

Plaquemines Parish Government

Parish President
Amos Cormier

James M Peeples, CPA
Director of Administration
8056 Hwy. 23, Suite 207
Belle Chasse, Louisiana 70037
(504) 297-5536
(504) 433-8324 (Fax)
(504) 415-1279 (Cell)

Council Members

District 1 - John L Barthelemy Jr.
District 2 - William "Beau" Black
District 3 - Kirk M Lepine
District 4 - Irvin Juneau Jr.
District 5 - Benedict "Benny" Rousselle
District 6 - Charlie Burt
District 7 - Audrey Trufant-Salvant
District 8 - Jeff E Edgecombe
District 9 - Nicole Williams

Date: May 2, 2018

To: Randy A. Duke, Chief Internal Auditor

Re: October 27, 2017 "Employee Expense and Mileage Reimbursement Internal Audit"

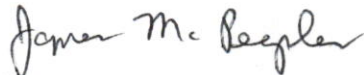
I am enclosing Management's responses to your October 27, 2017 "Employee Expense and Mileage Reimbursement" Internal Audit report.

We appreciate the efforts of the Internal Audit Department in performing this audit.

Please notify me of any planned audits so that I can get together with the Department head to make sure that you and your staff are given full cooperation by the Department.

Future Internal Audit report drafts should be directed to me, with copies to the Parish President, the Director responsible for the Department, and the Department head.

I will get together with the Parish President and appropriate Directors and department heads to assure that your reports get proper attention and Management response.



James M. Peeples, CPA
Director of Administration

cc: Amos Cormier, Parish President
Benny Rousselle, Audit Committee Chairman
Tommy Serpas, Finance Manager

Management Responses to October 27, 2017 “Employee Expense and Mileage Reimbursement” Internal Audit

Observation #1: There doesn't appear to be an overall Policies and Procedures manual in place for employee expenses and employee mileage reimbursements.

Management response: The administration has for many years relied on Council Ordinances and Resolutions as its policies and procedures relating to employee expense and mileage reimbursements. As time and resources permit, we will prepare a more detailed manual of policies and procedures relating to reimbursement of such expenses.

Observation #2: The business purpose needs more detail.

Management response: We believe that business/governmental purpose is in most cases adequately provided, either on the expense report forms or on the supporting documentation. However, we will add further guidance on the expense report forms for providing adequate documentation.

Observation #3: Of the thirty-one (31) mileage reimbursement forms reviewed, four (4) included a MapQuest to help validate employee miles driven and twenty-seven (27) did not have any mileage support.

Management response: Odometer readings or reasonable mileage estimates have previously been acceptable to external auditors, as well as legislative auditors. However we agree that MapQuest, Tripmaker, “How Far Is It?”, or a similar document would provide better validation of mileage. We will add a comment on the mileage expense form that MapQuest or similar documentation is preferable, but odometer readings are also acceptable.

Observation #4: Employee expense and mileage forms are being sent to internal audit for review and approval.

Management response: Internal Audit's signoff has been considered a “review” and not an “approval”. Management takes responsibility for review and approval of the expense reports. We understand that the Council desires that the Internal Audit Department also review the expense reports. We hope that the Internal Audit Department will continue to provide an additional layer of control by “reviewing” the expense reports. We will clarify on the expense report forms that the Internal Audit signoff is a review and not an approval.

Observation #5: Of the nineteen (19) employee expense reports reviewed four (4) were not independently reviewed by the employee's supervisor. Of the thirty-one (31) employee mileage reimbursement forms reviewed, four (4) were not independently reviewed by the employee's supervisor.

Management response: We have not seen the expense reports in question; perhaps they had a higher level approval than that of a supervisor. Our policy is that approval of the employee's supervisor is acceptable. However, if the employee does not have a direct supervisor, or if the supervisor is unavailable, the employee's expense report may have a higher-than-supervisor-level approval. Elected officials have the authority to approve expense reports for employees that report to them. Council Members' expense reports may be approved by either the Council Chairperson or by the Director of Administration. Generally, the expense reports of other elected officials are approved by the Director of Administration and are reviewed by the Internal Audit Department. Also, the Accounts Payable Supervisor is supposed