

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, February 11, 2021, at 1:00 p.m. pursuant to notice to all members with a quorum present as follows:

PRESENT: Council Member Benedict Rousselle  
Council Member Mark Cognevich

ABSENT: Council Member Trudy Newberry

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.

Directors Crystal Taylor and Todd Eppley was present representing the Administration.

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

Council Member Newberry joined the meeting at 1:02 p.m.

Under Agenda Item 2a, "Review of the Community Action Agency follow up Internal Audit Report", Mr. Duke reviewed the Observations, Recommendations and Status of Internal Audit Recommendations and Management Response to the audit.

- **Observation No. 1:** Policies and Procedures Manual-COSO Framework  
**Recommendation:** A risk assessment should be performed and documented throughout the year to reduce the risk that a negative event could happen to the Parish and the Community Action Department.  
**Management Response:** Crystal M. Taylor – I totally agree with Ms. Hughes. Ms. Hughes stated that CAA does have checks and balances in place, but there is always room for improvement and that can happen with the adoption with the Risk Assessment COSO Framework.

Othella W. Hughes – Community Action Agency, Superintendent Response: I spoke to Mr. Randy Duke, Internal Auditor regarding the Risk Assessment Policy back in August 2020. I wanted to know if the local government had a Risk Assessment Manual with policy and procedures. I mentioned to Mr. Duke that one of the Organizational Standards for the Community Services Block Grant was a Risk Assessment Policy. Mr. Duke stated, "he was working on getting the parish to approve the COSO framework as a PPG policy". The Parish Council Adopted the Risk Assessment COSO Framework on January 14, 2021. The policies and procedures were not included. I am in favor of the Risk Assessment with policies and procedures. My suggestion is that the parish have a comprehensive policy and procedural manual for the entire parish not just the departmental Risk Assessment.

Council Member Rousselle stated that it appears to be good oversight from the Community Action Agency, as well as from outside agencies. He commended Ms. Hughes on doing such a good job. Both Council Members Cognevich and Newberry agreed with Council Member Rousselle.

Under Agenda Item 2b, "Review of the Port Contracts and Agreements Follow up Internal Audit Report", Mr. Duke reviewed the Observations, Recommendations and Status of Internal Audit Recommendations and Management Response to the audit.

- **Observation No. 1:** Port Committee - Ordinance No. 15-164, Rule 4 c  
**Recommendation:** It seems inefficient to comply with Parish Ordinance No. 15-164 that states all Port - related business and other matters should first be considered by the Port Committee and then brought to the table for full Council consideration. During the Port Meeting, all Port related business and other matters could be considered. Consider revising the current Ordinance or eliminating the Port Committee Meetings.

**Status of Internal Audit Recommendations and Management Responses:** On March 14<sup>th</sup>, 2019 the Port Board adopted ordinance 19-32, which eliminated the Port Committee.

- **Observation No. 2:** The Mariner Group, LLC

**Recommendations:** Consider hiring a Grants Administrator; consider hiring an in-house attorney to answer questions as they arise; For the legal review of contracts, pay attention to The Louisiana Legislative Auditor Best Practice states, before any contract can be executed, the contract must be (1) reviewed by legal counsel and recommended for approval in writing; and (2) presented to the board for approval and documented in the minutes; a legal requirement checklist should be prepared, sign by legal and the Port and attached to each contract; a policy contract requirement checklist should be prepared, signed by the person responsible and attached to the contract; ensure that that separate individuals sign, date and witness the contract; and, Ensure that the liability insurance certificate is current.

**Status of Internal Audit Recommendations and Management Responses:** The Port added a Senior Accountant II position to its manpower table in 2020 to fulfill grant administration duties. The position was filled in house through promotion which left Senior Accountant I vacant. Due to the pandemic the Port did not fill the position in 2020. The vacant position was defunded by Port Board for 2021. The Director of Finance plans to request the position is added back to manpower structure by mid-year due to EHP approvals on many upcoming grants. The cost benefit of hiring one in-house attorney versus and outside law firm with a team of attorneys has been evaluated. During the development stage at which the Port is at, an outsource legal department benefits outweigh those of a staffed attorney. All other administrative recommendations are being performed in accordance with Port's Accounting Policies (last updated on December 10<sup>th</sup>, 2020).

- **Observation No. 3:** Trident Holdings, Inc.

**Recommendation:** The consultant's invoices and timesheets should have more itemized detail and explanation; a Work Order or Task Order could be attached to the timesheet to support the consultant's time billed; the timesheets should be signed and dated by the consultant indicating that the information is valid and accurate; The consultant's mileage expenses should be supported by a MapQuest; Ensure that insurance certificate is current; for the legal review of contracts, pay attention to The Louisiana Legislative Auditor Best Practice states, before any contract can be executed, the contract must be (1) reviewed by legal counsel and recommended for approval in writing; and (2) presented to the board for approval and documented in the minutes; A legal requirement checklist should be prepared, signed by legal and the Port and attached to each contract; ensure that each contract over \$50,000 goes through a current competitive bid RFQ/RFP process, if applicable; a policy contract requirement checklist should be prepared, signed by the person responsible and attached to the contact; and, Ensure that Task Orders are signed and dated by the consultant and the Port, as required by the contract.

**Status of Internal Audit Recommendations and Management Responses:** As of May 9<sup>th</sup>, 2020 the Port no longer has a professional service agreement with Trident Holdings Inc. due to expiration of the contract. During 2019 more details and recommended supporting details were supplied with invoices. A checklist requirement has been added to the Port Policies.

- **Observation No. 4:** InterMat, LLC

**Recommendation:** The Executive Director should sign and date all contracts; all contracts should be witnessed and dated; the consultant's invoices and timesheets should show more itemized detail for services rendered; the timesheets should be signed and dated by the consultant indicating that the information is valid and accurate; a Work Order or Task Order could be attached to the timesheet to support the consultant's time billed; the consultant's mileage expenses should be supported by a MapQuest; ensure that insurance certificates are current; for the legal review of contracts, pay attention to The Louisiana Legislative Auditor Best Practice states, before any contract can be executed, the contract must be (1) reviewed by legal counsel and recommended for approval in writing; and (2) presented to the board for approval and documented in the minutes; a legal requirement checklist should be prepared, sign by legal and the Port and attached to each contract; and, a policy contract requirement checklist should be prepared, signed by the person responsible and attached to the contact.

**Status of Internal Audit Recommendations and Management Responses:** The Port no longer has a professional service agreement with InterMat LLC as of December 31, 2018 due modification of the project. The Port has implemented additional procedures to ensure that documents are reviewed by legal.

- Observation No. 5:** Contracts under \$50,000  
**Recommendation:** The Council should adopt an Ordinance or Resolution that clearly outlines the Council’s position and policies regarding Port contracts \$50,000 or less.  
**Status of Internal Audit Recommendations and Management Responses:** On July 24,2020 the Port Board adopted ordinance 20-77 which requires all professional service contracts follow a set of solicitation steps prior to Council approval.
- Observation No. 6:** Ares Security Corporation dba The Mariner Group, LLC  
**Recommendation:** The Port Executive Director should sign and date all contracts. There should be two witnesses that sign and date each contract; the consultant’s invoices and timesheets should have more itemized detail for the services rendered; supporting documentation such as Work Orders or Task Orders could be submitted to provide further detail for the consultant’s hours billed; the consultant’s timesheets should be signed and dated by the consultant indicating that the information on the timesheet was valid and accurate; for the legal review of contracts, pay attention to The Louisiana Legislative Auditor Best Practice states, before any contract can be executed, the contract must be (1) reviewed by legal counsel and recommended for approval in writing; and (2) presented to the board for approval and documented in the minutes; a legal requirement checklist should be prepared, sign by legal and the Port and attached to each contract; pay attention to agreements \$50,000 or less, since this contract is \$50,000 or less, the contract does not fall under the Public Bid Law. However, Louisiana Legislative Auditor Best Practice states: Although the Public Bid Law does not require services to be bid, a competitive atmosphere ensures that fees paid for services are cost-effective. Therefore, management is to use the dollar thresholds contained in the Public Bid Law [R.S 38:2211-2226] as a guide in contracting for services. At least three telephone or facsimile quotations are to be obtained for services costing between \$10,000 and \$30,000, and bids should be solicited/obtained for the purchase of services exceeding \$30,000. Any exception to this policy must be approved by the board/Council in an open meeting; and, a policy contract requirement checklist should be prepared, signed by the person responsible and attached to the contact.  
**Status of Internal Audit Recommendations and Management Responses:** The Port no longer have an professional service agreement with The Mariner Group due to expiration of the contract. In 2020 the Port began a procurement and policy review project that will address a number of issues regarding contracts and the public bid law. Ordinance 20-77 also aids in a competitive atmosphere for professional service agreements.
- Observation No. 7:** Vickerman & Associates, LLC (“V&A”)  
**Recommendation:** The agreement should be signed and dated by two witnesses; the agreement should include required contract content by the Port, assignability clause, and anti-discrimination language; a policy contract requirement checklist should be prepared, signed by the person responsible and attached to the contact; for the legal review of contracts, pay attention to The Louisiana Legislative Auditor Best Practice states, before any contract can be executed, the contract must be (1) reviewed by legal counsel and recommended for approval in writing; and (2) presented to the board for approval and documented in the minutes; a legal requirement checklist should be prepared, sign by legal and the Port and attached to each contract; Pay attention to agreements \$50,000 or less, since the contract is \$50,000 or less, the contract does not fall under the Public Bid Law. However, Louisiana Legislative Auditor Best Practice states: Although the Public Bid Law does not require services to be bid, a competitive atmosphere ensures that fees paid for services are cost-effective. Therefore, management is to use the dollar thresholds contained in the Public Bid Law [R.S 38:2211-2226] as a guide in contracting for services. At least three telephone or facsimile quotations are to be obtained for services costing between \$10,000 and \$30,000, and bids should be solicited/obtained for the purchase of services exceeding \$30,000. Any exception to this policy must be approved by the board/Council in an open meeting; the Port should pay all invoices on time to avoid any penalty charges; V&A timesheets should be signed and dated; V&A Travel Expense Report’s should be signed and dated; and, V&A receipts for meals should show the detail of the items purchased, the business purpose and identify the person or persons that made the purchase.  
**Status of Internal Audit Recommendations and Management Responses:** The Port no longer has a professional service contract with Vickerman and Associates due to budget

limits. Policy amendments made in 2019 and 2020 was made to implement the auditor's recommendations.

- **Observation No. 8:** Gary LaGrange & Associates, LLC

**Recommendation:** The agreement should clearly state and define the services that the consultant will provide to the Port on an as needed basis; the agreement should be signed and dated by the consultant and the Port Executive Director; there should be witness signatures and dates on the agreement; the agreement should have an assignability clause and anti-discrimination language; a policy contract requirement checklist should be prepared, signed by the person responsible and attached to the contract; the consultant's invoiced hours should be compared to the consultant's expense report hours and they should match. The consultant should only be paid for the hours actually worked; the consultant's expense report or timesheet should be signed and dated by the consultant to indicate that the report was valid and accurate; when dealing with contracts, pay attention to the appearance of a business transaction where there is or was a close business relationship. Make sure that contracts are arms-length transactions; when dealing with Contracts, pay close attention to The Louisiana Legislative Auditor Best Practice which states that Contracts with related parties (family and business interests) are strictly prohibited; for the legal review of contracts, pay attention to The Louisiana Legislative Auditor Best Practice states, before any contract can be executed, the contract must be (1) reviewed by legal counsel and recommended for approval in writing; and (2) presented to the board for approval and documented in the minutes; a legal requirement checklist should be prepared, sign by legal and the Port and attached to each contract; and, Pay attention to agreements \$50,000 or less, since the contract is \$50,000 or less, the contract does not fall under the Public Bid Law. However, Louisiana Legislative Auditor Best Practice states: Although the Public Bid Law does not require services to be bid, a competitive atmosphere ensures that fees paid for services are cost-effective. Therefore, management is to use the dollar thresholds contained in the Public Bid Law [R.S 38:2211-2226] as a guide in contracting for services. At least three telephone or facsimile quotations are to be obtained for services costing between \$10,000 and \$30,000, and bids should be solicited/obtained for the purchase of services exceeding \$30,000. Any exception to this policy must be approved by the board/Council in an open meeting.

**Status of Internal Audit Recommendations and Management Responses:** The Port no longer has a professional service contract with Gary LaGrange & Associates due to expiration of the contract. Policy amendments made in 2019 and 2020 was made to implement the auditor's recommendations. Port management pays more attention to nature of transactions to ensure contracts are arm length transactions.

- **Observation No. 9:** Print All, LLC - Consulting

**Recommendation:** Ensure that consultant's professional, education and business qualifications/experience in the areas of Marketing, Public Relations, Government Relations are submitted, considered and reviewed; ensure that the contract states a maximum amount and end date or period of time; the agreement should state the work to be performed includes goals and objectives, deliverables, performance measures, and a monitoring plan; the agreement should state a termination clause, remedies for default, and anti-discrimination clause and was not signed and dated by witnesses; the agreement should be dated by the Port's Executive Director and by the Owner of Print All, Inc; there should be evidence of current insurance coverage and that a legal review took place; and although the Louisiana Public Bid Law does not require services to be bid, a competitive atmosphere ensures that fees paid for services are cost-effective. Therefore, management is to use the dollar thresholds contained in the Public Bid Law [R.S 38:2211-2226] as a guide in contracting for services. At least three telephone or facsimile quotations are to be obtained for services costing between \$10,000 and \$30,000, and bids should be solicited/obtained for the purchase of services exceeding \$30,000. Any exception to this policy must be approved by the board/council in an open meeting.

**Status of Internal Audit Recommendations and Management Responses:** The Port's checklist covers the auditor's recommendations and is currently being used by administration. Ordinance 20-77 creates a competitive atmosphere for professional services agreements. Auditor's recommendations have been considered when developing new contracts. This contract was unfunded for 2021 budget year.

- Observation No. 10:** Print All, LLC - Consultancy, Materials and Supplies

**Recommendation:** Ensure that consultant's professional, education and business qualifications/experience in the areas of Marketing, Public Relations, Government Relations are submitted, considered and reviewed; the agreement should state that the work to be performed includes goals and objectives, deliverables, performance measures, and a monitoring plan; the agreement should state the remedies for default, anti-discrimination clause and be signed and dated by witnesses; the agreement should be dated by the Port's Executive Director and by the owner of Print All; there should be evidence of current insurance coverage and that a legal review took place; contracts less than \$50,000 - Although the Louisiana Public Bid Law does not require services to be bid, a competitive atmosphere ensures that fees paid for services are cost-effective. Therefore, management is to use the dollar thresholds contained in the Public Bid Law [R.S 38:2211-2226] as a guide in contracting for services. At least three telephone or facsimile quotations are to be obtained for services costing between \$10,000 and \$30,000, and bids should be solicited/obtained for the purchase of services exceeding \$30,000. Any exception to this policy must be approved by the board/council in an open meeting; payment should only be made based upon an approved timesheet to support the Marketing and Communications Work; timesheets should be signed and dated; and Public Bid Law - contracts by local political subdivisions and local governmental entities for purchases of materials and supplies with a value of more than \$30,000 must be advertised and let for contract with the lowest responsible bidder. Purchases of \$10,000 or more, but less than \$30,000 dollars, shall be made by obtaining no fewer than three telephone or facsimile quotations. For purchases less than \$10,000, but greater than \$1,000, prudent practice suggests obtaining at least 3 written quotes, though the law does not so require.

**Status of Internal Audit Recommendations and Management Responses:** The Port's checklist covers the auditor's recommendations and is currently being used by administration. Ordinance 20-77 creates a competitive atmosphere for professional services agreements. Auditor's recommendations have been considered when developing new contracts. This contract was unfunded for 2021 budget year.

Council Member Cognevich asked Mr. Duke if any contracts were found during the audit wherein the Port followed the rules and he was told that at the time there were a lot of issues and not many contracts were done correctly. However, Mr. Duke said he has seen that the Port is doing everything he has suggested. Council Member Rousselle commented that it was just sloppy paperwork. Mr. Duke said he does not know how a lot of Port contracts were passed by the Port Attorney. Council Member Newberry asked if the Port had a policy on how to handle contracts prior to the audit. Mr. Duke said yes they have a Policy and Procedures handbook but the policies were incomplete. Council Member Rousselle expressed his frustration with the Port Attorney and his lack of input when attending meetings.

Under Agenda Item 2c, "Review of the PPG Contracts and Agreements Follow up Internal Audit Report", Mr. Duke reviewed the Observations, Recommendations and Status of Internal Audit Recommendations Management Response.

- Observation No. 1:** PPG Master List of Contracts, Agreements and a Centralized Oversight Location

**Recommendation:** The PPG master list of contracts and agreements should be monitored and updated as necessary. The Parish President and Parish Council should approve the master list of contracts and agreements and the selection of the legal department as the centralized oversight location for contracts, agreements and supporting documents.

**Status of Internal Audit Recommendations and Management Response:** PPG now maintains a Master List of contracts.
- Observation No. 2:** Contract and Agreement Policies and Procedures Manual

**Recommendation:** A PPG Contract and Agreement written policy manual should be established and approved by the Parish President and the Council. The LLA Best Practice can be used as guidance for writing the contracts and agreements manual.

**Status of Internal Audit Recommendations and Management Response:** There is no Contract Manual. However, PPG has recently revised its public works agreements and associated documents. PPG is actively in the process of revising other dated agreement templates, including professional services agreements. Due to shrinking resources and taking

on new cases previously handled by outside counsel, PPG Legal does not have the time to write a contracts manual. Nor does PPG think it is worth the effort.

- **Observation No. 3:** Contract and Agreement Deliverable Checklist  
**Recommendation:** Ensure that a contract and agreement deliverable checklist or a progress report showing the status of contract and agreement deliverables is prepared.  
**Status of Internal Audit Recommendations and Management Response:** PPG implemented the recommendations.
- **Observation No. 4:** Standard Contract and Agreement Form  
**Recommendation:** Ensure that a standard PPG form for contracts and agreements is being used.  
**Status of Internal Audit Recommendations and Management Response:** PPG uses standard contract clauses in most of its Agreements such as the Right to Audit, Insurance, Compensation, Indemnity and other clauses, but PPG does not use Standard Forms. Standard Forms would be overly cumbersome and impracticable for the myriad of the agreements PPG enters into.
- **Observation No. 5:** BIOS Technologies - Insight Managed IT Agreement  
**Recommendation:** Contracts should not automatically renew without going before the Council for review, approval and providing each member with a contract progress report. Ensure compliance with Louisiana Revised Statute RS 39:1621, Consulting Agreements. Ensure compliance with LLA Best Practice, Bid Process, Parish Ordinances No. 01-161, No. 08-170 and the Plaquemines Parish Charter Section 7.06: Administration of Operating Budget and Capital Budgets, B; Parish Ordinances No. 01-161 and No. 08-170 should be updated; and an audit clause should be written in the contract and copies of liability insurance certificates should be in the file.  
**Status of Internal Audit Recommendations and Management Response:** LRS 39:1621 is applicable to State government, not PPG. The current PPG Administration does not enter into agreements for a period in excess of two years. PPG agrees a Right to Audit Clause should be in all agreements.
- **Observation No. 6:** Review of The Louisiana Department of Transportation and Development (DOTD) /Bollinger Quick Repair, LLC (Contractor)  
**Recommendation:** A right to audit (Bollinger Quick Repair, LLC) clause should be written in the contract and obtain copies of bid documents and liability insurance certificates for PPG files.  
**Status of Internal Audit Recommendations and Management Response:** Since this was a project funded by DOTD, the bid was done pursuant to rules and regulations established by DOTD. All documents associated with this bid are public record and subject to Audit.
- **Observation No. 7:** Lake Hermitage Water Line Relocation - Infinity Engineering Consultants, LLC  
**Recommendation:** Ensure compliance with Louisiana Revised Statute RS 39:162, Consulting Agreements, LLA Best Practice, Bid Process, Parish Ordinances No. 01-161, No. 08-170 and Plaquemines Parish Charter Section 7.06: Administration of Operating Budget and Capital Budgets. A right to audit clause should be written in the contract.  
**Status of Internal Audit Recommendations and Management Response:** LRS 39:1621 is applicable to the State, not PPG. The current PPG Administration cannot account for what happened in 2015 beyond the explanation provided by PPG Engineering.
- **Observation No. 8:** Plaquemines Parish Courthouse, Point-a-la-Hache Lamar Contractors, LLC  
**Recommendation:** Ensure that contractor rating sheets and evaluations are in the contractor bid files. Also, ensure compliance with Parish Ordinances No. 01-161 and No. 08-170.  
**Status of Internal Audit Recommendations and Management Response:** PPG Engineering shall keep all grading sheets electronically or by hard copy as part of its files.
- **Observation No. 9:** Buras Volunteer Fire Department - Pratt Landry Associates, Inc., Fire Security Alarm Monitor Agreement - Red Hawk Fire and Security  
**Recommendation:** Contracts should not automatically renew without going before the Council for review and approval and providing each member with a contract progress

report. Ensure that contract signatures are dated, ensure compliance with Louisiana Revised Statute RS 39:162, ensure compliance with Parish Ordinances No. 01-161 and No. 08-170 and ensure that insurance certificates are in the file and that a right to audit clause is written in the contract.

**Status of Internal Audit Recommendations and Management Response:** LRS 39:1621 is applicable to State Government, not PPG. PPG agrees all contracts should and will be properly dated, insurance certificates part of the file, and a right to Audit Clause included.

- **Observation No. 10:** Woodland Canal, Rojas Canal, Timer Canal, Suzie Bayou & Deer Range Canal - Coastal Dredging Company, Inc.

**Recommendation:** Ensure that contract signatures 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 ensure compliance with Parish Ordinance No. 08-170.

**Status of Internal Audit Recommendations and Management Response:** PPG does agree a rating sheet and a right to audit clause should be used.

Council Member Newberry asked Director Todd Eppley if there is a check list of things to do with PPG contract. Mr. Eppley said he did not know because the Legal Department handled all contracts. There was then a discussion about the importance of check lists, the various check lists that are needed for each contract and that there should be a folder for each contract with a check list on what is contained within each folder. Todd Eppley asked if Randy Duke could provide a check list draft to the Administration and he was told by Council Member Rousselle that we do the audits and the Administration does the work. He asked that the Administration send a draft to Mr. Duke for review. Council Member Rousselle explained that the Suzie Bayou contract is not going to be filled due to a lack of spoil area and he asked for a report from the Administration regarding what their plans are for this contract.

Under Agenda Item 2d, "Review of the PPG Water Department Follow-Up Internal Audit Report", Mr. Duke reviewed the Observations, Recommendations and Status of Internal Audit Recommendations and Management Response the audit.

- **Observation No. 1:** Workforce and Staffing Issues

**Recommendation:** The Water Department's billing and collection process is a critical component of Plaquemines Parish Government, staffing should be a major concern. Proper staffing along with implementing a better billing and collection software system is needed. The installation of the AMI electric meters should help to improve the billing and collection process. The department should take training classes in management, accounting, technology and customer service.

**Status of Internal Audit Recommendations and Management Responses:** All positions have been filled

- **Observation No. 2:** Customer Checks and Cash Collections

**Recommendation:** Scan customer checks to the bank. Eliminate cash, and only accept credit cards, money orders, checks and online payments.

**Status of Internal Audit Recommendations and Management Responses:** We have encouraged customers to not use cash as shown in attached summaries.

- **Observation No. 3:** Paperless Digital System

**Recommendation:** Implement a paperless digital system. Shred unimportant documents and scan all important paper documents into the either the Plaquemines Parish Government server or into Laserfiche management database. Implement a new up-dated software billing and collection system.

**Status of Internal Audit Recommendations and Management Responses:** Still working to eliminate paper, will be better when AMI project is complete.

- **Observation No. 4:** Public Record Retention Policy

**Recommendation:** The Water Department should be in compliance with R.S. 44:36, as stated below. R.S. 44:36 requires that all persons or public bodies that have custody or control of any public record, other than those such as conveyance, mortgage, and other similar permanent records that are required to be preserved forever by law, must maintain the

record according to a formal retention schedule developed and approved by the state archivist and director of the division of archives, records management, and history of the Department of State. If a formal retention schedule has not been executed and no period is otherwise proscribed by law, public records must be preserved and maintained for a period of at least three years from the date on which the public record was made; The Secretary of State's Office cautions against disposal of records as Federal guidelines may require extended periods of preservation, thus making creation of a formal retention schedule imperative; and State agencies are further required under Louisiana Revised Statute 44:411 to develop and submit a records retention schedule (a listing of their agency's records with the retention requirements to meet their administrative, legal and financial needs) for review and approval by the State Archives. Until a retention schedule has been approved, La. R.S. 44:36. requires agencies to maintain their records for three years from the date the record is made (unless required longer by specific statute). It is important to note that La. R.S. 44:36 does not exempt agencies from developing a records retention schedule required under 44:411.

**Status of Internal Audit Recommendations and Management Responses:** We are following RS: 44:36 for record retention.

- **Observation No. 5: Billing Estimates**  
**Recommendation:** Billing estimates should be made in accordance with Plaquemines Parish Louisiana Code of Ordinances Chapter 22, Sec. 22-15. - Estimating customer water bills should occur when a meter is defective or if the meter cannot be read due to the fault of the customer.  
**Status of Internal Audit Recommendations and Management Responses:** Estimates are down now since staffing is better and more e-meters are installed.
- **Observation No. 6: Customer Complaints**  
**Recommendation:** Customers are complaining that meters are not being read and of high-water bills without an explanation. The installation of the AMI electric meter system, and reducing the amount of billing estimates, as stated in recommendation # 5, should help with these types of customer complaints.  
**Status of Internal Audit Recommendations and Management Responses:** I follow up on complaints, most are due to postal service.
- **Observation No. 7: New Software System**  
**Recommendation:** The Water Department should purchase a new upgraded billing and collection software system that can be integrated with the Plaquemines Parish Government New World financial system. The New World financial system appears to be the standard financial accounting system for the Parish and should be used by all departments.  
**Status of Internal Audit Recommendations and Management Responses:** Software is being updated with AMI.
- **Observation No. 8: Aqua Metric Sales Company (AMI)**  
**Recommendation:** There should be a centralized location to maintain the contract and RFP documentation. The documentation should be maintained in a file that is organized and assessable in a timely manner.  
**Status of Internal Audit Recommendations and Management Responses:** Legal handles RFP documents.
- **Observation No. 9: Delinquent Accounts**  
**Recommendation:** Aggressive action to collect delinquent amounts, including legal action when necessary should be taken including the hiring of a collection agency. The entity's cut-off policies and procedures should ensure that all delinquent accounts are collected on a timely basis or that service is discontinued and is being enforced. Continuing to provide services after the cut-off date and not actively trying to collect delinquent utility account balances could be a violation of [Article VII, Section 14(A) of the Louisiana Constitution of 1974].  
**Status of Internal Audit Recommendations and Management Responses:** There are many delinquent accounts due to COVID no disconnect orders.
- **Observation No. 10: Deposit Reports**

**Recommendation:** The Water Department should be certifying on this report the amount of deposits received by all districts that have cleared the bank. The total of the deposit tickets plus the amount shown on the general pooled or gateway report should equal the bank deposits. A reconciliation should be made between the total deposits that cleared the bank and the Water Department's books or closing reports. Any differences should be shown as a reconciling item or adjustment. The reason for the adjustment should be explained.

**Status of Internal Audit Recommendations and Management Responses:** Deposits are being certified.

- **Observation No. 11:** Budgets

**Recommendation:** Ensure that employees perform their duties within the department that they have been hired and budgeted for.

**Status of Internal Audit Recommendations and Management Responses:** All employees are in their budgeted positions.

- **Observation No. 12:** Severn Trent Environmental Services, Inc / Inframark

**Recommendation:** There should be a centralized location to maintain the RFP documentation. The documentation should be in a file that is organized and assessable in a timely manner; As a sound fiscal policy, the Louisiana Legislative Auditor ("LLA") generally recommends that entities consider the use of Requests for Proposals (RFP) and other competitive processes for contracts not otherwise subject to bidding requirements to ensure the best use of public dollars; The contract states Under Article 8 Compensation, Section 8.1 Base Compensation that the amount of the base compensation shall be increased in accordance with the formula in Exhibit D of the contract in accordance with the price index. The director should test and document on a quarterly basis, the accuracy of these calculations. Severn Trent / Inframark are sending the monthly job progress reports to the director of the Water Department. The director should sign and approve these reports, indicating that the information has been reviewed and is accurate; The director should follow-up, investigate and resolve any issues found. The contract deliverables should be monitored; and the director should maintain documentation verifying that all contract deliverables have been received by the Parish.

**Status of Internal Audit Recommendations and Management Responses:** Inframark is in compliance with their contract.

- **Observation No. 13:** Best Practice

**Recommendation:** The Water Department should consider the benefits of putting these procedures in place.

**Status of Internal Audit Recommendations and Management Responses:** Management has not done written procedures for best practices, water produced versus water billed is looked at monthly, and the difference is due to flushing to keep chlorine levels acceptable to LDH.

Council Member Cognevich said he has received complaints regarding from constituents who call the Water Department questioning their bill and they are being rudely spoken to; however, he knows it goes both ways. Mr. Eppley said he was aware of this issue and he is trying to get the employees to change their attitudes. He also stated that he has told the employees to give the residents his phone number if they cannot help them. Council Member Newberry asked if there was an estimated date of when all the new meters would be installed and was told by Todd Eppley that the date given was August 2021 but, he thinks it will be more like the end of the year. Council Member Rousselle stated that Inframark made some changes to its protocol regarding installation; however, it seems like if the meter was changed and there were issues on the customer side, Aqua Metrics would still be responsible to fix the problem. Mr. Eppley said that he hopes to get them back to fix those issues, as well as, Parish infrastructure which was damaged during installation of the new meters. He further explained that he has weekly calls with Aqua Metrics and the install group. Council Member Newberry asked why the water is not being cut-off when residents are not paying their delinquent amount and Todd Eppley stated that they can now cutoff the water and they are working with the residents on payment plans. Council Member Cognevich asked if anyone is refusing to pay the \$7.00 mosquito control fee and he was told the Water Department has received some notes with people's bills stating they deducted the \$7.00. A discussion was then held regarding the fee for transient rentals and the \$37,000 decrease from the original fee projections. Also discussed was the spraying in these

areas.

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

There was a discussion regarding Mr. Duke doing some audit work on borrow pits and that he would need the Legal Department's cooperation in that matter. Further discussion will take place at the next meeting regarding this matter.

In reference to all items listed under Agenda Item 3, Mr. Duke stated that he will handle these audits at the March Committee 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 2:05 p.m. with a vote of 3-0.

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CHAIRMAN

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SECRETARY

A full copy of the report can be found on the Parish website: [www.plaqueminesparish.com](http://www.plaqueminesparish.com) by selecting "Government" and then clicking on the "Internal Audit" link or at the Council Secretary's Office.