

STATE OF LOUISIANA LEGISLATIVE AUDITOR

St. Helena Parish Police Jury
Greensburg, Louisiana

April 18, 2001



Daniel G. Kyle, Ph.D., CPA, CFE
Legislative Auditor

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ST. HELENA PARISH POLICE JURY
Greensburg, Louisiana

Dated March 12, 2001

Under the provisions of state law, this report is a public document. A copy of this report has been submitted to the Governor, to the Attorney General, and to other public officials as required by state law. A copy of this report has been made available for public inspection at the Baton Rouge office of the Legislative Auditor and at the office of the St. Helena Parish Clerk of Court.

April 18, 2001

ST. HELENA PARISH POLICE JURY
Greensburg, Louisiana

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March 12, 2001

**MR. CHARLES DAVIS, PRESIDENT,
AND POLICE JURORS OF THE ST. HELENA
PARISH POLICE JURY**
Greensburg, Louisiana

We have performed a limited examination of the St. Helena Parish Police Jury (police jury). Our examination was conducted in accordance with Title 24 of the Louisiana Revised Statutes and was performed to determine the propriety of certain allegations received by this office.

The accompanying report presents our findings and recommendations as well as responses from management of the police jury. We will continue to monitor the findings until the police jury resolves them. Copies of this report have been delivered to the Honorable Scott M. Perrilloux, District Attorney for the Twenty-First Judicial District of Louisiana, and other authorities as required by law.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Daniel G. Kyle".

Daniel G. Kyle, CPA, CFE
Legislative Auditor

GLM:GCA:lnl

[shepj]

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BACKGROUND

The St. Helena Parish Police Jury is the governing authority for St. Helena Parish. Six jurors representing six districts within the parish govern the police jury. The police jury has a road superintendent and six road supervisors, one for each district. The police jury has one maintenance yard that is located north of the Town of Greensburg.

The police jury receives funds from the state's Parish Transportation Fund. The statutory provisions of the Parish Transportation Fund (Louisiana Revised Statutes 48:751-762) require the police jury to administer the parish road system efficiently and centrally as a whole. This method of administration is commonly referred to as the "unit system."

Applying the concepts of the unit system to the administration of a road program, the police jury is required to implement a centralized accounting system, parishwide capital improvement plan, and selective maintenance programs based on the prioritization of projects developed collectively by the police jury. Expenditures are made only upon approval of the police jury as a whole and pursuant to a duly adopted budget. A centralized purchasing system must be implemented and work assignments are centrally scheduled and supervised by the parish road manager (road superintendent).

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METHODOLOGY

The Legislative Auditor received information relating to police jurors routinely spending time at the maintenance yard of the St. Helena Police Jury. We also received information regarding the lack of controls over fuel pumps (gasoline and diesel) at the maintenance yard.

We conducted a limited review of the police jury's procedures at the maintenance yard and a limited review of certain police jury records. A limited review is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Our procedures consisted of the following:

- (1) observing activities at the maintenance yard;
- (2) reviewing selected police jury records;
- (3) reviewing selected minutes of board meetings;
- (4) interviewing certain employees and jurors of the police jury;
- (5) reviewing applicable Louisiana laws and Attorney General opinions; and
- (6) making inquiries of other persons to the extent we considered necessary to achieve our purpose.

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CONCLUSIONS

The following summarizes the findings that resulted from this limited examination of the police jury. The Findings and Recommendations section of this report provides details for these findings. Management's responses are included in Attachment I.

1. The police jury may have violated the Louisiana Constitution and state law by using police jury employees, equipment, and materials to make a driveway on private property. (See page 6.)
2. The police jury is providing cover materials (which include equipment and labor costs) when installing culverts for the first time, which is in violation of the Louisiana Constitution and state law. (See page 7.)
3. The police jury does not use a weekly schedule of work to be performed as required by state law. In addition, police jury employees informed us that individual jurors are directing the work of jury employees, which is a violation of state law. (See page 8.)
4. The police jury does not have a parishwide capital improvement program as required by Louisiana law. (See page 9.)
5. Controls over the police jury's gasoline/diesel pumps at the maintenance yard need to be improved. (See page 9.)

The St. Helena Parish Police Jury has not complied with the provisions of the Parish Transportation Fund, which requires a parishwide system of road administration. This system includes (1) a parishwide capital improvement plan; (2) centralized purchasing of equipment and supplies; (3) a parishwide selective maintenance program that provides for a weekly schedule of the work to be performed by category; and (4) work assignments to be centrally scheduled and supervised by the parish road manager (road superintendent). There can be no parishwide system of road administration without a parishwide capital improvement plan and parishwide selective maintenance program. When work assignments are not centrally scheduled and supervised by the road superintendent, intervention by individual jurors will take place as evidenced in this report. When individual jurors are directing the work of jury employees, equipment, and materials, there can be no centralized purchasing of equipment and supplies.

The extent of noncompliance with the Parish Transportation Fund as disclosed in our findings provides convincing evidence that the police jury may be operating under the "ward system," which is unacceptable and completely contrary to Louisiana law. Under the ward system, individual police jurors determine the projects to be undertaken in their own wards. The individual police jurors supervise separate ward work crews and budget and spend money for projects in their wards only.

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FINDINGS AND RECOMMENDATIONS

Work on Private Property Violates State Law

The police jury may have violated the Louisiana Constitution and state law by using police jury employees, equipment, and materials to make a driveway on private property. Article VII, Section 14(A) of the Louisiana Constitution of 1974 prohibits funds, credit, property, or things of value of the state or of any political subdivision from being loaned, pledged, or donated to or for any person.

We observed police jury employees using police jury equipment (dump truck) and police jury gravel to make a driveway for a private residence. This occurred on February 21, 2001, at a private residence located on LA Hwy 37 (Greenwell Springs Road).



Private driveway provided by the police jury.

The road supervisor advised us that a juror told him to put the culvert in for the driveway and that it was standard procedure to dump gravel over the culvert. The road supervisor said that the gravel was supposed to be put only over the culvert. However, the police juror stated that he asked the road superintendent to check on whether the police jury could put in a culvert for this residence. He said that he did not authorize or direct that the culvert be put in. The police juror also said that when the police jury installs a culvert, gravel is dumped only on the culvert and is not used to make a driveway.

We also found another driveway leading to the same residence where the police jury had previously spread gravel. Gravel had been spread to make a driveway from the neighbor's driveway parallel to Hwy 37 to the private residence. (See picture below.)



Another private driveway provided by the police jury.

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Findings and Recommendations (Continued)

The road supervisor stated that the road superintendent directed him to spread this gravel. He said gravel was spread to enable the property owner to get to the residence until a culvert could be installed. The road superintendent stated that he was not aware of this because he was out on sick leave when the gravel was spread at this location. He said that if gravel was spread on private property, the juror directed it to be done. The police juror said that the road superintendent must have ordered this work to be done.

The police jury should (1) cease doing work on private property; (2) adopt an ordinance that prohibits police jury employees, materials, and equipment to be used on private property and if done, the employees involved will be immediately terminated; and (3) bill all residents for the costs (labor, equipment and material costs) incurred by the police jury for previous work done on private property or recover these costs through civil action.

**Police Jury Providing Cover Materials
When Installing Culverts Violates State Law**

The police jury is providing cover materials (which include equipment and labor costs) when installing culverts for the first time, which may violate the Louisiana Constitution and state law. Article VII, Section 14(A) of the Louisiana Constitution of 1974 prohibits funds, credit, property, or things of value of the state or of any political subdivision from being loaned, pledged, or donated to or for any person. In addition, Louisiana Attorney General Opinion (AG) No. 80-927 reaffirms that this is a violation of Article VII, Section 14 by providing that the police jury may not provide cover materials over culverts that are furnished by private individuals even though the culverts are within the parish right-of-way.

A police juror and a district road supervisor informed us that the first time a culvert is installed, the property owner pays for the culvert and the police jury installs the culvert. They stated that the police jury provides cover materials over the culvert but just on the right-of-way. We observed this practice on February 21, 2001, at a private residence where gravel was being used to make a driveway for said residence.

The police jury's policy relating to installing first-time culverts does not address cover materials. However, based on interviews with a jury employee and juror and on our observation, cover materials are being provided for first-time culvert installations.



The police jury should immediately cease providing cover materials when installing culverts for the first time. In addition, the police jury should consider inspecting the culverts only to ensure

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ST. HELENA PARISH POLICE JURY Greensburg, Louisiana Findings and Recommendations (Continued)

that property owners use the proper type and size culverts and that the culverts are installed at the proper grade.

Weekly Work Schedule Not Used

The police jury does not use a weekly schedule of work to be performed as required by state law. In addition, police jury employees informed us that individual jurors are directing the work of jury employees, which may violate state law. Louisiana Revised Statute (R.S.) 48:755(A)&(C) requires that each parish adopt a parishwide selective maintenance program that provides for a weekly schedule of the work to be performed by category. The program should be prepared and administered by the parish road manager. The parish road manager may authorize maintenance work not contained in the weekly schedule upon receipt of constructive notice of a defect in the parish road system and when, in the opinion of the parish road manager, the defect constitutes a hazard to public safety. In addition, R.S. 48:755(A) provides that the police jury should adopt a system of road administration which should require approval of the governing authority for any expenditures made out of this fund, and no member of the governing authority should expend any funds in his district without the approval of the parish governing authority.

A weekly schedule of work to be performed is not prepared. The acting road superintendent and the road superintendent informed us that jurors direct the road supervisors' duties. In addition, a road supervisor informed us that a juror directed him to put in a culvert (see Work on Private Property Violates State Law finding). Although jury employees informed us that jurors are directing specific work to be done, two jurors that we talked to denied directing the work of police jury employees.

The police jury should:

- Prohibit individual jurors from directing the specific work of jury employees
- Adopt a parishwide selective maintenance program that will provide for a weekly schedule of the work to be performed by category
- Require that the program be prepared and administered by the road superintendent
- Allow the road superintendent to deviate from the weekly work schedule only when he receives notice of a defect in the parish road system and when, in his opinion, the defect constitutes a hazard to public safety
- Require the road superintendent to maintain a record of the work so authorized and to give a full report to the police jury each month of all work done compared to the weekly work schedules

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Greensburg, Louisiana

Findings and Recommendations (Continued)

**Police Jury Does Not Have a
Parishwide Capital Improvement Program**

The police jury does not have a parishwide capital improvement program as required by Louisiana law. R.S. 48:755(A) requires the police jury to adopt a parishwide system of administration which should include the development of a capital improvement program on a selective basis. R.S. 48:755(B) provides that the parishwide capital improvement program should list all projects to be constructed during the fiscal year. The police jury should develop a parishwide program of construction of parish roads to be commenced the ensuing fiscal year. The program should be based on the anticipated revenues to be appropriated by the legislature and listed in a prioritized ranking based on parishwide needs and shall include overlay projects. The program should also list the projects that may reasonably be anticipated to be constructed in the following two years. The program should be adopted annually regardless of whether the police jury anticipates capital improvements in the first year of the plan.

The police jury should adopt a parishwide capital improvement program as required by R.S. 48:755(B).

**Need to Improve Police Jury's
Gasoline/Diesel Procedures**

Controls over the police jury's gasoline/diesel pumps at the maintenance yard need to be improved. Good controls over the use of gasoline/diesel for police jury vehicles require that complete pump records be maintained and reviewed periodically. This review will ensure that only police jury vehicles are receiving gasoline, vehicles receiving the fuel are properly identified, odometer readings are accurately recorded, and the amount of gasoline received by police jury vehicles is reasonable.

Two diesel pumps and one gasoline pump are located inside the fenced-in area of the maintenance yard located in Greensburg. Our review on February 21, 2001, of procedures for dispensing the gasoline/diesel revealed the following:

- All three pumps were turned on.
- All three pumps were not locked.
- All three pumps were unattended (the pumps are located about 50 yards from the maintenance/office area).

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Greensburg, Louisiana

Findings and Recommendations (Concluded)

- One log is maintained for diesel used and another is for gasoline. The person who dispenses the gasoline/diesel records on the log the date, vehicle description, number of gallons pumped, and signs the log. However, the logs do not include the vehicle odometer readings (when applicable) and the pump meter readings. The vehicle odometer readings (for those vehicles that have odometers) are necessary to determine the miles traveled between each refueling to calculate miles per gallon for each vehicle. The pump meter readings are necessary to reconcile the gallons of fuel dispensed with the number of gallons recorded as received by each vehicle.
- The logs are neither reviewed by police jury employees at the main office nor compared to gasoline purchased in bulk.

The police jury should:

- (1) keep the pumps locked when not being used and secure the access to the pump keys;
- (2) assign specific employees the responsibility of maintaining the logs;
- (3) schedule the times that vehicles may receive fuel;
- (4) provide a place on the log for the odometer readings (when applicable) and the pump meter readings;
- (5) prepare a monthly analysis or summary by vehicle that includes, at a minimum, the number of gallons received, miles traveled and miles per gallon (for those vehicles that have odometers);
- (6) reconcile the number of gallons received with the pump meter readings; and
- (7) present the analysis to the board during its regular board meeting.

Attachment I

Management's Responses

ST. HELENA PARISH POLICE JURY

POST OFFICE BOX 339 GREENSBURG, LOUISIANA 70441-0339 FAX (225) 222-6405



April 12, 2001

POLICE JURORS

RAY SMITH
District One
TOMMY CARTER
District Two
WILLIE J. MORGAN
District Three
FRANK E. JOHNSON
District Four
CHARLES DAVIS, SR.
District Five
DONALD RAY WILLSON
District Six

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Dear Dr. Kyle:

Upon review of the preliminary draft of the report on the examination of the St. Helena Parish Police Jury, we have taken steps to follow all of your recommendations.

The Parish Road Superintendent will oversee and direct the road maintenance employees and the use of equipment. Individual police jurors will not direct the specific work of the employees. We are preparing an ordinance for adoption by the Police Jury on April 24, 2001, which will prohibit employees from working on private property and provide for their termination if they do perform work on private property. The Road Superintendent is preparing cost estimates for work previously performed on private property.

We have also prepared a preliminary capital improvement program (road priority list) and the Road Superintendent is finalizing the plan for adoption by the Police Jury.

The Road Superintendent has assured the Police Jury that he will comply with your recommendations for weekly work schedules, maintaining records of all work that is authorized, and, he has locked the gasoline and diesel pumps and will maintain logs on gasoline and diesel that is used.

Very truly yours,

ST. HELENA PARISH POLICE JURY

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