

ACT 774 ANNUAL REPORT



INFORMATIONAL REPORT
ISSUED SEPTEMBER 27, 2017

**LOUISIANA LEGISLATIVE AUDITOR
1600 NORTH THIRD STREET
POST OFFICE BOX 94397
BATON ROUGE, LOUISIANA 70804-9397**

LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

**FIRST ASSISTANT LEGISLATIVE AUDITOR/
LOCAL GOVERNMENT AUDIT SERVICES**
THOMAS H. COLE, CPA

DIRECTOR OF LOCAL GOVERNMENT SERVICES
BRADLEY D. CRYER, CPA

Under the provisions of state law, this report is a public document. A copy of this report has been submitted to the Governor, to the Attorney General, and to other public officials as required by state law. A copy of this report is available for public inspection at the Baton Rouge office of the Louisiana Legislative Auditor and the office of the parish clerk of court.

This document is produced by the Louisiana Legislative Auditor, State of Louisiana, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397 in accordance with Louisiana Revised Statute 24:513. One copy of this public document was produced at an approximate cost of \$0.85. This material was produced in accordance with the standards for state agencies established pursuant to R.S. 43:31. This report is available on the Legislative Auditor's website at www.la.gov. When contacting the office, you may refer to Agency ID No. 7336 or Report ID No. 70180002 for additional information.

In compliance with the Americans With Disabilities Act, if you need special assistance relative to this document, or any documents of the Legislative Auditor, please contact Elizabeth Coxe, Chief Administrative Officer, at 225-339-3800.



LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

September 27, 2017

**THE HONORABLE PATRICIA P. BRISTER,
ST. TAMMANY PARISH PRESIDENT
THE HONORABLE STEVE STEFANCIK,
CHAIRMAN, ST. TAMMANY PARISH COUNCIL**

Dear President Brister and Chairman Stefancik:

Attached is the second annual report on the results of Act 774 (Act) of the 2014 Regular Legislative Session, as amended. The Act provides my office the authority to establish the criteria for procedures that shall be performed in addition to annual reporting requirements for entities within St. Tammany Parish with governmental revenues of \$75,000 or more per fiscal year.

The report summarizes my office's risk assessment process, assignment of procedures to be performed relative to the Act, and the results of those assigned procedures. Appendix A contains a complete listing of entities subject to the Act, as well as the results of procedures, by entity.

I hope this report will benefit you in your decision-making processes, assist in protecting public assets, and improve transparency and accountability in parish government. I would also like to express my appreciation to the St. Tammany Parish Government and Council for their support.

Respectfully submitted,

Daryl G. Purpera, CPA, CFE
Legislative Auditor

DGP/aa

ACT774

Louisiana Legislative Auditor

Daryl G. Purpera, CPA, CFE

Act 774 Annual Report

September 2017



Audit Control # 70180002

History and Requirements

During the 2013 Regular Legislative Session, the Senate passed a concurrent resolution to form the St. Tammany Parish (Parish) Office of Inspector General Task Force (task force). This resolution was initiated by a group of concerned Parish citizens in response to publicized issues in some Parish governmental entities. The task force was comprised of 23 Parish representatives who worked to develop a means for the Parish to take a proactive role in the protection of public funds, as well as fostering transparency and accountability in Parish government.

Instead of creating an Office of Inspector General, the task force's efforts resulted in the passage of Act 774 of the 2014 Regular Legislative Session (Act). The Act, as amended, provides in part that the Louisiana Legislative Auditor (LLA) shall establish the criteria for procedures that shall be performed in addition to annual reporting requirements for entities with governmental revenues of \$75,000 or more per fiscal year. Based on LLA's second-year evaluation, 74 entities within the Parish were found to be subject to additional LLA risk assessment, as required by the Act. The requirements of this Act were written to only apply to St. Tammany Parish.

Risk Assessment

LLA conducted individualized assessments for each of the 74 entities identified. The assessments were used to develop and assign financial procedural areas for each entity. These procedural areas were assigned based on high-risk indicators identified either within the entity itself or areas that LLA has found to be high-risk in other similar governments. We chose this methodology to allow for more extensive testing in high-risk areas that may not be tested in a traditional audit. The following factors were used in our risk assessment process:

- A detailed review of each entity's financial statements;
- An assessment and review of a best practices questionnaire completed by each entity;
- Conversations with contract CPAs to obtain more detailed information and dollar amounts for financial areas considered to be high-risk; and
- Consideration of any allegations reported to our office or identified by other means.

Using this process, we determined which entities would be evaluated by our office, as well as those that would be contracted to independent CPAs, as follows:

- Seventy entities were subjected to agreed-upon and other procedures (AUP) performed by independent CPAs (63) and LLA (7).
- One entity was required to complete and return an ethics questionnaire packet to LLA.
- Two entities were subjected to only a limited LLA internal assessment.
- One entity was provided hands-on training by LLA.

Procedural Areas and Results

As of September 20, 2017, LLA has issued 66 AUP reports, as follows:

- Sixty of the 63 entities' AUPs performed by CPAs have completed reports. The remaining three entities (Housing Authority of Slidell, Housing Authority of the City of Covington, and St. Tammany Parish Tourist and Convention Commission) have not submitted reports.
- Six of the seven entities' AUPs performed by LLA have completed reports. The remaining report for St. Tammany Parish Fire Protection District No. 3 has not been completed.

LLA determined the number and types of agreed-upon procedures that would be performed at each of the Parish entities. The number of procedural areas at each entity ranged from 1 to 11, based on the size and complexity of the entity. For the 66 reports issued, the procedural areas and number of entities to which they were assigned is as follows:

- Payroll and Personnel – 23 (11 with one or more exceptions)
- Credit Cards/Debit Cards/Fuel Cards/P-Cards – 21 (17 with one or more exceptions)
- Written Policies and Procedures – 11 (9 with one or more exceptions)
- Board Oversight – 12 (9 with one or more exceptions)
- Cash Receipts/Collections – 8 (5 with one or more exceptions)
- Ethics – 10 (8 with one or more exceptions)
- Capital Assets – 7 (4 with one or more exceptions)
- Travel and Expense Reimbursement – 7 (2 with one or more exceptions)

- Utility Collection/Adjustments – 5 (4 with one or more exceptions)
- Bank Reconciliations – 5 (1 with one exception)
- Contracts – 5 (3 with one or more exceptions)
- Facility Rental/Usage – 4 (3 with one or more exceptions)
- Debt Service – 4 (2 with one or more exceptions)
- Fueling Station – 3 (2 with one or more exceptions)
- Public Bid Law – 3 (no exceptions)
- Disbursements – 3 (3 with one or more exceptions)
- Grant Compliance – 2 (no exceptions)
- Fundraising Tickets Sales/Collections – 2 (no exceptions)
- Cooperative Endeavor Agreement Execution/Compliance – 2 (1 with one exception)
- Leave Administration – 2 (1 with exceptions)
- Fund Balance – 1 (with one exception)
- Asset Forfeitures – 1 (no exceptions)
- Food Purchases – 1 (with exceptions)
- Property Assessments – 1 (no exceptions)
- Termination Payments – 1 (no exceptions)
- Traffic Tickets – 1 (with one exception)
- Fidelity Bond – 1 (no exceptions)
- Library Fines/Fees – 1 (with exceptions)
- Accounting System – 1 (with one exception)
- Vehicle Take-Home Policies – 1 (with exceptions)
- Financial Management – 1 (with exceptions)
- Recordkeeping – 1 (with exceptions)

Within these procedural areas, the most common deficiencies identified by LLA and CPAs included a lack of written policies and procedures, lack of supporting documentation for credit card purchases, and lack of written supervisory review/approval.

A complete listing of entities and results of procedures is located in Appendix A.

Prior-Year Late Reports

When we issued our prior-year Act 774 Annual Report, two entities (Housing Authority of Slidell and St. Tammany Parish Drainage District No. 4) had not submitted first-year reports. The annual report was released without the information for these two entities for the sake of timeliness.

The first-year details for the Housing Authority of Slidell and St. Tammany Parish Drainage District No. 4 may be found in **Appendix B**.

Impact of Procedures

Twenty-six entities that had exceptions in the prior year were assigned “follow-up” procedures to determine whether the exceptions had been corrected in the second year. Nine of these entities corrected one or more exception areas. Follow-up procedures and the results of those procedures are identified, by entity, in **Appendix A**. The following entities did not resolve any follow-up areas reassigned for the current year:

- City of Slidell
- Judges and Lawyers’ Assistance Program, Inc.
- St. Tammany Parish Fire Protection District No. 1
- St. Tammany Parish Fire Protection District No. 2
- St. Tammany Parish Fire Protection District No. 5
- St. Tammany Parish Fire Protection District No. 6
- St. Tammany Parish Fire Protection District No. 11
- St. Tammany Parish Fire Protection District No. 12
- St. Tammany Parish Mosquito Abatement District
- St. Tammany Parish Recreation District No. 4
- St. Tammany Parish Recreation District No. 6

- St. Tammany Parish Recreation District No. 14
- Town of Abita Springs
- Town of Madisonville
- Town of Pearl River
- Twenty-Second Judicial District Public Defender
- Village of Folsom

LLA is preparing for the third year of Act 774 procedures by meeting with CPAs, rotating procedures, assessing current methodologies, implementing new initiatives, and issuing AUP reports concurrent with audit reports.

Cost

The actual cost for the second year of operations using LLA and various local CPA firms was less than \$300,000, which is consistent with prior costs. The original 2013 estimate for funding an inspector general function in St. Tammany Parish was \$1.4 million.

APPENDIX A: SUMMARIZED RESULTS OF AGREED-UPON PROCEDURES, BY ENTITY

As of September 20, 2017, the Louisiana Legislative Auditor has issued 66 reports relating to Act 774. Those procedures that were reassigned for the second year based on exceptions noted during first year testing are identified as “follow-up.” The summarized results of the agreed-upon procedures performed at each Parish entity and exceptions noted are as follows:

1. **Amplify Resources Inc. - Pride Youth and Community Resources:**

- Cash Receipts (follow-up) - No exceptions noted.
- Travel and Expense Reimbursements
 - No written policies and procedures.
 - Tested expenses did not document business/public purpose.

2. **City of Covington:**

- Utility Collections and Adjustments - No exceptions noted.
- Travel and Expense Reimbursements - No exceptions noted.

3. **City of Mandeville:**

- Credit Cards
 - Written policies and procedures do not address the approval required to open a credit card account.
- Public Bid Law - No exceptions noted.

4. **City of Slidell:**

- Credit Cards (follow-up)
 - Written policies and procedures do not address removal of signatory authority.

- Ethics
 - Written policies and procedures do not address actions to be taken if an ethics violation happens or monitoring for possible ethics violations.
 - No documentation of elected officials signing off on the ethics policies.
 - Contracts - No exceptions noted.
5. **District Attorney for 22nd Judicial District:**
- Written Policies and Procedures - No exceptions noted.
 - Ethics
 - One of five tested employees/elected officials file did not contain documentation of signed verification of having read the ethics policies.
 - Asset Forfeitures - No exceptions noted.
6. **Finance Authority of St. Tammany Parish:**
- Board (Oversight)
 - Board meeting minutes were not maintained.
7. **Food Bank of Covington, LA, Inc.:**
- Food Purchases (only applicable to purchases of food made with public funds, unless funds are commingled)
 - Written policies and procedures over food purchases do not address:
 - The preparation and approval process of purchase requisitions and purchase orders.
 - Controls to ensure compliance with the public bid law.
 - Requirement that documentation is to be maintained for all bids and price quotes.
 - The same person is responsible for processing payments and adding vendors into the accounting system.
8. **Habitat For Humanity St. Tammany West:**
- Credit Card (follow-up) - No exceptions noted.
 - Grant Compliance - No exceptions noted.

9. Judges and Lawyers' Assistance Program, Inc.:

- Credit cards (follow-up)
 - Written policies and procedures over credit cards do not address:
 - Procedures for lost cards (Repeat);
 - Procedures for removal of signatory authority (Repeat);
 - Procedures for lost receipts;
 - Procedures for opening a credit card; and
 - Prohibition on cash advances.
- Payroll and Personnel
 - No written policies and procedures.
 - Employees do not sign in/out on a daily basis.
 - Leave records are not maintained in a central location.

10. Keep Louisiana Beautiful Inc.:

- Travel and Expense Reimbursement - No exceptions noted.
- Cooperative Endeavor Agreement Compliance - No exceptions noted.

11. Louisiana Appellate Project:

- Board Oversight
 - Management does not present budget-to-actual comparisons to the board.

12. Northshore Families Helping Families Inc.:

- Board Oversight
 - No formal/written plan to eliminate deficit spending; however, the board monitors the financial statements and spending on a monthly basis to address any potential deficits.

13. Northshore Harbor Center:

- Capital Assets - No exceptions noted.

14. Northshore Housing Initiative, Inc.:

- Credit cards - No exceptions noted.

15. Nutrition Education Services:

- Payroll and Personnel (follow-up) - No exceptions noted.
- Bank Reconciliations - No exceptions noted.

16. Safe Harbor Inc.:

- Gala Ticket Fundraising Collections - No exceptions noted.

17. Slidell City Court:

- Disbursements - General
 - New vendors may be added to system by person responsible for processing payments.
- Payroll and Personnel - No exceptions noted.

18. Slidell City Marshal:

- Bank Reconciliations - No exceptions noted.
- Collections - No exceptions noted.

19. St. Tammany Alliance for the Mentally Ill Inc.:

- Payroll and Personnel - No exceptions noted.

20. St. Tammany Children's Advocacy Center:

- Credit Cards/Debit Cards/Fuel Cards/P-Cards (follow-up) - No exceptions noted.
- Payroll and Personnel
 - Written policies and procedures over payroll do not address reviewing and approving time records.

21. St. Tammany Parish ARC-STARC of Louisiana Inc.:

- Travel and Expense Reimbursement - No exceptions noted.

22. St. Tammany Parish Assessor:

- Credit Cards/Debit Cards/ Fuel Cards/P-Cards - No exceptions noted.
- Payroll and Personnel - No exceptions noted.
- Property Assessments (follow-up) - No exceptions noted.

23. St. Tammany Parish Clerk of Court:

- Payroll and Personnel
 - Leave approval request forms not signed by department heads as required by entity policies; however, leave was found to have been approved within the electronic system.

24. St. Tammany Parish Communications District:

- Payroll and Personnel - No exceptions noted.

25. St. Tammany Parish Coroner:

- Payroll and Personnel
 - One of five employees tested was not properly categorized in the personnel salary matrix.
- Vehicle Take-Home Policies
 - Written policies over take-home vehicles do not address annual verification of employee driving records.
 - Four of four take-home vehicles tested did not have written justification for vehicle assignment.
 - No written documentation of vehicle assignment was found.
 - No driving record verifications were performed within the last year.

26. St. Tammany Parish Council on Aging Inc.:

- Payroll and Personnel
 - Two federal payroll taxes and one quarterly unemployment tax payment were paid late.
- Grant Compliance/Expense Reimbursement - No exceptions noted.

27. St. Tammany Parish Development District:

- Written Policies and Procedures
 - Written policies and procedures did not address all elements relating to disbursements, receipts, contracting, and ethics.

28. St. Tammany Parish Drainage District No. 4:

- Board Oversight

- Written policies and procedures over budgeting did not address monitoring or amending the budget.

29. St. Tammany Parish Drainage District-Sub-Drainage No. 2 of Gravity No. 5:

- Debt Service

- No written policies and procedures over debt service.

30. St. Tammany Parish Economic Development Foundation:

- Written Policies and Procedures

- Written policies and procedures do not address all elements relating to budgeting, purchasing, disbursements, and travel and expense reimbursement.

31. St. Tammany Parish Fire Protection District No. 1:

- Payroll and Personnel - No exceptions noted.

- Public Bid Law - No exceptions noted.

- Ethics (follow-up)

- Written policies and procedures do not require employees to annually attestation through signature verification that they have read the ethics policy (Repeat).

32. St. Tammany Parish Fire Protection District No. 2:

- Credit card (follow-up)

- Seven of 13 purchases tested did not have an approval signature on purchase order form as required by District policies.
- Two of 34 purchases tested were not supported by a receipt.
- The fleet fuel billing statement that was tested did not reflect documentation of approval by management (Repeat).

- Payroll and Personnel

- No written policies and procedures over payroll and personnel.
- No written authorization of pay rate maintained in employee files.
- No process in place to verify that the number of regular and overtime hours, or the authorized pay rates, electronically transmitted to the payroll processing company have been properly entered.

33. St. Tammany Parish Fire Protection District No. 4:

- Payroll and Personnel - No exceptions noted.
- Ethics - No exceptions noted.

34. St. Tammany Parish Fire Protection District No. 5:

- Board Oversight
 - No written policies and procedures over budgeting.
- Fuel Cards (follow-up)
 - No written policies and procedures over fuel cards (Repeat).
 - Ten of 34 purchases tested were not supported by receipts (Repeat).

35. St. Tammany Parish Fire Protection District No. 6:

- Capital Assets (follow-up)
 - Written policies and procedures over capital assets drafted but not yet adopted.
 - Last physical inventory more than a year old.
 - Zero of 25 assets selected for testing were tagged (Repeat).
 - Two assets selected for testing did not match the description on inventory listing.
 - Three of the 10 assets selected for capitalization testing were not on the inventory listing.

36. St. Tammany Parish Fire Protection District No. 7:

- Disbursements - General
 - No written policies and procedures over disbursements.
- Payroll and Personnel (leave follow-up)
 - Written policies over payroll and personnel do not address leave payout (Repeat).
- Fueling Station (follow-up) - No exceptions noted.

37. St. Tammany Parish Fire Protection District No. 8:

- Written Policies and Procedures
 - Written policies and procedures over purchasing do not address adding vendors to the vendor listing.
 - No written policies and procedures over receipts, payroll/personnel, contracting, and debt service.

38. St. Tammany Parish Fire Protection District No. 9:

- Bank Reconciliations - No exceptions noted.
- Payroll and Personnel - No exceptions noted.

39. St. Tammany Parish Fire Protection District No. 11:

- Credit Cards/Debit Cards/Fuel Cards/P-Cards (follow-up)
 - No documentation of credit card statement review and approval by someone other the authorized card holder.
 - Five of 10 cards tested had no itemized receipts (Repeat).
 - One of 10 cards tested did not have business purpose documented for purchases (Repeat).
- Debt Service
 - Written policies and procedures over debt service do not address EMMA reporting requirements, debt reserve requirements, and debt service requirements.

40. St. Tammany Parish Fire Protection District No. 12:

- Credit Cards (follow-up)
 - Three of 37 transactions tested did not have itemized receipts; these transactions appear to be for recurring charges (Repeat).
 - One of 37 transactions tested for \$33 appeared to be in violation of Article VII, Section 14 (Repeat).
- Ethics (follow-up)
 - Written policies and procedures do not address a requirement for annual attestation through signature of reading ethics policies (Repeat).

- The District did not maintain documentation demonstrating that the required ethics training was completed for all five employees selected for testing (Repeat).
- Fueling Station (follow-up)
 - Written policies and procedures do not address requirement for annual signed certification from employees acknowledging they have read and understand fueling station policies.
 - The District does not perform impromptu audits of fuel cards or key possession.
- 41. **St. Tammany Parish Fire Protection District No. 13:**
 - Board Oversight- No exceptions noted.
 - Payroll and Personnel - No exceptions noted.
- 42. **St. Tammany Parish Government:**
 - Utility Collections/Adjustments
 - Cash drawers are shared by employees;
 - At one collection location, the same employee is responsible for collecting, recording, and depositing cash;
 - For one collection site, cash receipts were deposited within two business days; and
 - For both collection sites, employees with cash collection duties may also adjust utility accounts.
 - Capital Assets - No exceptions noted.
 - Facility Rental/Usage
 - Written policies and procedures do not address “fee-free” rental arrangements.
 - No Cooperative Endeavor Agreement was found for the tested “fee-free” rental for an event held on the grounds of the Justice Center.
- 43. **St. Tammany Parish Hospital Service District No. 1 (St. Tammany Parish Hospital):**
 - Collections (cafeteria only)
 - Deposits are not made within one day of collection; however, controls are in place that appear to mitigate the risk.

- Capital Assets
 - Inventory is not conducted annually.

44. St. Tammany Parish Hospital Service Dist. No. 2 (Slidell Memorial Hospital):

- Collections (cafeteria and gift shop only)
 - Deposits are not made within one day of collection; however, controls are in place that appear to mitigate the risk.
- Credit Cards/Debit Cards/Fuel Cards/P-cards
 - Five of 10 statements selected for testing did not have documentation of review and approval by someone other than the authorized cardholder;
 - One statement selected for testing was assessed a \$0.01 finance charge; and
 - One statement selected for testing showed an over limit charge of \$39.00.
- Travel and Expense Reimbursement - No exceptions noted.

45. St. Tammany Parish Library:

- Library Fines/Fees
 - Thirteen of 60 tested account adjustments lacked documentation of reason adjustment was made;
 - Cash collections not deposited within one day of receipt; and
 - Of the \$2,486 in miscellaneous charges collected, \$912 could not be supported by documentation to evaluate completeness.
- Payroll and Personnel - No exceptions noted.

46. St. Tammany Parish Mosquito Abatement District:

- Fund Balance (follow-up)
 - General fund balance is 2.5 times annual expenditures (Repeat).
- Written Policies and Procedures - No exceptions noted.
- Credit Cards/Fuel Cards (follow-up)
 - Written policies and procedures over credit cards were not found to reflect the board's stated corrective action plan noted in the prior year's AUP report that "a board member will be designated to review and approve purchases above \$500 made by the Director" (Repeat);

- Not all of the Director purchases tested included documentation of board review and approval (Repeat);
- Documentation of Director approval for out-of-state travel expenses was not maintained on two items tested; and
- Fifteen fuel purchases appear to vary from the standard vehicle miles per gallon (Repeat).
- Public Bid Law (follow-up) - No exceptions noted.
- Cooperative Endeavour Agreement (CEA)
 - CEA was executed but not reviewed by legal counsel (Repeat).
- Bank Reconciliations (follow-up) - No exceptions noted.
- Payroll and Personnel (follow-up)
 - The Director does not submit a time sheet (Repeat);
 - No documentation found of Director approval for unused leave carried forward, as required by District policy (Repeat);
 - Leave records are maintained manually (Repeat); and
 - District policies and procedures over payroll and personnel do not include:
 - Requirement of Director approval for contract services (Repeat);
 - Requirement of legal council approval for contract services (Repeat); or
 - Requirement of Board of Commissioners approval for contract services (Repeat).
- Accounting System (follow-up)
 - The District was again found to be maintaining and preparing accounting processes and records manually (Repeat).
- Fidelity Bond (follow-up) - No exceptions noted.

47. St. Tammany Parish Recreation District No. 1:

- Bank Reconciliations
 - Checks outstanding for longer than six months were not researched.
- Concession Cash Receipts (follow-up) - No exceptions noted

- Debt Service - No exceptions noted.
- Facility Rental/Usage - No exceptions noted.

48. St. Tammany Parish Recreation District No. 4:

- Credit and debit cards (follow-up)
 - The District did not maintain a listing of all active credit cards and who maintains possession of the cards (Repeat);
 - Nineteen of 53 tested purchases did not include documentation of business purpose (Repeat);
 - Five of 53 tested purchases did not include itemized detailed receipt (Repeat);
 - Zero of 53 tested purchases indicated who made or participated in the purchase (Repeat); and
 - Zero of nine monthly statements tested contained evidence of review and approval by someone other than the authorized cardholder prior to payment (Repeat).
- Disbursements/Checks - Documentation and deposit of cash (follow-up)
 - Ten checks totaling \$1,500 were found to have been made out to cash (Repeat).
- Travel and mileage reimbursement (follow-up)
 - No written policies and procedures over travel and mileage reimbursement (Repeat).
- Leave Administration - Former Director Paid for Days Off Not Recorded in Leave Records (follow-up)
 - No written policies and procedures over employee leave (Repeat).
- Board Oversight
 - No bylaws and policies and procedures that clearly establish the roles and responsibilities of the Board and Director and; no code of conduct (Repeat).
 - The Board developed a mission statement that is general in nature and does not provide a clear purpose of the organization (Repeat).
 - No comprehensive written policies and procedures addressing all financial and operational areas.

- Ethics (follow-up)
 - Written policies and procedures do not require employees and/or board members to receive annual ethics training (Repeat) or require employees and/or board members to annually attest through signature verification that they have read the ethics policy (Repeat).
- Financial management (follow-up)
 - Budget was not adopted by resolution (Repeat);
 - Budget did not have a signed budget message (Repeat);
 - Budget did not have a statement for general fund showing: estimated fund balances at the beginning of the year; estimates of all receipts and revenues to be received; recommended expenditures itemized by agency, department, function, and character; other financing sources by source and use; and estimated fund balance at the end of the fiscal year (Repeat);
 - Budget did not have a clearly-presented, side-by-side detailed comparison of certain information for the current year (Repeat);
 - Board chair, rather than the Director, was performing many of the budgetary and financial duties on behalf of the District due to management transition during the period under review; and
 - Certain budgetary and financial records were not maintained at the District.
- Contracting for services (follow-up)
 - No written policies and procedures addressing the roles and responsibilities of involved parties and tasks involved with the entire contracting process. (Repeat); and
 - The District did not implement a monitoring schedule/system to ensure contract services are being delivered in compliance with contract terms (Repeat).
- Payroll and personnel (follow-up)
 - Director did not complete a time sheet in the tested period (Repeat); and
 - No documentation of review and approval of tested time sheets (Repeat).
- Capital assets (follow-up)
 - No written policies and procedures over capital assets (Repeat);
 - Capital asset listing was not updated for purchases or disposals (Repeat);

- Capital assets were not tagged (Repeat); and
- Capital asset inventory was not conducted (Repeat).
- Recordkeeping (follow-up)
 - Board meeting minutes were not maintained and published in the official journal or on the District's website in accordance with R.S. 42:20 and 43:171 (Repeat);
 - District website was not updated to reflect the most current ordinances, resolutions, or budgetary documents (Repeat); and
 - A records management program was not developed in accordance with state law (Repeat).

49. St. Tammany Parish Recreation District No. 6:

- Board Oversight
 - No written policies and procedures over budgeting.
 - Board meeting minutes do not reference monthly budget-to-actual comparison.
- Concession and Gate Collections (follow-up)
 - Written policies and procedures do not cover controls to ensure completeness of collections or controls to ensure the completeness of recorded sales (Repeat).
 - Thirteen of the 20 collections tested were not deposited within one day of receipt.

50. St. Tammany Parish Recreation District No. 7:

- Written Policies and Procedures
 - No written policies and procedures over budgeting, purchasing, contracting, travel and expense reimbursements, ethics, and debt service.

51. St. Tammany Parish Recreation District No. 11:

- Concession and Gate Collections
 - Policies and procedures are not maintained in written format.
 - The District only utilizes one person at a time for gate entrance fee collections.

52. St. Tammany Parish Recreation District No. 12:

- Written Policies and Procedures
 - No written policies and procedures were found over:
 - Budgeting
 - Purchasing
 - Disbursements
 - Receipts
 - Payroll/personnel
 - Contracting
 - Travel and expense reimbursement
 - Debt service
 - The written policies and procedures over credit cards do not address:
 - How cards are to be controlled.
 - Required approvers.
 - A plan to monitor card usage.
- Ethics
 - No signed verification of having read policies in employee files;
 - No documentation of ethics training for one board member; and
 - Prior-year ethics violation related to maintenance of ethics training verification documentation was reported.

53. St. Tammany Parish Recreation District No. 14:

- Credit Card (follow-up)
 - Five of six monthly statements tested did not show evidence of management review and approval (Repeat);
 - Sixteen of 56 purchases tested were not supported by receipt (Repeat); and
 - Forty-six of 56 purchases tested were not supported by written documentation of business purpose.

- Payroll and Personnel
 - Written documentation of pay rate was not maintained in personnel files;
 - Two of eight employees tested did not submit daily attendance records; and
 - One of two termination payments tested did not include the cash value of unused paid time off, as required by policy.
- Cash Receipts Controls and Monitoring - (Concessions Receipts follow-up)
 - Minor cash variances were found.
- Facility Rental/Usage
 - No written policies and procedures over facility rental; and
 - Cooperative Endeavour Agreement (CEA) for “fee-free” rental was not signed by user organization.

54. St. Tammany Parish School Board:

- Contracts (follow-up) - No exceptions noted.
- Facility Rental/Usage (follow-up)
 - Written policies and procedures do not directly state the requirement for rental fee requirement for facility usage unless mission of the organization using the facility is in line with mission to entity and a cooperative endeavor agreement has been executed (Repeat).
- Credit Cards
 - Written policies and procedures do not address removal of signatory authority.
- Capital Assets - No exceptions noted.

55. St. Tammany Parish Sewerage District No. 1:

- Written Policies and Procedures
 - Written policies and procedures over contracting do not include types of services requiring contract or requirement of legal review of contracts; and
 - Written policies and procedures over ethics do not include prohibitions as defined in R.S. 42:1111-1121 or a system to monitor for possible violations.

- Board Oversight
 - Items not presented to the Board for at least one meeting during the fiscal period included:
 - Reconciliation of billing receipts to the joint bank account.
 - Reconciliation of customer billings to deposits.
 - Listing of customer account adjustments.

56. St. Tammany Parish Sewerage District No. 4:

- Written Policies and Procedures
 - Written policies and procedures over contracting did not include types of services requiring contract and requirement of legal review; and
 - Written policies and procedures over ethics did not include prohibitions as defined in R.S. 42:1111-1121 or a system to monitor for possible violations.
- Board Oversight - No exceptions noted.

57. St. Tammany Parish Sheriff:

- Termination Payments - No exceptions noted.
- Debt Service - No exceptions noted.
- Fueling Station
 - Written policies and procedures do not address:
 - Individuals authorized to dispense fuel.
 - The documentation requirements.
 - Required approvers.
 - Form submission.
 - There is no written documentation/policies for review of fuel invoices on a monthly basis by management.
 - There is no specific approval process in which the department heads sign off as having reviewed the fuel transactions.
 - No indication that fuel usage review process is being carried out by the department supervisors.

- Fuel Cards
 - Written policies and procedures do not address:
 - How cards are controlled;
 - Procedures for lost cards;
 - Procedures for removal of employees upon termination;
 - Documentation requirements;
 - Required approvers and monitoring; and
 - Approval necessary to open a fuel card account.
 - Two tested transactions appeared to exceed tank capacity of vehicle being fueled.
 - Two tested transactions appeared to exceed reasonable mile per gallon usage.
 - The entity has no formal policy in place over documentation of review and approval by department heads of fuel charges prior to payment of invoices.

58. St. Tammany Parish Waterworks District No. 2:

- Utility Collections/Adjustments
 - The District does not have any specific policies relating to receiving, recording, and preparing deposits;
 - The District does not have any specific policies relating to adjustments to utility accounts;
 - The District does not have a formal process to reconcile utility collections to the general ledger and subsidiary ledgers by a person who is not responsible for collections in the collection location; and
 - Deposits are not made daily.

59. St. Tammany Parish Waterworks District No. 3:

- Written Policies and Procedures
 - Written policies and procedures over contracting did not include types of services requiring contract or requirement of legal review;

- Written policies and procedures over ethics did not include prohibitions, as defined in R.S. 42:1111-1121, or a system to monitor for possible violations; and
- Written policies and procedures over debt service did not include EMMA reporting requirements, debt reserve requirements, or debt service requirements.
- Board Oversight
 - Meeting minutes were not provided to the auditor.

60. Town of Abita Springs:

- Contracts (follow-up)
 - Written policies and procedures do not specify types of services which should be contracted nor requirement for legal review of contracts (Repeat).
- Payroll and Personnel - No exceptions noted.

61. Town of Madisonville:

- Credit Cards
 - Written policies and procedures do not address removal of signatory authority.
- Utility Collection/Adjustments (follow-up)
 - No written policies and procedures; and
 - No documentation of nightly cash counts.
- Ethics - No exceptions noted.

62. Town of Pearl River:

- Written Policies and Procedures
 - No written policies and procedures over:
 - Budgeting.
 - Receipts.
 - Payroll/personnel.
 - Contracting (Repeat).

- Travel and expense reimbursement.
- Debt service.
- Ethics written policies and procedures do not include:
 - Actions to be taken if violation takes place.
 - System to monitor for ethics violations.
 - Requirement of annual attestation by employees of having read policies.
- Board Oversight - No exceptions noted.
- Traffic Tickets
 - No written policies and procedures over traffic tickets.
- Credit Cards/Debit Cards/Fuel Cards/P-Cards (follow-up)
 - Written policies and procedures do not address removal of signatory authority (Repeat);
 - Town clerk's card statement was not reviewed by someone other than town clerk;
 - None of Police Chief's tested purchases had a receipt (Repeat); and
 - One purchase on the Police Chief's tested credit card statement was for a Netflix subscription.

63. Twenty-Second Judicial District Court Judicial Expense Fund:

- Credit Cards/Debit Cards/ Fuel Cards/P-Cards (follow-up) - No exceptions noted.
- Payroll and Personnel - No exceptions noted.

64. Twenty-Second Judicial District Public Defender:

- Ethics (follow-up)
 - Although employees sign the employee handbook, which contains the ethics policies when hired, policies and procedures do not require employees to annually attest through signature verification of having read and agree to ethics policies (Repeat); and
 - No employee files tested contained evidence of ethics training completion during the period under review.

- Contracts (follow-up)
 - No written policies and procedures over contracts/contracting, including leasing (Repeat).
- Payroll and Personnel
 - Although the Public Defender's Office practice is that all employees' time and attendance records are approved and signed by a supervisor, there are no written policies and procedures over payroll processing or the review/approval of time and attendance records.
- Credit Cards (follow-up)
 - Written policies and procedures do not address removal of signatory authority (Repeat);
 - Seven of 37 tested transactions had no receipt (Repeat);
 - One receipt maintained for the purchase of a meal provided no details, business purpose, or list of attendees (Repeat); and
 - The Public Defender's credit card purchase statements were only reviewed by the Public Defender himself.

65. Village of Folsom:

- Utility Collection (follow-up)
 - Written policies and procedures do not address:
 - Procedures for cash drawer shortages;
 - Account write-off procedures;
 - Timely payment deposit requirements;
 - Use of separate cash drawers;
 - Bonding of employees handling cash; and
 - Requirement of surprise audits of cash receipts.
- Ethics (follow-up)
 - Written policies and procedures do not require employees to annually attest through signature verification that they have read the entity's ethics policies (Repeat).

- Capital Assets
 - No written policies and procedures over capital assets;
 - Public Works asset listing did not include location; and
 - Public Works assets were not tagged.

66. Youth Service Bureau of St. Tammany - CASA:

- Travel and Expense Reimbursement - No exceptions noted.
- Leave Administration - No exceptions noted.
- Fundraising Ticket Sales/Collections - No exceptions noted.

APPENDIX B: SUMMARIZED RESULTS OF AGREED-UPON PROCEDURES – PRIOR YEAR LATE REPORTS

The information for two entities, the Housing Authority of Slidell and St. Tammany Parish Drainage District No. 4, were not included in the prior-year Act 774 report because the reports for these entities had not been issued. The results of procedures for these two entities, for the first year implementation, are as follows:

Housing Authority of Slidell:

- Credit Cards
 - Eight tested transactions did not have original receipts;
 - Twelve tested transactions did not have required purchase order documentation;
 - One tested transaction did not have documentation of business purpose;
 - Two tested credit card statements did not have documentation of approval prior to payment; and
 - Three tested credit card statements included charges for late fees.
- Ethics/Related Parties
 - No documentation of employee verification of having read the personnel manual.
- Over Income Policy - No exceptions noted.

St. Tammany Parish Drainage District No. 4:

- Credit Cards:
 - Written policy and procedures do not address approval requirements for opening a credit card account.
 - Two tested transactions did not have a documented business purpose.
 - Tested credit card statements did not have documentation of review and approval.