

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 9, 2020, 3:00 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.

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

Under Agenda Item 2a, "Review and discussion of the PPG Contract and Agreements Internal Audit". Mr. Duke reviewed the report summarizing the objectives, observations and recommendations of this audit. The objectives of the audit were as follows:

- 1) To determine compliance with policies, rules and regulations;
- 2) To determine the integrity and accuracy of financial information;
- 3) To determine that assets are safeguarded;
- 4) To evaluate the efficiency and effectiveness of PPG's contract and agreement process;
- 5) To evaluate the possibility and risk of fraud, waste and abuse; and
- 6) To recommend internal controls to add value and improve operations.

Observations and Recommendations:

- 1) Plaquemines Parish Government master list of Contracts, Agreements and a centralized oversight location: It was recommended that the list should be monitored as needed and that the President and Council should approve the master list and the selection of the Legal Department as the centralized oversight location for the documents.
- 2) Contract and Agreement Procedure Manual: It was recommended that a Contract and Agreement Manual be established and approved by the Parish President and the Council.
- 3) Contract and Agreement Deliverable Checklist: It was recommended to ensure that a check list or progress report showing the status of each contract or agreement deliverables are prepared.
- 4) Standard Contract and Agreement form: It was recommended that a standard PPG contract or agreement form is being used.
- 5) BIOS Technologies Insight Managed IT Agreement: It was recommended that contracts should not automatically renew. A progress report should be sent to the Council, the contract or agreement should be reviewed and approved by the Council and to ensure compliance with LA R.S. 39:1621, LLA Best Practice on bid process, Parish Ordinance Nos. 01-161 and 08-170 and the Parish Charter Section 7.06B. It was also recommended that Ordinance Nos. 01-161 and 08-170 be updated. Further recommendations include an audit clause written into the contract and copies of liability insurance certificated should be on file.
- 6) Review of LA DOTD/Bollinger Quick Repair LLC: The recommendations were that a right to audit (Bollinger Quick repair, LLC) clause be written in the contract and copies of the bid documents and liability insurance certificates should be obtained for PPG files.
- 7) Lake Hermitage Water Line Relocation-Infinity Engineering Consultants, LLC: It was recommended that PPG ensure compliance with LA R.S. 39:1621, LLA Best Practice on bid process, Parish Ordinance Nos. 01-161 and 08-170 and the Parish Charter Section 7.06B. Also recommended was that an audit clause be written into the contract and copies of liability insurance certificate should be on file.
- 8) Plaquemines Parish Courthouse, Pointe-a-la-Hache-Lamar Contractors, LLC-The recommendations were to ensure that contractor rating sheets and evaluations are in the contractor bid file and compliance with Parish Ordinance Nos. 01-161 and 08-170.
- 9) Buras Volunteer Fire Department-Pratt Landry Associates, Inc., Fire Security Alarm Monitor Agreement-Red Hawk Security: It was recommended that contracts should not automatically renew. A progress should report be sent to the Council, the contract or agreement should be reviewed and approved by the Council. It was further recommended that signatures and dates are on all contracts and agreements, to ensure compliance with LA R.S. 39:1621, LLA Best Practice on bid process and with Parish Ordinance Nos. 01-161 and 08-170. The final recommendation is to include an audit clause written into the contract and copies of liability insurance certificate should be on file.
- 10) Woodland, Rojas, Timber and Deer Range Canal and Suzie Bayou-Coastal Dredging Company, Inc.: Recommendations included to ensure that contracts and agreements are dated, rating sheets and evaluations for each of the five (5) contractors should be in the

contractor's bid files, a right to audit clause should be written in the contract and compliance with Ordinance No. 08-170.

A discussion was then held between the Committee members and Mr. Duke regarding the need for training in order for everyone to learn the process, whether that training could be found online, confirming that once the Legal Department compiles a list and gathers documents all contract will be located in one location, and the lack of input from the administration on this particular audit. It was decided that training would be a good idea; however, Mr. Duke said there is no place on the internet for such training. In reference to the question of all documents contained in one place, Mr. Duke said that is the goal. Council Member Rousselle said that, if the Administration does not work with Mr. Duke on this audit or if the Parish Attorney does not address the findings of this audit, the Council Attorney may have to get involved.

Under Agenda Item 2b, "Review and discussion of the PPG Proposed Audit Plan and Risk Assessment for 2020", Mr. Duke reviewed the items on the audit plan which included the following audits:

- 1) Pointe-a-la-Hache Volunteer Fire Department
- 2) Property/Lease Building Rentals
- 3) Boat Harbors
- 4) Recreation
- 5) Water Department follow-up
- 6) Port Contracts follow-up
- 7) Time & Attendance follow-up
- 8) Telecommunications
- 9) Coastal Zone/Land
- 10) Allowance for uncollectables

The Committee members asked for additions of the following items be made to the list: Marinas and the Boat Harbor slip contracts, all Recreation contracts, as well as, all the community agencies which receive grants from the Parish. Mr. Duke said he will revise the audit list, meet with President Lepine and get back with the Committee members.

There was a very brief discussion under this item regarding money spent on new buildings, identifying where the funds came from and details on exactly how the funds were spent. Council Member Rousselle explained that in the past FEMA gave permission to the Parish to move funds from other projects to projects in Belle Chasse. He further said that this has been a long standing issue.

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

Under Agenda Item 3a, "The Property/Lease Building Rentals Audit", Mr. Duke said the audit is in progress and a draft should be issued in February or March.

Under Agenda Item 3b, "The Pointe-a-la-Hache Volunteer Fire Department's Internal Audit", Mr. Duke said the Audit will be issued on January 13th.

Council Member Rousselle moved to Agenda Item 4, "Approval of minutes from the October 10, 2019, meeting". Without objection, so ordered.

A motion to adopt the minutes was offered by Council Member Cognevich, seconded by Council Member Newberry, and upon 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", with a vote of 3-0 the meeting adjourned at 3:38 p.m.

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.