

Plaquemines Parish Government

Parish President
Kirk M. Lepine

Randy A Duke
CPA, CIA, CIGA
Chief Internal Auditor

INTERNAL AUDIT DEPARTMENT

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Council Members

District 1 - John L. Barthelemy Jr.
District 2 - William "Beau" Black
District 3 - Corey Arbourgh
District 4 - Dr. Stuart J Guey Jr.
District 5 - Benedict "Benny" Rousselle
District 6 - Trudy Newberry
District 7 - Carlton M LaFrance Sr.
District 8 - Richie Blink
District 9 - Mark "Hobbo" Cognevich

MEMORANDUM

To: Council Member Mr. Benedict "Benny" Rousselle
Chair - Audit Committee

Date: March 21, 2019

Council Member Ms. Trudy Newberry
Vice Chair - Audit Committee

Council Member Mr. Mark "Hobbo" Cognevich
Audit Committee Member

From: Randy A. Duke, C.P.A., CIA, CIGA
Chief Internal Auditor

Re: Plaquemines Port, Harbor and Terminal District ("Port")
Follow-Up Internal Audit Report of the Port's Visa Credit Card
and Employee Expense Reimbursements
Internal Audit Project No. 2019-04

Background:

In accordance with the Plaquemines Parish Government ("PPG") Charter Section 7.08: Audit Committee and the Internal Audit Department Charter, the internal auditor has performed a follow-up internal audit regarding the recommendations¹ made in the Port's Visa Credit Card and Employee Expense Internal Audit Report dated July 10, 2018.²

Objectives, scope and methodology:

Internal Audit Standard 2500.A1 - The chief audit executive must establish a follow-up process to monitor and ensure that management actions concerning the internal auditor's recommendations have been effectively implemented or that senior management has accepted the risk of not taking action on the audit recommendations.

Objective - To determine the status of the internal audit recommendations as stated in the Port's Visa Credit Card and Employee Expense Internal Audit Report dated July 10, 2018.
Scope - The internal audit recommendations as stated in the Port's Visa Credit Card and Employee Expense Internal Audit Report dated July 10, 2018.
Methodology - My audit procedure was as follows: The internal auditor reviewed documentation submitted by the Port's Comptroller to determine compliance with Internal Audit Standard 2500.A1.

Professional Standards:

The follow-up audit was conducted in accordance with the Institute of Internal Auditor's Standards for the Professional Practice of Internal Auditing, (the Red Book).

cc: Mr. John L. Barthelemy, Jr., Council Member District 1;
Mr. William "Beau" Black, Council Member District 2;

¹ A suggestion or proposal as to the best course of action, especially one put forward by an authoritative body.

² All prior Internal Audit Reports are on the Plaquemines Parish Government Website under Internal Audit.

Mr. Corey Arbourgh, Council Member District 3;
Dr. Stuart J. Guey Jr., Council Member District 4;
Mr. Benedict “Benny” Rousselle, Council Member District 5;
Ms. Trudy Newberry, Council Member District 6;
Mr. Carlton M. LaFrance Sr. Council Member District 7;
Mr. Richie Blink, Council Member District 8;
Mr. Mark “Hobbo” Cognevich, Council Member District 9;
Mr. Mayard Jackson (Sandy) Sanders, Executive Director;
Mr. Paul Matthews, Deputy Port Director;
Ms. Chambrel Riley, Comptroller.

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Plaquemines Port, Harbor and Terminal District

Visa Credit Card Expense and Employee Expense Reimbursements

Follow-Up Internal Audit Report Internal Audit Project No. 2019-04

Randy A. Duke, CPA, CIA, CIGA
Chief Internal Auditor
Internal Audit Department

Plaquemines Port, Harbor and Terminal District

Visa Credit Card Expense and Employee Expense Reimbursements

Follow-Up Internal Audit Report Project Number 2019-04

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Internal Audit Conclusion and Recommendations

In my opinion, the recommendations listed below will improve internal controls and reduce the risk of a negative event from happening, if implemented by the Port’s management for Credit Card and Employee Expenses. As stated in the Internal Audit Standard 2500.A1 - The chief audit executive must establish a follow-up process to monitor and ensure that management actions concerning the internal auditor’s recommendations have been effectively implemented or that senior management has accepted the risk of not taking action on the audit recommendations.³

Summary of the Auditor’s Recommendations	
1.	<p>Visa Credit Card - Questionable Expenses - Business credit cards should never be used for personal expenses. Employees should pay for personal expenses from their own funds. All monthly visa credit card statement expenses should be supported by an itemized / detailed receipt or another form of appropriate sufficient documentation showing that the expense was accurate and valid. A follow-up audit will be conducted on the Port’s internal controls over credit cards.</p>
	<p>Status of Recommendation: The Port has updated its accounting policies to reflect the Internal Auditor’s recommendations. Policy updates were supplied to the Port Board. The resolution for updates and revisions was introduced on July 26,2018. The Port Board agreed to not adopt the changes until the completion of the Port’s Contract and Agreements internal audit. The resolution dropped from the agenda due to deferral rule. The resolution was re-introduced on January 24, 2019.</p> <p>The updates and revisions included adjustments to rates in alignment with state and federal rates for travel allowances. Revisions also included the requirement that the Port supply the chairman with all unallowable charges on a quarterly basis to determine if disciplinary actions are needed.</p>
2.	<p>Visa Credit Card Expenses - Lack of a Business Purpose - All visa credit card expenses should have a clear written business purpose and explanation written on the receipt or other form of supporting documentation describing the Port business that took place, discussions, dates, names of persons attending, company and relationship to the Port.</p>
	<p>Status of Recommendation: The Port has implemented a business purpose log requirement for all credit card transactions, reimbursements, and unallowable expense reports. Each transaction is coded with a specific business purpose.</p>
3.	<p>Visa Credit Card Expenses - Special Meals - The Chairman should review, sign and approve the quarterly special meal report and any attached supporting documents indicating that these special meal expenses and their supporting documents have been thoroughly reviewed and are in compliance with Port policy and the State of Louisiana travel and meal guidelines.</p>
	<p>Status of Recommendation: The Port continues to send special meals reports to Port Chairman.</p>
4.	<p>Visa Credit Card Expenses - Lack of an Approval - All credit card statements, expenses and supporting documentation should be clearly approved indicating that the credit card expenses were reviewed for sufficient supporting documentation, accuracy and validity.</p>
	<p>Status of Recommendation: The port continues to submit monthly statements to appropriate approver for review and approval.</p>

³ For more detail and management comments, see the auditor’s Findings/Observation.

5. **Port's Employee Expense Reimbursements** - The Port's accounting process as stated above should be revised.⁴ The employee reimbursement expense form should only be used for employee advances and valid business expense reimbursements. The employee reimbursements expense supporting documentation should be attached to the expense forms and support the dollar amounts listed before reimbursement is made to the employee.

Status of Recommendation: The Port has revised its reimbursement procedures to only include reimbursable expenses. Unallowable expenses have been removed from this report and now are reported on a single and separate report.

Internal Audit Findings/Observation

Finding # 1: Visa Credit Card - Questionable Expenses

Criteria: Port Policy - "Any personal use or unauthorized use of a credit card will result in the reimbursement of the unauthorized expenditure to the Port and may result in disciplinary actions up to and including possible termination of employment. Employees are responsible for obtaining receipts/documentation as proof of purchase and for documenting the business purpose on the receipts. Receipts for any meals and entertainment expenditures also must contain documentation of the names of all persons participating and the business discussed. Failure to provide itemized receipts may necessitate reimbursement to the Port for the expenses not properly documented." **Attachment "B"**.

Condition: From the population of the Port's visa credit card statements for the period of 2015-2017, I selected the January 2015, April 2016 and December 2017 expenses and supporting documentation for review. During this review, I noted personal expenses, expenses with no receipts and interest charges for January 2015. The Port noted the amounts for personal expenses during travel status. It does appear that the Port was being transparent in the use of the credit card for personal expenses. The employees could be liable for interest charges for using credit cards for personal and unallowable expenses. The Port was not in compliance with the Louisiana State Constitution Article 7: **Exhibit I**.

§ 14 Donation, Loan, or Pledge of Public Credit

Section 14. (A) Prohibited Uses. Except as otherwise provided by this constitution, the funds, credit, property, or things of value of the state or of any political subdivision shall not be loaned, pledged, or donated to or for any person, association, or corporation, public or private. Except as otherwise provided in this Section, neither the state nor a political subdivision shall subscribe to or purchase the stock of a corporation or association or for any private enterprise.

The Port's Accounting process for these expenses is as follows:

"The Port Comptroller states: "Personal expenses made on Port travel cards are retrieved from the employee's paycheck. For Mr. Sanders and Mr. Matthews, I close out their reimbursement/expense forms quarterly. As we reconcile the credit card statements monthly disallowed expenses are placed on the employee's reimbursement/expense form as mentioned above. The expense report is prepared by the Senior Account, reviewed by the Comptroller and Approved by the Director of Administration. Port Policy states, Unauthorized charges or charges without proper documentation must be deducted from the employee's payroll if not paid within 15 days following the statement closing date or by quarter end for executive management staff."

Cause: The controls were in place but not operating effectively.

⁴ See Observation # 1: Port's Employee Expense Reimbursements.

Exposure: The appearance and risk of fraud, waste and abuse is increased when credit cards are used for personal expenses. The reliability and integrity of these expenses is decreased when expenses lack sufficient documentation (no receipts) to support the credit card expense paid.

Recommendation: Business credit cards should never be used for personal expenses. Employees should pay for personal expenses from their own funds. All monthly visa credit card statement expenses should be supported by an itemized / detailed receipt or another form of appropriate sufficient documentation showing that the expense was accurate and valid. A follow-up audit will be conducted on the Port's internal controls over credit cards.

Responsibility for Action: Mr. Mayard Jackson (Sandy) Sanders, Executive Director
Mr. Paul Matthews, Deputy Port Director, Ms. Chambrel Riley, Comptroller.

Management Response: All items listed in Exhibit I has been further explained and documented for the Internal Auditors examination. In every instance found with a personal charge the employee was conducting Port business. In most findings, personal expenses had been mingled with business expenses due to the vendor's inability to separate charges. As mentioned, the Port has policies and procedures in place to retrieve all expenses that are outside of the Port's policies. Reconciliations to Port employee's business calendars were done to ensure business purposes. Staff also report business purposes on a travel itinerary when in travel status. All personal charges listed in Exhibit I have been paid back to the Port. All supporting documentation for charges paid back to the Port has been supplied to the Internal Auditor.

Executive Director and Comptroller had a conversation regarding charges that could not be split for business and personal purposes. The Comptroller instructed the Executive Director to use the Port's credit card when the main or majority purpose of the charge would be for Port business. The non-business purpose would be extracted from payroll instead of a check being written to the Port for such charges.

The Port has considered the Internal Auditor's recommendations. The Port management has agreed to review, update and revise the Port's Accounting policies to address the issues mentioned above and there after within this report. The Port agrees to not allow any personal expenses. Employees will pay for the expenses in whole when mingled with personal expenses and later reimbursed for port business expenses only. The Port is also implementing a reporting policy to the Port Chairman in the event personal expenses are made on the Port's travel card.

Status of Recommendation: The Port has updated its accounting policies to reflect the Internal Auditor's recommendations. Policy updates were supplied to the Port Board. The resolution for updates and revisions was introduced on July 26, 2018. The Port Board agreed to not adopt the changes until the completion of the Port's Contract and Agreements internal audit. The resolution dropped from the agenda due to deferral rule. The resolution was re-introduced on January 24, 2019.

The updates and revisions included adjustments to rates in alignment with state and federal rates for travel allowances. Revisions also included the requirement that the Port supply the chairman with all unallowable charges on a quarterly basis to determine if disciplinary actions are needed.

Finding # 2: Visa Credit Card Expenses - Lack of a Business Purpose

Criteria: Port's Policy - "Employees are responsible for obtaining sufficient documentation in the form of receipts or other form of supporting documentation as proof of purchase and

for documenting a clear detailed business purpose/explanation on the receipt or other form of supporting documentation.” **Attachment “B”**.

Condition: During the review of the Port’s January 2015, April 2016 and December 2017 credit card expenses and supporting documentation, the internal auditor noted a lack of a clear written business purpose and explanation written on the receipt or supporting documentation. It appears that the Port’s control over these expenses were not operating effectively. **Exhibit II.**

Cause: The controls were in place but not working effectively.

Exposure: The appearance and risk of fraud, waste and abuse is increased when expenses lack a clear, detailed business purpose written on the receipt or other form of supporting documentation. The reliability and integrity of these expenses is decreased when expenses lack sufficient documentation such as receipts to support the credit card expense.

Recommendation: All visa credit card expenses should have a clear written business purpose and explanation written on the receipt or other form of supporting documentation describing the Port business that took place, discussions, dates, names of persons attending, company and relationship to the Port.

Responsibility for Action: Mr. Mayard Jackson (Sandy) Sanders, Executive Director
Mr. Paul Matthews, Deputy Port Director, Ms. Chambrel Riley, Comptroller.

Management Response: The Port disagrees with this finding. Our policy allows other forms of supporting documentation in the absence of recording on each individual receipt. Louisiana best practices state, “37. Is the business purpose clearly documented for all charges appearing on the credit card statements, including names of persons participating?” The best practice does not state on each individual receipt.

Port’s procedures are to reconcile activity to employee’s business calendar, agendas travel itineraries and/ or purchase order. The Port also prepares special meals reports monthly which are sent to the chairman quarterly. These reports contain the business purpose, amount spent and attendees for each special meal. These items were provided in original files. The Port has responded to each item listed in Exhibit II with individual business purposes.

All expenses were reconciled to calendars, purchase orders, and/or travel itineraries. The Port will take into consideration the auditor’s recommendation by implementing more efficient and clear documentation steps for reporting business purposes when not possible on individual receipts.

Status of Recommendation: The Port has implemented a business purpose log requirement for all credit card transactions, reimbursements, and unallowable expense reports. Each transaction is coded with a specific business purpose.

Finding # 3: Visa Credit Card Expenses - Special Meals

Criteria: Port’s Policy - “Reimbursement designed for those occasions when, as a matter of extraordinary courtesy or necessity, it is appropriate and in the best interest of the port to use public funds for provision of a meal to a person who is not otherwise eligible for such reimbursement and where reimbursement is not available from another source.” **Attachment “C”**.

In such cases, the Port will report on a quarterly basis to the Chairman and/or Vice Chairman all special meal reimbursements made during the previous three months. These reports must include, for each special meal, the name and title of the person receiving reimbursement, the name and title of each recipient, the cost of each meal and an explanation as to why the meal was in the best interest of the Port. **Attachment “C”**.

Condition: During my review of the visa credit card expenses for special meals, it was noted that the Port sends a quarterly report to the Port’s committee Chairman for review and approval. It was noted that the Chairman is reviewing these expenses but is not signing or approving the Port’s quarterly special meal report and any attached supporting documentation indicating that the special meal expenses and supporting documents were reviewed, approved and are in compliance with the Port and State of Louisiana policies/guidelines.

Cause: The controls were in place but not working effectively.

Exposure: Without a working review and approval process in place, there is a risk that unauthorized special meal expenses could be paid. There is a risk that these expenses are not in compliance with Port special policy and the State of Louisiana special meal guidelines.

Recommendation: The Chairman should review, sign and approve the quarterly special meal report and any attached supporting documents indicating that these special meal expenses and their supporting documents have been thoroughly reviewed and are in compliance with Port policy and the State of Louisiana travel and meal guidelines.

Responsibility for Action: Mr. Mayard Jackson (Sandy) Sanders, Executive Director
Mr. Paul Matthews, Deputy Port Director, Ms. Chambrel Riley, Comptroller.

Management Response: The Port will continue to email the Quarterly Special Meals report to the Port Chairman. The Port is in agreeance with the auditor’s recommendation.

Status of Recommendation: [The Port continues to send special meals reports to Port Chairman.](#)

Finding # 4: Visa Credit Card Expenses - Lack of an Approval

Criteria: Best Practice - Visa credit card statements and expenses are approved by the employee responsible indicating that the visa statement expenses have been reviewed for proper and complete supporting documentation, clear and detailed business purpose/explanation, and that the credit card expenses are accurate and valid before making payment.

Condition: During my review of the January 2015, April 2016 and December 2017 visa credit card statements, I noted that the January 2015 and April 2016 visa credit card statements were not approved. However, these credit card statements do show check marks indicating that the expenses were reviewed. It was noted that the December 2017, visa credit card statement was approved.

Cause: The control was in place but not operating effectively.

Exposure: There is a risk that unauthorized expenses could be paid.

Recommendation: All credit card statements, expenses and supporting documentation should be clearly approved indicating that the credit card expenses were reviewed for sufficient supporting documentation, accuracy and validity.

Responsibility for Action: Mr. Mayard Jackson (Sandy) Sanders, Executive Director
Mr. Paul Matthews, Deputy Port Director, Ms. Chambrel Riley, Comptroller.

Management Response: Prior to approver signing the actual statement, batch post was reviewed and approved for coding and payment. In 2017 the Port implemented a procedure that the actual statement should be signed by an approver. The port is currently performing the auditor's recommendations.

Status of Recommendation: The port continues to submit monthly statements to appropriate approver for review and approval.

Observation # 1: Port's Employee Expense Reimbursements

Condition: From the population of the Port's employee expense reimbursements forms for the period of 2015-2017, I reviewed a sample of forty-seven (47) employee expense reimbursement forms and supporting documentation. During this review, it was noted that the employee expense reimbursement forms were being used to pay back the Port for credit card personal expenses and employee expenses without sufficient documentation such as for expenses with no supporting receipts. In addition, it was noted that one (1) expense report did not have a supervisor approval, \$27.00, and four (4) expenses were without sufficient supporting documentation, \$1,270.63. **Exhibit III.**

The Port's accounting process is as follows:

"The Port Comptroller states: "Personal expenses made on Port travel cards are retrieved from the employee's paycheck. For Mr. Sanders and Mr. Matthews, I close out their reimbursement/expense forms quarterly. As we reconcile the credit card statements monthly **disallowed expenses are placed on the employee's reimbursement/expense form as mentioned above.** The expense report is prepared by the Senior Account, reviewed by the Comptroller and Approved by the Director of Administration. Port Policy states, Unauthorized charges or charges without proper documentation must be deducted from the employee's payroll if not paid within 15 days following the statement closing date or by quarter end for executive management staff."

Recommendation: The Port's accounting process as stated above should be revised. The employee reimbursement expense form should only be used for employee advances and valid business expense reimbursements. The employee reimbursements expense supporting documentation should be attached to the expense forms and support the dollar amounts listed before reimbursement is made to the employee.

Responsibility for Action: Mr. Mayard Jackson (Sandy) Sanders, Executive Director
Mr. Paul Matthews, Deputy Port Director, Ms. Chambrel Riley, Comptroller.

Management Response: The Port agrees expenses owed to the Port and expenses reimbursable by the Port were being reported on the same form. The Port's supporting details were filed in other locations due to the file size and multiple use and purpose of the documentation. In some cases, the same documentation was used for visa card, reimbursements and check files. For example, some documentation and details were left with the visa card statement and payment instead of being attached to the employee expense report as well.

The Port agrees with the recommendation of the auditor in that the employee expense report will only be used for employee business expense reimbursements. All expenses that are to be paid back to the Port will be reported on a separate report. The Port also agrees to revise its process and policies regarding employee reimbursements and required documentation.

Status of Recommendation: The Port has revised its reimbursement procedures to only include reimbursable expenses. Unallowable expenses have been removed from this report and now are reported on a single and separate report.

EXHIBITS

PLAQUEMINES PORT, HARBOR AND TERMINAL DISTRICT

Exhibit I - Visa Credit Card - Questionable Expenses

Sel. #	Expense Description	Date	Expense Supporting Document / Explanation	Questionable Expenses
1	VISA Statement Interest	1/12/2015	VISA Statement Interest Charge	\$90.26
2	Baggage	1/14/2015	No receipt	25.00
			Total January 2015	\$115.26
3	Hertz Rent A Car	4/6/2016	Receipt -Personal expense	\$101.84
4	Windsor Court	4/17/2016	Receipt - Personal expense	33.80
5	Morton's New Orleans	4/18/2016	Receipt - Personal expense	52.90
6	Hertz Rent A Car	4/24/2016	Receipt - Personal expense	156.09
7	New South Parking	4/24/2016	Receipt - Personal expense	33.50
8	Pappadeaux	4/25/2016	Receipt - Personal expense	19.95
			Total April 2016	\$398.08
9	Premium Parking	12/1/2017	No receipt	\$14.00
10	Premium Parking	12/1/2017	No receipt	14.00
11	Cracker Barrel	12/18/2017	No receipt	17.25
12	New Orleans Parking	12/20/2017	No receipt	5.00
13	Hyatt Place	12/9/2017	Receipt - Personal expense	12.37
			Total December 2017	\$62.62
			Grand Total	\$575.96

PLAQUEMINES PORT, HARBOR AND TERMINAL DISTRICT

Exhibit II - Visa Credit Card Expenses - Lack of Business Purpose

Sel. #	Expense Description	Date / Expense	Expense Supporting Document	Visa Credit Card Expense Amount	Receipt has a clear written detailed business purpose/explanation
1	Daily Parking	01/01/15	Parking Ticket	\$29.00	No
2	Parking	1/16/2015	Parking Receipt	14.00	No

3	Parking	1/19/2015	Parking Receipt	70.00	No
4	Car Wash	1/19/2015	Receipt	15.00	No
5	Parking	1/21/2015	Parking	3.00	No
6	Lunch Meeting	1/29/2015	Receipt	55.85	No
7	Baggage	1/19/2015	Ticket	64.00	No
			Total January 2015	\$250.85	
8	Don Bohn Ford Wiper Blade	4/6/2016	Invoice	\$19.18	No
9	Triple D's Café	4/19/2016	Receipt	72.27	No
10	Triple D's Café	4/19/2016	Receipt	12.05	No
11	Colonial Parking	4/1/2016	Receipt	12.50	No
12	Colonial Parking	4/1/2016	Receipt	24.00	No
13	Capital Grille	4/1/2016	Receipt	114.25	No
14	Cadillac Ranch	4/4/2016	Receipt	15.71	No
15	Hertz Rent A Car	3/19/2016	Receipt	173.95	No
16	Colonial Parking	4/5/2016	Receipt	24.00	No
17	Hertz Rent A Car	4/6/2016	Receipt	509.21	No
18	Colonial Parking	4/6/2016	Receipt	5.00	No
19	New South Parking	4/6/2016	Receipt	129.50	No
20	Residence Inn	4/7/2016	Receipt	853.54	No
21	Gaylord National F & B	4/6/2016	Receipt	6.89	No
22	New South Parking	4/9/2016	Receipt	37.00	No
23	Hertz Rent A Car	4/9/2016	Receipt	122.78	No
24	Southwest	4/12/2016	Receipt	320.95	No
25	Southwest	4/12/2016	Receipt	325.07	No
26	Marriott New Orleans	4/14/2016	Receipt	11.30	No

27	Starbucks	4/14/16	Receipt	4.34	No
28	Park First	4/17/2016	Receipt	15.00	No
29	Premium Parking	4/18/2016	Receipt	14.00	No
30	Park First	4/18/2016	Receipt	18.00	No
	New Orleans Parkview	4/19/2016	Receipt	6.00	No
31	Parking	4/22/2016	Receipt	8.00	No
32	Hertz Rent A Car	4/25/2016	Receipt	74.62	No
33	New Orleans Airport	4/25/2016	Receipt	4.03	No
34	New South Parking	4/25/2016	Receipt	18.50	No
			Total April 2016	\$2,951.64	
35	Premium Parking	12/5/2017	Receipt	14.00	No
36	Southwest	12/15/2017	Receipt	432.01	No
37	American Airlines	12/27/2017	Receipt	386.60	No
38	Southwest	12/21/2017	Receipt	289.95	No
39	Southwest	12/21/2017	Receipt	15.00	No
40	Southwest	12/19/2017	Receipt	15.00	No
41	Southwest	12/19/2017	Receipt	289.95	No
42	Southwest	12/19/2017	Receipt	15.00	No
43	Southwest	12/19/2017	Receipt	15.00	No
44	Hertz Rent A Car	12/4/2017	Receipt	113.96	No
45	New South Parking	12/4/2017	Receipt	18.50	No
46	Park First	12/6/2017	Receipt	17.00	No
47	Hilton St Louis	12/9/2017	Receipt	153.96	No
48	Hilton Austin	12/8/2017	Receipt	15.99	No
49	New Orleans Parking	12/13/2017	Receipt	2.50	No
			Total December 2017	\$1,794.42	
			Grand Total	\$4,996.91	

PLAQUEMINES PORT, HARBOR AND TERMINAL
DISTRICT

Exhibit III - Employee Business Expense Analysis

Employee Expense	Date	Check #	Expense	Internal Control Issue	Amount
1	10/16/2016	9419	Parking	Expense Report No Supervisor Signature	27.00
2	1/7/2015	4732	Expense Reports	Insufficient backup	310.88
3	7/11/2016		Parking	Insufficient - Handwritten amount on receipt	15.00
4	2/23/2018	10533	Expense Reports	Insufficient Backup attached	739.00
5	7/5/2017		Payroll Deduction Auth.	Insufficient Backup attached	205.75
				<u>Totals</u>	<u>\$1,297.63</u>

ATTACHMENTS

Attachment A - Port's Cash Disbursement Procedures

Incoming invoices will be stamped by the mail clerk and delivered to the responsible staff person.

The staff person responsible for ordering the product or service will check the validity of the invoice against proposals/bids, etc. and work accomplished/delivered and approve invoice by coding and signing.

Approved invoices are forwarded to the accounting clerk for entry. A check request batch (API) should then be completed by the accounting clerk and attached to the original vendor invoice, and/or any other supporting documentation.

The batch/voucher should include the account codes to which the expense will be applied. Approval for an expense must be indicated on the check request voucher. The check request voucher is approved by the Director of Administration.

Weekly, cash disbursements should be prepared by the Comptroller for signature by authorized Port officials for expenses, debts, and liabilities of PPHTD. The Comptroller is responsible for the preparation of disbursements. All disbursements are to be made by check.

After inputting all the check requests, the Comptroller will prepare a master list of all checks to be paid. If there are any questions or concerns about the amounts, the Comptroller should provide necessary information. If there are any items removed from the batch, the totals on the payment summary form should be corrected, initialed and dated. Once the amount to be disbursed has been received, the Comptroller should print the checks from the computer system.

The checks should be attached to the invoice, and other supporting documentation, being paid and submitted for signatures. A check register should be run and filed. While the Executive Director, Deputy Director, and/or Directors signs each check. He or she should double check the check request voucher. This approval is to ensure the account and grant/project is charged to the correct expense and line item.

All checks must have two signatures and must be signed by the Executive Director and/or the Deputy Director. The Director of Administration and/or the Director of Vessel Security are allowed to be the secondary signature only. After the checks have been signed, the second signatory will double check the work; cancel the invoice by signing the master list provided.

The voucher is passed to the accounting clerk for mailing. In the event that the accounting clerk is out, the administrative assistant will assume these duties. All checks will be mailed as soon as this process is completed. After 4pm checks will be filed in the safe until next business day.

Supporting documentation should be filed by the Accounting Clerk in appropriate vendor files.

The Comptroller will utilize the paid invoice files to respond to any discrepancies which arise with vendors or other payees. Once monthly, the Comptroller will check the invoice log to determine if there are any outstanding invoices which have not yet been paid. If so, the comptroller will investigate the nonpayment of these invoices with the responsible staff member.

Attachment B - Port's Credit Card Procedures

The employee assigned to the card is responsible for the security and all charges made on issued credit card. The employee assigned to the card must notify the Director of Administration if credit card is missing (lost or stolen). The Director of Administration is

responsible for notifying the bank and immediately canceling the card. If card is stolen, the Executive Director or Director of Administration is to notify law enforcement.

The employee assigned to the card shall be entitled to the use of a Port Credit Card which shall be used for marketing, promotion, travel, Port Vehicle maintenance and gasoline, business-related expenses and in the furtherance of the Executive Director's position in promoting and servicing the Port, except that the Port Credit Card shall not be used for the purchasing of personal items or corporate and/or personal gifts.

Any personal use or unauthorized use of a credit card will result in the reimbursement of the unauthorized expenditure to the Port and may result in disciplinary actions up to and including possible termination of employment.

The following purchases are not allowed:

1. Cash advances on credit cards
2. Alcoholic beverages
3. Tobacco Products
4. Prescriptions and drugs
5. Capital equipment and upgrades over \$3,000
6. Purchases made by credit card must not circumvent the Port's purchasing policies/procedures or the Louisiana Public Bid Law (e.g., splitting purchases).

Employees are responsible for obtaining receipts/documentation as proof of purchase and for documenting the business purpose on the receipts' Receipts for any meals and entertainment expenditures also must contain documentation of the names of all persons participating and the business discussed. Failure to provide itemized receipts may necessitate reimbursement to the Port for the expenses not properly documented.

The receipts/documentation is to be returned to the Comptroller monthly to be reconciled to monthly bank statements. upon completion of the reconciliation statement is approved by the Director of Administration for payment.

Any Monthly Statements over \$5,000 must be approved by the Port chairman or vice Chairman prior to payment.

Credit card statement must be paid in full monthly. Charges without proper documentation must be paid by the employee making the charge within 15 days following the close of the statement.

Unauthorized charges or charges without proper documentation must be deducted from the employee's payroll if not paid within 15 days following the statement closing date or by quarter end for executive management staff.

Attachment B -1 Port's Daily Credit Card Procedures

- Receipts are turned in monthly to the Comptroller. I have my Senior Accountant review the documents to make sure all receipts are present.
- Upon reconciliation of the travel card statement an employee reimbursement form is filled out. This form will grant the employee its travel allowances and list the items that are owed back to the port for that month. These are prepared by the senior accountant for Executive Staff only.
- Statements are review and approved by Christie Nielsen, DOA. The employee reimbursement (Executive Staff Only) form is reviewed by the employee, the comptroller and the Director of Administration.

<ul style="list-style-type: none"> • I close out the employee reimbursements for the Executive Director and Deputy Director Quarterly due to their frequency and volume of travel.
All other Employees:
<ul style="list-style-type: none"> • Employee Prepare reimbursements
<ul style="list-style-type: none"> • Reviewed and Approved by Approval (levels are listed in the reimbursement policy)
<ul style="list-style-type: none"> • Sent to Finance for payment. (A/P procedures are implemented)

Attachment C - Port's Reimbursement Policy

Advances for hotel/motel expenses, or for other travel expenses are very time consuming and should be rarely requested. If for some reason you require an advance, it is your responsibility to turn in an expense report with adequate documentation as soon as your trip is completed. Adequate documentation must include a description of the business purpose of the trip and itemized receipts which show the details of all charges. A credit card receipt that is not itemized or a receipt from a hotel/motel that shows they received your check is not adequate documentation. Your receipts must be itemized receipts that show the detail of your charges.

All expenses submitted should be submitted using the Plaquemines port, Harbor & Terminal District Employee Expense Reimbursement form.

Original receipts for expenditures must be attached and of sufficient detail, indicating date of purchase, description of items and the reason for the purchase. Credit card receipts indicating total amounts are not acceptable and it's the employees responsibility to obtain and provide the proper documentation.

Training/license acquisition will be reimbursed by the Port, provided that a copy of the necessary certificate of completion and/or copy of the License is attached to the Expense Form, as well as a receipt from the company performing the training. The Port will reimburse for the cost of physical exams required to obtain new or renewal certificates with proper documentation of the expense. However, the Port will not reimburse for extraordinary medical certifications which may be required at the request of the licensing agency. These expenses shall be borne by the employee.

It shall be Policy to reimburse Port employees for the expense of the acquisition of the Transportation Workers Identification Credential; however, the Port assumes no liability in maintaining the validity of an employee's TWIC card. It is the responsibility of the employee to keep their card current as per Federal Policy.

All requests for travel shall be approved by the Executive Director or the Deputy port Director prior to the travel date unless in the case of Council Members/Port Board Members.

All expenses submitted should submitted using the Plaquemines Port, Harbor & Terminal District Employee Expense Reimbursement form.

Travel within 100 miles of the District office will be considered local, and shall not be reimbursed with regards to overnight travel for a one day event. Events of 100 miles or more are allowed if multiple nights are needed. Employees are expected to commute when the function is located within a reasonable drive time of the District. Reimbursements for overnight travel may be granted with the approval of the Executive Director or Deputy Director prior to the travel.

Travel within 100 miles of the District office will be considered local, and shall not be reimbursed with regards to overnight travel for a one day event. Events of 100 miles or more are allowed if multiple nights are needed. Employees are expected to commute when the function is located within a reasonable drive time of the District. Reimbursements for overnight travel may be granted with the approval of the Executive Director or Deputy Director prior to the travel.

The Employee Expense Reimbursement Form must include the date and time of departure, a description of the business purpose of the trip. Supporting documentation should be provided and attached, such as the confirmation of registration for the event attended, agenda, and/or itinerary if the event was a Seminar, Conference or other similar event requiring registration. Travel for other purposes (parking, etc.) should clearly be indicated on the form and the nature of the business noted on the back of the receipt.

The Port strongly encourages purchasing the lowest logical room rate. Therefore, once all rates are received, the traveler must compare the cost & options to determine which rate would be the "best value" for their trip. Original receipts for travel lodging should be properly documented with detailed receipts. The Port will reimburse for the cost of the room, however, extraordinary items such as movie rental or courtesy bar items are not reimbursable and should be lined out on the attached receipts and the request adjusted accordingly. When traveling in Louisiana, keep in mind that the Port is exempt from payment of sales & use taxes levied by the State of Louisiana or its political subdivisions. When staying at a motel/hotel in Louisiana, please obtain a Sales Tax Exemption Form.

In the event proper documentation for lodging is not provided the travel will be reimbursed based on tiers listed below with prior approval from department head.

Single Day Travel: Meals are not eligible for reimbursements on single day travel. This means that when an authorized traveler for the Port is in travel status when no overnight stay is required no meals are eligible for reimbursement. However, in cases where the employee is in travel status for 12 or more hours, reimbursement may be granted by department Director and/or Deputy Director.

Travel with Over Night Stay: (minimum of 12 hours in travel status) Travelers may be reimbursed for meals according to the following schedule: Breakfast: When travel begins at or before 6am on the first day of travel or extends at or beyond 9am on the last day of travel, and for any intervening days' Lunch: when travel begins at or before 10am on the first day of travel or extends at or beyond 2pm on the last day of travel, and for any intervening days' dinner: When travel begins at or before 4pm on the first day of travel or extends beyond 8pm on the last day of travel and for any intervening days.

If a meal is included in a conference schedule, it is part of the registration fee, therefore, an employee cannot request/receive additional reimbursement for that meal.

Alcohol: reimbursement for alcohol is PROHIBITED.

Tiers I . It shall be Port policy to follow whenever practicable the guidelines in regards to usual and customary lodging rates for various Tier Cities as listed. Lodging rates which exceed these amounts may be approved by the Executive Director on a case by case basis for reimbursement.

Tier I	
Breakfast	\$9
Lunch	13
Dinner	<u>29</u>
Total	<u>\$51</u>

Lodging	
In-State Cities (except as listed)	\$89
Alexandria / Leesville / Natchitoches	\$97
Baton Rouge – EBR	\$98
Covington/Slidell/St. Tammany	\$90
Lafayette	\$89
Lake Charles / Calcasieu	\$89

Tier II	
Breakfast	\$10
Lunch	16
Dinner	<u>30</u>
Total	<u>\$56</u>

Lodging	
New Orleans, Orleans, St. Bernard, Jefferson Plaquemines \$160	
Out-of-State (Except Cities listed in Tier III & IV) \$91	

Tier III	
Breakfast	\$12
Lunch	17
Dinner	<u>32</u>
Total	<u>\$61</u>

Lodging	
Atlanta, Austin, Cleveland, Dallas Fort Worth \$126	
Denver, CO, Fort Lauderdale, Hartford, Houston, Kansas City, Las Vegas, Los Angeles, Miami Minneapolis/ST. Paul, Nashville, Oakland. CA., Orlando, Philadelphia, Phoenix, Pittsburgh, Portland; OR., Sacramento, San Antonio, San Diego, Sedona, St. Louis, Tampa, Wilmington, DE Puerto Rico, Virgin Islands, all of Alaska and Hawaii, Guam, American Samoa" Saipan.	

Tier IV	
Breakfast	\$13
Lunch	19
Dinner	<u>36</u>
Total	<u>\$68</u>

Lodging	
Baltimore Maryland, Seattle WA, San Francisco, CA \$175	

Airfare	
The Port will reimburse for Air Fare when it is determined that it is the most Cost-effective mode of transportation, as approved by the Executive Director and/or Deputy Port Director.	
All expenses should be submitted using the Plaquemines Port, Harbor & Terminal District Employee Expense Reimbursement form with proper receipts and documentation attached, including the reason for the expenditure.	
The Port strongly encourages purchasing the lowest logical airfare. Therefore, once all rates are received, the traveler must compare the cost & options to determine which fare would be the best value for their trip. To make the determination the traveler must ask the question: Is there a likelihood my itinerary could change or be cancelled? Depending on the response., the	

traveler must determine if the costs associated with changing a non-refundable ticket would be the best value.

The difference between coach/economy class rates and first or business class rates will be paid by the traveler. Upgrades are not the expense of the Port and are not permitted. Seat changes made for the comfort/convenience of the traveler are the expense of the traveler.

Unused tickets will not be reimbursed due to changes in the itinerary is not the fault of the Port. Changes in flight schedules which incur additional charges may be approved on a case by case basis by the Executive Director or Deputy Director.

Tickets which are unused by a traveler should always be monitored by the traveler and the agency. Traveler should ensure that any unused ticket is considered when planning future travel arrangements. Some airlines have a policy which would allow for a name change to another employee within the agency.

Ultimately, it is the traveler's responsibility to determine, upon initial notification of an unused ticket and then every 30 days thereafter, the traveler will be utilizing the unused ticket. If it is determined that the ticket will not be utilized prior to expiration and there is a possibility to transfer the ticket, the traveler must immediately advise the agency travel administrator that the ticket is available for use by another employee. The travel administrator should then act accordingly.

In addition, the Department Head, at a minimum of three months prior to expiration, must review all unused airfare to determine, based on the traveler's justification, if reimbursement from the traveler must be made to the agency for the amount of the unused ticket. All files must be properly documented.

This may be accomplished with the unused ticket report sent to each agency program administrator each month from the contracted travel agency. This report in conjunction with employee notifications while booking other flights and employee email notifications every 90, 60, 30 and 14 days prior to ticket expiration should be more than sufficient to reduce the loss of reusable airfare.

International Travel

International travel must be approved by the Executive Director prior to departure, unless specific authority for approval has been delegated to a department head. Requests for approval must be accompanied by a detailed account of expected expenditures (such as room rate/date, meals, local transportation, etc.), and an assessment of the adequacy of this source to meet such expenditures without curtailing subsequent travel plans.

International travelers will be reimbursed the Tier IV area rates for meals and lodging, unless U.S. State Department rates are requested and authorized by the Executive Director prior to departure. Itemized receipts are required for reimbursement for meals and lodging claimed.

It is the agency's decision, if justification is given, to allow Port employees to be reimbursed for a VISA and/or Immunizations when the traveler is traveling on behalf of Port business. However, it is not considered best practice for the Port to reimburse for a Passport, therefore, Passport reimbursements must be submitted to the Department Head for approval along with detailed justification as to why this reimbursement is being requested/approved.

When an international flight segment is more than 10 hours in duration, the Port will allow the business class rate not to exceed 20% percent of the coach rate. The traveler's itinerary provided by the travel agency must document the flight segment as more than 10 hours and must be attached to the travel voucher.

Special Meals

Reimbursement designed for those occasions when, as a matter of extraordinary courtesy or necessity, it is appropriate and in the best interest of the Port to use public funds for provision of a meal to a person who is not otherwise eligible for such reimbursement and where reimbursement is not available from another source. Requests should be within and persons providing identified gratuity services to the Port this explicitly does not include normal visits, meetings, reviews, etc., by local representatives.

Extraordinary situations are when Port employees are required by their supervisor to work more than a twelve-hour weekday or six-hours on a weekend (when such are not normal working hours to meet crucial deadlines or to handle emergencies).

A department head may authorize a special meal within allowable rates listed under Meals-Tier I, to be served in conjunction with a working meeting of departmental staff and/ or mandatory trainings.

Refreshment Allowance: Cost for break allowances for meeting, conference or convention are to be within the following rates:

Refreshments shall not exceed \$10.00 per person, per morning and/or afternoon sessions. A mandated gratuity may be added if refreshments are being catered.

Tips are allowed if meals are ordered from an outside vendor. Tips should never exceed 20%.

In such cases, the Port will report on a quarterly basis to the Chairman and/or Vice Chairman all special meal reimbursements made during the previous three months. These reports must include, for each special meal, the name and title of the person receiving reimbursement, the name and title of each recipient' the cost of each meal and an explanation as to why the meal was in the best interest of the Port.

Automobile Reimbursement / Mileage/ Parking

The Port will not normally reimburse for personal automobile usage as there are sufficient Port vehicles available for employee travel. In the event that a Port vehicle is not available, a mileage allowance shall be authorized for travelers approved to use personally owned vehicles while conducting official Port business. Mileage may be reimbursable on the basis of no more than the amount per mile in accordance with the State of Louisiana Travel Guide.

Parking - Reimbursements are granted with itemized receipt. Up to \$5.00 can be reimbursed without receipt.

Rental Car- Rental cars are permitted when conducting Port business in travel status. Receipts are required. Port vehicles should be used when available.

Reimbursements require an original receipt, regular unleaded gasoline should be used or diesel when applicable,. This applies for both Port owned vehicles and rental vehicles, as mid-grade, super, plus or premium gasoline are typically not necessary.

Port's Other Expenses

Telephone Official Port Business: All business communication cost may be reimbursed, receipts required.

Personal Calls: Domestic Overnight Travel: up to \$3.00 for personal calls upon arrival at each destination and up to \$3.00 for personal calls every second night after the first night if the travel extends several days. International Travel: up to \$10 for personal calls upon arrival at each destination and up to \$ 10 for personal calls every second night after the first night if the travel extends several days.

Internet Access charges for official Port business from hotels or other travel locations are treated the same as business telephone charges.

Hotel Allowances - Up to \$3 tip per hotel check-in and \$3 tip per hotel checkout, if applicable.

Airport Allowances - Up to \$3 tip for airport outbound departure trip and \$3 tip for inbound departure trip.

LUGGAGE ALLOWANCE: (Receipt Required) A Department Head or his designee may approve reimbursement to a traveler for airline charges for first checked bag for a business trip of 5 days or less and for the second checked bag for a 6 - 10 day business trip and/or any additional baggage which is business related and required by the department.

The cost of public ground transportation such as buses, subways, airport shuttle/limousines, and taxis are reimbursable where a receipt is available. If receipt is not available reimbursement is limited to \$15 per day.