

WASHINGTON PARISH SHERIFF'S OFFICE



ADVISORY SERVICES REPORT
ISSUED APRIL 29, 2009

**LEGISLATIVE AUDITOR
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LOUISIANA LEGISLATIVE AUDITOR
STEVE J. THERIOT, CPA

April 29, 2009

HONORABLE ROBERT J. CROWE
WASHINGTON PARISH SHERIFF
Franklinton, Louisiana

As you requested, my staff applied our *Checklist of Best Practices in Government* in providing advisory services for the financial operations of the Washington Parish Sheriff's Office. We recognize that you came into office on July 1, 2008, the beginning of the current fiscal year that ends June 30, 2009.

Attachment I contains our findings and recommendations and your response is presented in Appendix A. Our recommendations are intended to assist you in your efforts to (1) improve controls over financial operations; (2) implement good business practices; and (3) ensure compliance with the Louisiana constitution and state laws.

This assessment is substantially less in scope than an audit conducted in accordance with generally accepted accounting standards; therefore, we are not offering an opinion on the financial statements of the Washington Parish Sheriff's Office or system of internal control nor assurance as to compliance with laws and regulations.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Steve J. Theriot", is written over a faint, circular watermark or background.

Steve J. Theriot, CPA
Legislative Auditor

SK:SCD:SGW:ESS:JSI:sr

WPS008

Findings and Recommendations

The following are the findings and recommendations resulting from our advisory services. The sheriff should consider the costs of implementing these recommendations compared to the benefits they will provide. For any recommendations not implemented, the sheriff should be aware of the risks.

We reviewed these findings and recommendations with Sheriff Crowe to provide him an opportunity for his response. Sheriff Crowe's response is presented in Appendix A.

Financial Management

This report addresses certain control deficiencies in the financial management of the sheriff's office, including noncompliance with certain state laws. Without an effective financial management system, the sheriff cannot effectively exercise his fiduciary responsibilities of managing the finances of his office.

In general, our assessment in October 2008 revealed that certain financial records were not up to date or not available. For example, eleven bank accounts appeared to have been last reconciled through June 30, 2007 (15 months previous)¹ and financial statements on the sheriff's current operations were not available.

Recommendation: The sheriff should ensure that a written plan is developed that addresses the findings in this report and ensure that sufficient financial management, accounting, and computer expertise is available to assist in resolving them. The sheriff and his administration should monitor progress against the plan each month and revise the plan as necessary.

Audit Law

The sheriff has been granted two (90-day) extensions of time to file the 2008 audit report. The second extension request was approved by the Legislative Audit Advisory Council on March 17, 2009, and requires the 2008 audit report to be filed with the Legislative Auditor no later than June 30, 2009.

The Audit Law [Louisiana Revised Statute (R.S.) 24:513] required the sheriff's 2008 audit report to be filed with the Legislative Auditor by December 31, 2008 (no later than six months after the close of the 2008 fiscal year).

Recommendation: The sheriff should take the necessary steps to ensure the filing of the delinquent 2008 audit report on or before the June 30, 2009, deadline. We also remind the sheriff that it is essential for the upcoming 2009 audit report to be filed by the statutory deadline of December 31, 2009.

¹ Louisiana Revised Statute (R.S.) 10:4-406(d) (2), in part, allows 30 days to examine bank statements and canceled checks for unauthorized signatures or alterations. After 30 days, the entity is precluded from asserting a claim against the bank for unauthorized signatures or alterations.

Segregation of Duties

Accounting duties were not adequately segregated for a proper system of checks and balances. Good business practices and proper controls dictate that duties be segregated so that no individual performs/controls all duties related to a financial area/function. Ideally, different employees should be responsible for transaction (1) authorization; (2) custody; (3) recordkeeping; and (4) reconciliation. Without adequate segregation of duties and supervisory oversight, errors or fraud could occur and not be detected.

Duties were not adequately segregated among employees nor was there supervisory review of the accounting work being performed in connection with the following funds/functions/programs:

• General Fund	• Sheriff's Fund	• Inmate Account
• Payroll	• Sales Tax	• Inmate Work Release
• Fines and Licenses	• Ad Valorem Tax	• Inmate Work Release Revenue
• Probation Fines	• Hunting and Fishing	• Inmate Work Release Commissary
• Cash Bonds	• Garnishments	• Parish Inmate Work Release

Recommendation: We suggest that the chief financial officer evaluate the overall business/financial operations of the sheriff's office and restructure/reassign duties to provide for system-wide checks and balances. All work should be subject to supervisory review and approval (documented in writing).

Job Descriptions

There were no written job descriptions for all employment positions. Our assessment revealed certain employees who were not aware of the full scope of their responsibilities and duties and the procedures required to accomplish them.

Recommendation: Written job descriptions and procedures should be developed for each employment position and be communicated to the employees to ensure they have a clear understanding of their duties and responsibilities, including how and when the duties are to be performed. Adequate training should be provided to employees on the computer software applications used in the sheriff's operations and employees should be cross-trained to avoid the interruption of critical business functions of the sheriff's office.

Written Policies and Procedures

The policy and procedures manual for the sheriff's office was not complete and the manual appeared to have been last updated in 2002 (with the exception of the Attendance and Leave Policy, which was updated on July 1, 2008).

Written policies and procedures are necessary to provide a clear understanding of what should be done, how it should be done, who should do it, and when it should be done. In addition, written policies and procedures aid in the continuity of operations and for cross-training staff or training new staff.

Recommendation: We recommend that the sheriff update or develop (and implement) policies and procedures, in accordance with applicable Louisiana laws, related to the following:

- Budgeting, including procedures for preparing, adopting, monitoring, and amending budgets
- Receipts/collections, including receiving, recording, and preparing deposits for all departments (e.g., sales tax, ad valorem tax, jail canteen, sheriff's sales, tickets, bond fees, et cetera)
- Disbursements, including processing, reviewing, and approving expenditures
- Procurement/purchasing, including how purchases are initiated and approved and checks and balances to ensure compliance with the public bid law
- Travel, including rates for mileage, meals, and lodging and filing standard expense reimbursement reports
- Code of ethics, including requiring an annual certification letter from each employee attesting to his/her compliance with the ethics policy
- Financial reporting, including the nature, extent, and frequency of reporting financial information
- Tax (ad valorem tax and sales and use tax) and interest distributions to the various taxing bodies
- Contracts, including monitoring procedures to ensure that services received comply with terms and conditions of the contracts
- Capital assets, including recording, tagging, inventorying, and safeguarding assets
- Gasoline and diesel, including assigning fuel cards (Fuelman) and monitoring usage (weekly statements) for reasonableness
- Computers, including security passwords and general controls for the computer system
- Investments, including procedures for investing excess cash and ensuring that bank balances and investments are fully secured
- Traffic tickets, including safeguarding, issuing, and accounting for the tickets/citations

- Credit cards, including charges allowed and documentation required (e.g., business purpose, persons participating, et cetera)
- Cell phones, including accounting for the business and personal use
- Background investigations/checks, including fees charged and any exemptions allowed
- Inventories, including controlling and monitoring inventories of materials, supplies, and food
- Retention of public records, including e-mail communications

Noncompliance With Budget Laws

The 2009 general fund budget did not include a budget message² and the estimated beginning and ending fund balances³ as required by the Local Government Budget Act (R.S. 39:1301-1315). Also, budgets were not prepared for the special revenue funds as required by law.⁴

The general fund budget did not appear to be a comprehensive financial plan⁴ as it is a one-page summary of the revenues and expenditures. There were no supporting documents/worksheets available demonstrating how the budgeted revenues and expenditures were derived or their correlation to the general ledger accounts in the accounting system.

Recommendation: The sheriff should ensure that the 2009 general fund budget is amended to comply with all requirements of the Local Government Budget Act and that budgets are prepared for special revenue funds.

We suggest that soon after the financial records are brought up-to-date and reconciled, budget-to-actual comparisons should be prepared and reviewed. The chief financial officer is responsible for advising the sheriff of the reason(s) for any significant budget variances and warnings of any corrective action needed. The sheriff is required to adopt a budget amendment if there is a 5% variance in revenues or expenditures or beginning fund balance⁵ and publish such amendment in the official journal.

² **R.S. 39:1305.C (1)** requires a budget message signed by the sheriff which includes a summary description of the proposed financial plan, policies, and objectives, assumptions, budgetary basis, and a discussion of the most important features.

³ **R.S. 39:1305.C (2) (a)** requires the budget to include the estimated fund balances at the beginning of the fiscal year; estimates of all receipts and revenues to be received; revenues itemized by source; recommended expenditures itemized by agency, department, function, and character; other financing sources and uses by source and use; and the estimated fund balance at the end of the fiscal year.

⁴ **R.S. 39:1305.A** requires the sheriff to prepare a comprehensive budget presenting a complete financial plan for each fiscal year for the general fund and each special revenue fund.

⁵ **R.S. 39:1311.A** requires the chief executive or administrative officer to advise the sheriff in writing when:

- (1) Total revenue and other sources plus projected revenue and other sources for the remainder of the year, within a fund, are failing to meet total budgeted revenues and other sources by 5% or more.
- (2) Total actual expenditures and other uses plus projected expenditures and other uses for the remainder of the year, within a fund, are exceeding the total budgeted expenditures and other uses by 5% or more.
- (3) Actual beginning fund balance, within a fund, fails to meet estimated beginning fund balance by 5% or more and fund balance is being used to fund current year expenditures.

Financial Statements

We were not able to assess the financial position and results of operations of the sheriff's office because current financial statements were not prepared; however, we were informed that the sheriff's office was experiencing cash flow problems.

During our visit in October 2008, the most recent financial statements available on the sheriff's operations were as of June 30, 2007 (over 15 months previous). Without periodically reviewing current financial information on all funds (e.g., general fund, special revenue funds, et cetera), the sheriff cannot effectively exercise his fiduciary responsibilities of managing the fiscal operations of his office.

Recommendation: Soon after the financial records are brought up-to-date and reconciled, the chief financial officer should ensure that current financial statements are prepared and reviewed with the sheriff. In the future, monthly financial statements, including budget comparisons, should be generated on a timely basis and used by the sheriff in his decision-making process (e.g., projects to undertake, major purchases, et cetera).

Property Tax Borrowing

Property (ad valorem) tax revenues collected on behalf of other taxing authorities were improperly borrowed by the sheriff. Article V, Section 27 of the Louisiana Constitution of 1974 requires the sheriff to serve as the collector of state and parish ad valorem taxes and as custodian, the sheriff has a fiduciary responsibility to properly account for and distribute the taxes.

Property taxes are deposited into the tax collector fund and are prorated and distributed monthly to the various taxing authorities, of which the sheriff is one. However, in October 2008, there was an additional \$70,000 distribution made out of the tax collector fund which was deposited into the sheriff's general fund. We were informed that this money was needed to alleviate the sheriff's cash flow problem and that the portion owed to the other taxing authorities would be calculated and paid at a later date.

Recommendation: The sheriff should immediately repay all public funds improperly borrowed, including an amount for the "lost" interest earnings of the other taxing authorities. In the future, the sheriff should seek the approval of the Louisiana State Bond Commission to obtain a budgetary loan to enable the office to operate until additional revenues become available.

Cash

Controls over cash/monies need to be improved. Failure to adequately control and promptly record and deposit cash (and checks) can result in the misappropriation of funds and/or lost revenues.

Cash Drawers - Separate cash drawers were not maintained by all employees who were collecting traffic fines. Our assessment revealed that employees were “sharing” their cash drawers with other employees and the drawers were not always secured during business hours. Good controls require that one person be personally responsible for having in his/her possession the cash amount of his/her drawer as established for them plus the amount of cash recorded as being received.

Recommendation: To provide accountability and improve controls over cash, each employee who collects/receives money should be assigned his/her own cash drawer and be responsible for its daily balancing (subject to supervisory review). Employees should be strictly prohibited from working out of another employee's cash drawer. In addition, all cash drawers should be secured under lock when not being used.

Daily Bank Deposits - Bond fees collected at the jail were not deposited on the same day collected. Good business practices dictate that monies be counted, reconciled, and deposited intact on the same day collected.

State law (R.S. 39:409.A) requires all public funds received by the sheriff, pending their transmission to the various taxing authorities/public bodies for whose accounts they are collected, to be deposited daily in interest-bearing accounts, whenever practicable, with a bank domiciled in the parish where the funds are collected.

Recommendation: To strengthen safeguards over cash on hand and to comply with state law, the chief financial officer should implement controls to ensure that all monies are deposited intact on the same day collected.

Fidelity Bond Insurance - The sheriff's fidelity bond did not include insurance coverage on all employees who have access to cash/monies of the sheriff's office. A fidelity bond provides insurance reimbursement on losses caused by the dishonest acts (e.g., theft) of bonded employees.

Recommendation: The sheriff should obtain adequate fidelity bond coverage on all employees who have access to monies.

Interest Earnings and Distributions

We could not determine whether interest earned on public funds was properly being accumulated, prorated, and distributed to the individual taxing authorities in accordance with state law.⁶ Also, as custodian, the sheriff has a fiduciary responsibility to properly account for interest earnings on public funds.

⁶ **R.S. 39:409.A** provides that the sheriff must distribute interest earnings annually to the taxing authorities, no later than five days following the tax sale of real property, and be prorated in the same proportion as the amount of taxes collected for each authority bears to the total amount of taxes assessed on the tax roll.

The sheriff's office collects public funds (e.g., property taxes and sales and use taxes) on behalf of various taxing authorities and deposits the funds in interest-bearing accounts pending their distribution. However, the sheriff's office did not have a detailed accounting of the (1) interest earned on accounts; (2) calculations of prorated interest amounts; and (3) interest distributed to public bodies.

Recommendation: The chief financial officer should ensure that appropriate accounting records are prepared and maintained which clearly demonstrate that interest earnings are properly accumulated, prorated, and distributed to the public bodies as required by law.

Purchasing and Disbursements

Controls over purchasing and disbursements need to be improved.

1. **Purchase Order System** - The sheriff's office uses a manual purchase order system that does not prevent issuing purchase orders when funds are not budgeted or available.

Recommendation: We recommend that the sheriff consider replacing the manual purchase order system with an automated system which would ensure that purchase orders are created only when budgeted funds are available. An automated purchasing system will account for purchase orders, provide controls over spending, and enable the administration to readily know how much money is available for new purchase commitments.

2. **Approval** - Paid invoices did not reflect the review and approval of the sheriff.

Recommendation: Good controls require that the sheriff (or designee) initial his approval on invoices before payment is made.

3. **Written Contracts** - Written contracts were not available for all programs and services provided by third parties. For example, written contracts were not found for the sheriff's legal counsel, canteen program, work release program, and inmate telephone service program.

Recommendation: All agreements for services (professional or otherwise) and programs with third parties should be in the form of a written contract. The contracts should be organized, filed in a central location, and monitored to ensure that services received by the sheriff's office comply with the terms and conditions of the contracts.

Also, in the future, we suggest that the sheriff consider implementing the following best practices to improve controls over contract administration:

- Perform a cost/benefit analysis before contracting services and programs (and before renewing existing contracts)

- Use a formal *Request for Proposal* (RFP) process to solicit and award contracts for professional services
 - Require legal counsel to review all contracts before acceptance/signing
4. **Fuel Purchases** - Motor pool personnel were not reviewing and monitoring fuel (gasoline and diesel) purchases for reasonableness and to ensure that there were no unauthorized purchases. The sheriff uses a fuel purchasing system (Fuelman) for gasoline and diesel purchases. Good controls over fuel require that only vehicles of the sheriff's office receive fuel and that the fuel received is reasonable in relation to the work being performed by personnel.

Recommendation: The sheriff should require appropriate motor pool personnel to do the following:

- Periodically account for all Fuelman credit cards and ensure the cards are used as assigned.
 - Review the Fuelman statements to ensure accurate odometer readings are entered by employees and review for reasonableness, the dates of purchase and number of gallons purchased.
 - Prepare a monthly summary report by employee/vehicle that includes, at a minimum, the total number of gallons purchased, total miles traveled (based on odometer readings), and the average number of miles driven per gallon. This monthly report should be presented to and reviewed with the sheriff and chief financial officer.
5. **Donations** - The sheriff donated funds which may be contrary to Louisiana's constitution⁷ and state law. Our assessment revealed that since coming into office on July 1, 2008, the sheriff gave a total of \$600 in donations to three schools, one hospital, and one individual.

The Louisiana Attorney General has been generally using a three-pronged test to determine whether expenditures of public funds are constitutional:

- There must be a public purpose for the expenditures.
- The expenditures must not appear to be gratuitous.

⁷Article VII, Section 14(A) of the Louisiana Constitution of 1974 prohibits funds, credit, property, or things of value of the sheriff from being loaned, pledged, or donated to or for any person, association, or corporations. Article VII, Section 14(C) provides that for a public purpose, the sheriff may engage in cooperative endeavors with the state and other political subdivisions, with the United States or its agencies, or with any public or private association, corporation or individual.

- There must be evidence demonstrating that the sheriff's office has a reasonable expectation of receiving a benefit or value at least equivalent to the amount of the expenditures.

Recommendation: The sheriff should ensure that public funds are spent in accordance with the Louisiana constitution and state law.

Attendance and Leave Recordkeeping

Contrary to policy (*Attendance and Leave* - General Order 22.2.1), attendance at work and leave/absences from work were not being recorded on all employees of the sheriff's office.

As we understand, there are four employees (chief financial officer, chief criminal deputy, assistant chief criminal deputy, and warden) who are considered exempt from earning overtime pay and who are not required to document their daily attendance and leave. The policy does not define "exempt" nor does it address such a separate classification of employees.

Recommendation: Attendance and leave should be documented by all employees in accordance with the sheriff's policy. We suggest that legal counsel be consulted to ensure that all employees are properly classified and that the policy complies with the applicable labor laws (e.g., United States Department of Labor - *Fair Labor Standards Act*). The sheriff should ensure that the policy is amended accordingly.

Traffic Tickets

Controls over traffic tickets need improvement. The sheriff's office was not accounting for the numerical sequence of traffic tickets. Proper accounting for tickets is important to ensure (1) fines are collected or appropriate action is taken for nonpayment; (2) fine revenues are not misappropriated; and (3) compliance with relevant Louisiana laws.

State law⁸ requires officers to turn in every ticket/citation; however, without accounting for the numerical sequence of the tickets, there is no way to determine whether tickets were issued, lost, or voided.

Recommendation: We suggest that the criminal office clerk enter the individual ticket numbers and the deputy's name in the ticket database when a ticket book is issued to a deputy. Ticket books should be issued in numerical order and only after the previously issued book has been accounted for and all issued tickets/citations have been received from the deputy. Citations not received from a deputy should be investigated and the resolution documented. The numerical

⁸ **R.S. 32.398.2.D** provides that the chief administrative officer shall require traffic officers under his supervision to return to him a copy of every traffic citation which was issued by the officer for the violation of a traffic law or ordinance. In addition, he shall require the return of all copies of every traffic citation which has been spoiled or upon which an entry has been made without having issued the citation to the alleged violator.

sequence of all citations issued and the final disposition of those citations should be accounted for on a monthly basis.

Computer Backup and Disaster Recovery Plan

The sheriff's office did not maintain a backup of its computer data at an off-site location, and there was no written disaster recovery plan for the business operations and information technology needs of the sheriff.

Recommendation: The sheriff's computer data/files should be backed up daily and stored in a secure off-site location. Also, a written disaster recovery/business continuity plan should be prepared and tested/revised annually. A written plan is good business practice as it will provide the steps to be performed to continue the sheriff's operations in the event of a disaster (e.g., hurricane, fire, terrorist attack, et cetera).

Work Release Program

The inmate work release program was discontinued by the sheriff in July 2008 and at the time of our visit (October 2008), there was approximately \$28,000 in bank accounts related to this program. The current administration was not familiar with the accounting for this program and to whom the undistributed funds belonged.

Recommendation: We suggest the sheriff and chief financial officer meet with appropriate officials of the Louisiana Department of Public Safety and Corrections to discuss the terminated work release program and seek guidance on the proper disposition of funds remaining in the program's bank accounts.

Sales Tax Audit Plan

The sheriff's office did not have a written audit strategy (plan) for performing sales and use tax audits of vendors as required by its contract with the Washington Parish Sales and Use Tax Centralization Commission (commission). The 5-year contract, effective July 1, 2004, requires the sheriff to, among other things, develop and submit a written audit strategy to the commission for commission approval.

Recommendation: The sheriff should require the development of a written audit strategy/plan for submission to the commission for commission approval.

Management's Response



April 16, 2009

ROBERT J. CROWE

SHERIFF ~ EX-OFFICIO TAX COLLECTOR

Washington Parish ~ State of Louisiana

Legislative Auditor's Office
Mr. Steve Theriot
1600 North Third Street
P.O. Box 94397
Baton Rouge, Louisiana 70804-9397

Mr. Theriot,

I took office as Sheriff of Washington Parish on July 1, 2008 and have since made many changes to the structure and operations of the sheriff's office. The findings of this audit have and will continue to assist the department in identifying areas of needed improvements. Listed below are responses to the findings of your advisory audit of the Washington Parish Sheriff's Office.

Financial Management – Response: At the time the fieldwork was being conducted (fourth quarter 2008), the sheriff's office was undergoing major changes. As such, the sheriff's office has already addressed many of the findings issued in this report. However, the chief financial officer has developed a written plan outlining additional changes that are required for the sheriff's office to be compliant with state laws and regulations and will update the sheriff and chief criminal deputy during our weekly staff meetings, revising the plan as needed.

Audit Law – Response: Effective 7/1/08, Robert Crowe replaced Aubrey Jones as Sheriff of Washington Parish. As such, many of the key personnel were replaced. Because of this, the sheriff's office lost the knowledge of occurrences specific to the audit period, making responses to the auditor a more time consuming process. The contracted auditor advised that an extension through March 31, 2009 would be needed to complete the audit. However, due to the many problems in the bookkeeping, the sheriff's office was unable to complete the work necessary to finalize the audit by this deadline. In March 2009, the sheriff contracted with a local CPA to assist the chief financial officer in finalizing the 2008 financial data. As such, we fully expect the 2008 audit to be completed before the June 30, 2009 deadline. We also agree that it is essential to have the 2009 audit completed by the December 31, 2009 deadline and fully intend to have this deadline met.

Segregation of Duties – Response: Due to the variation of services provided by the sheriff's office, it is difficult to segregate fully the duties to satisfy any auditor. The sheriff's office will ensure that no one person is preparing the deposits, disbursing the funds and reconciling the bank accounts, preparing other reconciliations. Additionally, the chief financial officer will provide supervisory review and approval of all

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reconciliations on a monthly basis. Finally, the inmate work release accounts (all four) were closed in March 2009 as the program was deleted in July 2008.

Job Descriptions – Response: The sheriff's office is currently in the process of formulating job descriptions for all employment positions. Again, the sheriff's office has been transitioning and making changes since Sheriff Crowe took office in July 2008. Many employees have taken on new functions. The sheriff's office will ensure that all employees are aware of their responsibilities and trained on any applicable software needed to meet those responsibilities.

Written Policies and Procedures – Response: The sheriff's office has been in the process of updating the 2002 manual to align with current Louisiana laws and regulations. Each of the mentioned areas is being addressed in the manual.

Noncompliance with Budget Laws – Response: The chief financial officer has prepared budget-to-actual comparisons that have been reviewed and used in the sheriff's decision making process. However, the 2008-2009 budget was not sufficient to provide an accurate comparison. The chief financial officer will prepare the 2009-2010 budgets, general fund and any special revenue funds, on a monthly basis as to allow for accurate budget-to-actual comparisons. Budget amendments will be adopted as required.

Financial Statements – Response: Beginning July 1, 2009, each fund will be closed on a monthly basis, allowing the chief financial officer to assess the financial position of the sheriff's office, prepare the required budget-to-actual comparisons, and report to the sheriff the financial status on a monthly basis.

Property Tax Borrowing – Response: The funds were returned, including lost interest earnings, to the property tax account on December 23, 2008. We will adhere to the advice for seeking approval of the Bond Commission and will no longer utilize the public funds for loaning purposes.

Cash – Cash Drawers – Response: All employees collecting/receiving money are now assigned their own locked cash drawer, are required to balance the drawer daily, and are responsible for providing the daily balancing reports to the chief financial officer on a monthly basis for review.

Cash – Daily Bank Deposits – Response: Effective with the new administration of the sheriff's office on July 1, 2008, safeguarding cash was a main priority. Changes were implemented to ensure cash was being deposited on the date received. The Legislative Auditor, Mr. Theriot, discovered in the course of the audit one account whose cash was not being deposited timely. The chief financial officer has immediately taken action to ensure that all monies are deposited on the same day collected.

Cash – Fidelity Bond Insurance – Response: The chief financial officer has reviewed the bond listing and notified the insurance company of the changes needed, to be effective immediately.

Interest Earnings and Distributions – Response: Historically, the sheriff's office accounting records have not been updated on a monthly basis and therefore, prevented the timely distribution of interest earnings to the appropriate taxing bodies. However, currently the sheriff's office maintains the records as required and will be able to meet the requirement of distributing the interest earnings within five days following the tax sale.

Purchasing and Disbursements – Purchase Order System – Response: The sheriff's office is currently researching the purchase of a new accounting software package that would provide in addition to many other functions, an automated purchase order system.

Purchasing and Disbursements – Approval – Response: The chief financial officer will initial her approval on every invoice prior to disbursement.

Purchasing and Disbursements – Written Contracts – Response: The chief financial officer has organized all contracts and maintains a copy in her files, reviewing them periodically to ensure services are provided per the terms and conditions of the contracts. Additionally, where feasible, the sheriff's office will adhere to the "best practices" suggestions made by Mr. Steve Theriot.

Purchasing and Disbursements – Fuel Purchases – Response: Effective December 1, 2008, the motor pool supervisor began reviewing the Fuelman credit card statements to ensure accurate odometer readings and for reasonableness. The motor pool supervisor has begun periodically reviewing the account for all Fuelman credit cards to ensure they are being used as assigned. Additionally, the supervisor will begin to prepare a monthly summary report. Finally, a new fuel card provider has been added to the Louisiana State Contract list and the Washington Parish Sheriff's Office is comparing it against the current Fuelman contract for cost benefits.

Purchasing and Disbursements – Donations – Response: The sheriff's office will ensure that public funds are spent in accordance with the Louisiana constitution and state law. We no longer will make inappropriate donations.

Attendance and Leave Recordkeeping – Response: As suggested by the Legislative Auditor, the sheriff's office obtained the opinion of our attorney to ensure our policy complies with all applicable labor laws. The leave policy will be amended accordingly.

Traffic Tickets – Response: The sheriff's office maintains a journal where ticket books assigned to deputies are logged out by numerical sequence. Effective April 8, 2009, deputies are required to complete the log attached to the ticket book and turn in prior to receiving a new ticket book. The log will be compared to the tickets received by the criminal office to ensure all tickets are accounted for.

Computer Backup and Disaster Recovery Plan – Response: The sheriff's office currently conducts a nightly backup to an external drive that is taken daily offsite to a

secure location. Additionally, the sheriff's office is currently in the process of preparing a disaster recovery/business continuity plan.

Work Release Program – Response: The local CPA hired to assist the chief financial officer in completing the 2007-2008 bookwork was able to research the work release program accounts and identify the balances outstanding. The sheriff's office has settled all cash from the work release accounts and closed them at the bank.

Sales Tax Audit Plan – Response: The sheriff's office is currently preparing a written sales tax audit plan and should be completed by April 30, 2009.

My staff and I want to extend our gratitude to you and your staff for your courtesy and we appreciate all of your suggestions to improve the functionality and operations of the Washington Parish Sheriff's Office.

Regards,

Sheriff Robert J. Crowe

RJC/mdg
cc: Mechelle D. Galloway, CPA