

Minutes of a special meeting of the Plaquemines Parish Council Audit Committee held in the Belle Chasse Council Building Chambers, 333 F. Edward Hebert Blvd., Bldg. 203, Belle Chasse, Louisiana on Tuesday, April 27, 2021, at 4:00 p.m. pursuant to notice to all members with a quorum present as follows:

PRESENT: Council Member Benedict Rousselle
Council Member Mark Cognevich
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.

Director Todd Eppley was present representing the Administration.

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

Under Agenda Item 2a, "Review of the Animal Welfare Society Follow-Up Internal Audit Report" Mr. Duke reviewed the Observations, Recommendations, and Management Response to the audit.

- **Observation No. 1: PAWS CEA**
Recommendation: In my opinion, when the PAWS/PPG CEA expired on December 31, 2017, a better business practice would have been for PAWS/PPG to have signed and executed a new CEA on January 1, 2018, instead of working off-of an expired CEA during 2018 through September 24, 2019.
Management Response: This administration took over in 2019. When we realized the CEA had expired we called PAWS in to execute a new CEA.
- **Observation No. 2: Legal Review**
Recommendation: Ensure that the Legal Department reviews all agreements before they are executed.
Management Response: Legal did review and draft the CEA. I will ask them about a stamp going forward.
- **Observation No. 3: PPG Funding to the LSPCA and PAWS**
Recommendation: In my opinion, it is noted that the LSPCA and PAWS are first-class organizations. However, the Parish could have funded PAWS short fall as of 9/26/2019 of \$-13,695.63 as noted in their Profit and Loss Statement and saved money in the process.
Management Response: PAWS could not keep a director, the shelter was overcrowded, and there were sick animals dying in their care. The PAWS group did not want to stay and they suggested we negotiate with LASPCA.

Conclusion of Audit: Based upon Mr. Duke's Internal Audit review of the LSPCA and the PAWS CEAs, internal controls can be improved if the recommendations noted in observation 1-3 are implemented by the Parish.

Mr. Duke informed the Committee that most of these responses could have been taken care of if PAWS would have received the \$150,000 the SPCA received. Mr. Duke said he spoke to Ms. Gagliano from PAWS who said the Administration wanted them to stay but the Administration could not provide the money needed for PAWS. Council Member Newberry asked Director Todd Eppley if that statement was correct. She also questioned the fact that if we did not have the funds to give to PAWS but the SPCA came in with much higher funding. Mr. Eppley said he recalled in speaking with PAWS, they came to the Administration and said they didn't want to be in the shelter anymore. PAWS was asked to stay until the end of the year and their response was that they did not have the money. Mr. Eppley said that at least \$15,000 was given to them to stay for the remainder of the year and the following year PAWS suggested the Parish negotiate with the SPCA. At that point PAWS was made aware the SPCA would get substantially more money but they still choose not to stay. Council Member Rousselle said, to his recollection, PAWS wanted to stay but, they would not have received the funding. He said the PAWS

members were not happy with the way this matter was handled and they would have stayed if they would have gotten the money. Mr. Eppley replied that he and Council Member Rousselle have a difference of opinion on this matter. Council Member Rousselle said he hoped that something could be negotiated before the next budget because it might come to animal lives versus human lives. Mr. Eppley agreed and said at the least, the Parish would have to run a Municipal Shelter which is very expensive. Council Member Newberry said she was disappointed that PAWS left because they provided great services to the community and the SPCA is not a 100% no-kill shelter. She thanked them for being here but she does not find they provide the services PAWS did.

There was a discussion in regard to the fact that Mr. Duke did not get information from the Administration. He asked for documents, he waited and he did not get anything. Mr. Eppley said his new assistant handled that and he will follow up on this matter.

Council Member Rousselle moved to Agenda Item 2b, "Discussion of and adoption of legislation: "A Resolution authorizing and directing the Internal Auditor to review and, if needed, audit Borrow Pits operating in Plaquemines Parish; and otherwise to provide with respect thereto".

Council Member Rousselle explained that the Borrow Pit Advisory Committee met a couple of times and motions were made to move on two items. He discussed an ordinance wherein the Parish the President was directed to appoint an attorney from the Legal Department to be the Borrow Pit Project Manager; however, this has never been done through many administrations. Therefore, a Resolution was adopted at the April 22, 2021, Council Meeting asking the Council Attorney to take a look at borrow pit operations and see what is going on with compliance. It was further discussed that the Borrow Pit Advisory Committee requested the resources of the Internal Auditor be used to look into borrow pits. Council Member Newberry asked if we are looking into all borrow pits and Mr. Duke said he would have to speak with the Borrow Pit Committee and then take a random selection of borrow pits to see what comes up. Based on his initial review he will either move forward with an audit or leave the matter alone. Council Member Rousselle stated that from the preliminary work done it looks like there are 6 operating pits in the Parish. There are so many loop-holes to the 2012 regulating ordinance such as court cases and settlement agreements, some of which were approved and some not. Council Member Cognevich added that there was a lawsuit settlement which did not come to the Council for approval. Mr. Duke said he needed to find out who was in charge of borrow pits and was told by Council Member Rousselle there really is no one. The discussion ended with Mr. Duke saying he would really need the cooperation of the Administration in this matter.

The following legislation was adopted:

RESOLUTION NO. 21-2

On motion of Council Member Rousselle, seconded by Council Member Cognevich, and on roll call all members present voting "YES", the following Resolution was adopted:

A Resolution authorizing and directing the Internal Auditor to review and, if needed, audit Borrow Pits operating in Plaquemines Parish; and otherwise to provide with respect thereto.

WHEREAS, a recommendation has been made by the Borrow Pit Advisory Committee to use in-house resources to review and, if needed, audit Borrow Pits operating in Plaquemines Parish; and

WHEREAS, it is the desire of this Audit Committee to accept the recommendation of the Borrow Pit Advisory Committee;

NOW, THEREFORE:

BE IT RESOLVED BY THE PLAQUEMINES PARISH AUDIT COMMITTEE THAT it hereby authorizes and directs the Internal Auditor to review and, if needed, audit Borrow Pits operating in Plaquemines Parish.

BE IT FURTHER RESOLVED BY THE PLAQUEMINES PARISH COUNCIL AUDIT COMMITTEE THAT if the Internal Auditor finds it necessary to conduct an audit of operating Borrow Pits, the 2021-2022 Audit Plan shall be amended to include said audit.

BE IT FURTHER RESOLVED BY THE PLAQUEMINES PARISH COUNCIL AUDIT COMMITTEE THAT the Secretary of this Committee is hereby authorized and directed to immediately certify and release this Resolution and that Parish officials and employees are authorized to carry out the purposes of this Resolution, both without further reading and approval by the Plaquemines Parish Council Audit Committee.

Council Member Rousselle moved to Agenda Item 3 “Audits in Progress”. Without objection, so ordered. Mr. Duke said that the next audit that would have been done was the Council on Aging; however, due to the Borrow Pit resolution, all audits will be on hold until he reviews the borrow pit matter. The first Audit after the borrow pits will be on Council on Aging. Council Member Newberry asked how many audits have been completed this year and she was told by Mr. Duke two regular audits and nine follow-up audits have been completed. Council Member Cognevich asked if any of Mr. Duke’s recommendations were put in place by the Administration and he said yes.

Council Member Rousselle moved to Agenda Item 4, “Approval of minutes from the March 11, 2021 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 4:30 p.m. with a vote of 3-0.

CHAIRMAN

SECRETARY

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