed. Any purchase over \$25.00 needs approval by the Captain or the Chief to ensure funds are available.

3. Public Bid Law:

We agree with the recommendations. We will work with the Mayor to develop and implement a written policies and procedures that address/provide legal requirements of the Public Bid Law (e.g., La. R.S.38:2212.1). Any purchase of material and supplies including vehicles for law enforcement purposes over \$10,000.00 should have 3 written bids that are in compliance with state law; if something is purchased through an existing government bid, a copy of that bid should be put with the paper work.

Bids in compliance with state law will be followed when leasing a vehicle. These bids need to be obtained and documented before lease purchases are executed. Sufficient documentation should be maintained to confirm that the Public Bid Law was properly followed. This also applies to situations where the City is being reimbursed By Jefferson Parish Government under a Cooperative Endeavor Program.

Harahan Police Department,
6441 Jefferson Hwy., Harahan, Louisiana, 70123
Phone: 504.737.9763, Fax: 504.737.9336

4. Asset Forfeiture Bank Account:

We agree with the recommendations. The Mayor will maintain the Asset Forfeiture Bank Account and sign all checks. Anything purchased through the Asset Forfeiture Bank Account should comply with the requirements set forth in the "Guide to Equitable Sharing for State and Local Law Enforcement Agencies."

When making a purchase through the Asset Forfeiture Bank Account a purchase request needs to be submitted to the chief. Once the purchase order is approved the purchase can be made. All receipts, invoices and packing slips must be stabled together with a copy of the **Asset Forfeiture Bank Account Check**.

The Public Bid Law should be followed with any purchases over \$10,000.00.

5. Public Records

We agree with the recommendation. The Chief and Mayor will work together in drafting a records retention schedule in accordance with State Law.

6. Capital Assets

We agree with the recommendation the Chief and Mayor will work together to develop a written capital asset policy to address the assets of the Police Department.

The Police Department has conducted a complete physical inventory. Any item over \$100.00 in value has been labeled with an inventory control number. We have a master list of all labeled items and their location.

7. Confiscated Evidence

We agree with the recommendation. The Chief, in consultation with the city's legal counsel, will develop a detailed policies and procedures covering the processes of evidence collection, including recording, maintaining, inventorying, and disposing of evidence. We currently have destruction orders on all municipal evidence though 2007.

We will start on state changes as soon as possible now that we have **Jeff Net**.

Our evidence room has been moved to a larger room. This has allowed us to have all evidence containers placed in numerical order. There is a camera facing the evidence room so that you can see anyone going into or out of the evidence room.

We have placed two locks on the evidence room door. The keys have been placed under dual control.

Access to the evidence room is limited to authorize personnel only.

A sign-in/sign-out log has been place in the evidence room to maintain document access, dates, times, names and reasoning for access.

Two designated employees shall enter the evidence room whenever any evidence is to be stored or retrieved.

Two employees are responsible for receiving, recording, storing and retrieving evidence. Beginning in January, 2015 we will start conducting periodic physical inventories of evidence throughout the year. Any missing evidence will be investigated and resolved in a timely manner.

Harahan Police Department,
6441 Jefferson Hwy., Harahan, Louisiana, 70123
Phone: 504.737.9763, Fax: 504.737.9336

8. Traffic Tickets/Citations:

We agree with the recommendations. The Chief and Mayor will work together to develop, adopt, and implement written policies and procedures for the wide-ranging traffic ticketing process including;

The Police Department and City Hall will continue working together to develop a shared database that will allow sharing of disposition information and audit information.

Sincerely,



Tim Walker
Harahan Chief of Police

Harahan Police Department,
6441 Jefferson Hwy., Harahan, Louisiana, 70123
Phone: 504.737.9763, Fax: 504.737.9336



City of Harahan

CITY COUNCIL

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TIMOTHY L. BAUDIER
ERIC CHATELAIN
DANA HUETE
LAWRENCE J. LANDRY
CINDY M. MURRAY

PROVINO MOSCA
Mayor

NICOLE S. LEE
City Clerk/Tax Collector

November 26, 2014

Louisiana Legislative Auditor
Daryl G. Purpera, CPA, CFE
P.O.Box 94397
Baton Rouge, LA 70804-9397

Dear Sir:

CITY OF HARAHAH RESPONSE

1. Police Overtime:
Issue resolved
2. Purchasing:
Draft a policies and procedures plan and manual
Do not allow budgeting controls to be overridden for purchases
Upgrade filing practices to include all supporting documents
3. Public Bid Law:
Compliance with all Public Bid Laws
Bids will be obtained and documented before lease-purchase contracts are executed
4. Asset Forfeiture Bank Account:
Without a policy to the contrary, the Mayor would be the appropriate official to maintain control of the Asset Forfeiture bank account and sign all checks.
5. Draft a records retention schedule in accordance with State law
6. Capital Assets:
Annual physical inventory of capital assets
7. Confiscated Evidence:
Develop policies and procedures manual
Conduct periodic physical inventories
Secure all evidence rooms

Maintain sign in and out logs, locks, chain of custody logs
Use 2 employees to enter room

8. Traffic Tickets:

New policy by ordinance to be implemented to address the managing and maintaining of traffic tickets

New Diversion Program by Ordinance

9. Provide a shared data base with disposition information and audit information.

Respectfully submitted

A handwritten signature in cursive script that reads "Vinny Mosca".

Mayor, Provino Mosca