

Minutes of a meeting of the Plaquemines Parish Council Audit Committee held in the Belle Chasse Council Building, Council Chambers, 333 F. Edward Hebert Blvd., Bldg. 203, Belle Chasse, Louisiana on Thursday, January 14, 2021, at 12:30 p.m. pursuant to notice to all members with a quorum present as follows:

PRESENT: Council Member Benedict Rousselle
Council Member Trudy Newberry
Council Member Mark Cognevich

Kim M. Toups, Secretary

The meeting was called to order, roll call was taken and the pledge was recited.

Mr. Randy Duke, Internal Auditor was present.

Director Todd Eppley was present representing the Administration.

Council Member Rousselle moved to Agenda Item 2, "New Business". Without objection, so ordered.

Under Agenda Item 2a, "Review of the Pointe-a-la-Hache Fire Department follow up Internal Audit", Mr. Duke reviewed the Observations, Recommendations and Management Response the audit.

Observations, Recommendations and Management Responses:

- *Observation No. 1: Agreement between PPG and pointe-a-la-Hache Volunteer Fire Department*
Recommendation: Agreement in Parish Resolution No. 16-147 should have been executed. The Resolution states responsibility of each party and clearly describes allowable expenditures that qualify as professional service, equipment, education, and culture.
Management Response: Per Mr. Eppley-The VFD is a separate entity which the Administration does not control. He stated he would recommend the above to them.
- *Observation No. 2: Public Funding-Separate Interest-Bearing Account*
Recommendation: Entities that receive public funding should deposit public funds into a separate interest-bearing bank account.
Council Member Rousselle stated that any CEA which is executed in the future should dictate the organization must keep funds in a separate interest-bearing account to make it easier for the Parish to audit. Mr. Duke agreed and stated that these funds should not be comingled with any other funds the organization has. Council Member Newberry asked Council Member Rousselle legislation should be adopted which states that, in the future, all CEAs must have a separate checking account. Council Member Rousselle responded that a policy could be passed through the Committee and then through the Council. He then asked the Council Secretary to prepare the necessary legislation to adopt said policy.
Management Response: Per Mr. Eppley-The VFD is a separate entity which the Administration does not control. He stated he would recommend the above to them.
- *Observation No. 3: Pointe-a-la-Hache Volunteer Fire Department Operations*
Recommendations: Public funds left over each year should be either paid back to the Parish or used to reduce the amount of funds for the following year.
Mr. Duke read an email sent by Director Eppley to Chief Brocks asking for the return of funds left over from prior years and said that the approximate amount is \$25,000 from each year according to the Internal Auditor's findings. Director Eppley also asked Chief Brocks for a timeframe of when the Parish could expect to receive the funds. Council Member Newberry said that money which isn't used should be returned and agreed that this is a great policy. Council Member Rousselle said that grants are provided for services that meet the test of the Cabela Act and not capital items.
Management Response: Mr. Eppley stated he would ask the VFD to return the funds to PPG. Chief Brocks sad that at this time he is not in a position to make this decision.

- *Observation No. 4: Internal Controls Over Expenditures of Public Funds*
Recommendation: Ensure that proper internal controls are in place (due diligence and care) over expenditures of public.
 Mr. Duke stated that the Parish does not have any control over their finances, and they are a separate corporation. Mr. Duke said that the reason this was a difficult audit is that there was a lack of control over reviewing their finances except for the \$50,000 which the Parish gave them.
Management Response: Mr. Eppley stated the VFD is a separate entity which the Administration does not control. Chief Brocks stated he was not involved with the bus transaction in 2015. However, regarding the train transaction from 2019, he believes the train was purchased in accordance with Ord. No. 16-42, stating it was an operating expense for the Davant Summer Recreation Program. He said that, in the future, they will pay close attention to internal controls over the Davant Summer Recreation program expenditures, such as approvals and signatures.

Council Member Rousselle moved to Agenda Item 3, “Audits in Progress”. Without objection, so ordered.

Under Item 3a, “Review and discussion of the annual audit/work plan for 2021.” Mr. Duke presented a schedule for 2021 and stated that it will be on the Parish website. There are 15 scheduled audits for 2021, with 8 of them being follow-up audits. Mr. Duke said he sent the 2021 plan to President Lepine in November 2020 and is currently waiting for him to sign off on the plan. Mr. Duke said it is very important for management to buy in on all audits throughout the year. He will follow up with President Lepine and have an update at the February meeting.

Under Item 3b, “Status of Community Action Internal Audit”, Mr. Duke said it was currently in progress. Notification was sent out and he is working on this audit. This audit is ongoing and he has a few questions about some of the contracts. He will try to have the report sent out by the February meeting.

Under Item 3c, “Status of these follow-up Internal Audits”, Mr. Duke said they are still ongoing. He is waiting on responses from the Port and Parish on the Contracts audit, the Time and Attendance audit, PPG Leased Property and Boat Harbors audit and the YMCA audit. He did receive response from the Water Department and the Recreation Department regarding those audits and already has sent them out to the Committee. Mr. Duke said as soon as the responses come in, he will send them out. He also said that the Water Department and Recreation Department’s audits will be ready for the February meeting.

Council Member Rousselle moved to Agenda Item 4, “Approval of minutes from the November 12, 2020, meeting”. Without objection, so ordered. On motion of Council Member Cognevich, second by Council Member Newberry and on roll call, all members present voting “YES”, the minutes were adopted by a vote of 3-0.

There being no further business to come before the Committee, on motion of Council Member Cognevich, seconded by Council Member Newberry and on roll call all members present voting “YES”, the meeting was adjourned at 12:50 p.m. with a vote of 3-0.

CHAIRMAN

SECRETARY

A full copy of the report can be found on the Parish website: www.plaqueminesparish.com by selecting “Government” and then clicking on the “Internal Audit” link or at the Council Secretary’s Office.