

STATE OF LOUISIANA LEGISLATIVE AUDITOR

Corrections Services
Department of Public Safety
and Corrections
State of Louisiana
Baton Rouge, Louisiana

March 24, 1988

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Financial and Compliance Audit Division

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

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LEGISLATIVE AUDITOR

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

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**CORRECTIONS SERVICES
DEPARTMENT OF PUBLIC SAFETY
AND CORRECTIONS
STATE OF LOUISIANA
Baton Rouge, Louisiana**

**Management Letter
Dated February 24, 1999**

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, Shreveport, and New Orleans offices of the Legislative Auditor.

March 24, 1999



BARCELLO KYLLI, PRES. CHA. CTY.
LEGISLATIVE AUDITOR

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February 24, 1998

**CORRECTIONS SERVICES
DEPARTMENT OF PUBLIC SAFETY
AND CORRECTIONS
STATE OF LOUISIANA
Baton Rouge, Louisiana**

As part of our audit of the State of Louisiana's financial statements for the year ended June 30, 1998, we conducted certain procedures at the Department of Public Safety and Corrections - Corrections Services. Our procedures included (1) a review of certain departmental internal controls; (2) tests of financial transactions; (3) tests of adherence to applicable laws, regulations, policies, and procedures governing financial activities; and (4) a review of compliance with prior year report recommendations.

The June 30, 1998, Annual Fiscal Report of the Department of Public Safety and Corrections - Corrections Services was not audited or reviewed by us, and, accordingly, we do not express an opinion or any other form of assurance on that report. The department's accounts are an integral part of the State of Louisiana's financial statements, upon which the Louisiana Legislative Auditor expresses an opinion.

Our procedures included interviews with management personnel and other selected departmental personnel. We also evaluated selected documents, files, reports, systems, procedures, and policies as we considered necessary. After analyzing the data, we developed recommendations for improvement. We then discussed our findings and recommendations with appropriate management personnel before submitting this written report.

In our prior report on Corrections Services for the year ended June 30, 1995, we reported findings related to wardens who do not live on prison grounds, ineffective internal audit function, electronic data processing control weaknesses, and improper accumulation of compensatory leave. The findings were not resolved and are addressed again in this report.

Based on the application of the procedures referred to previously, all significant findings are included in this report for management's consideration. Management's responses to the findings are included in Appendix A.

**Improper Expenditures for
Food and Household Supplies**

The Louisiana State Penitentiary (LSP) Incarceration Program incurred expenditures of \$41,958 for 174 separate purchases of food and household supplies that do not appear to be consistent with the purpose of the program or otherwise allowable by state laws or regulations. Act 18 of the 1997 Regular Session of the Louisiana Legislature, the annual appropriation act, authorized expenditures for LSP's Incarceration Program. The

LEGISLATIVE AUDITOR

CORRECTIONS SERVICES DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONS

Management Letter, Dated February 24, 1999

Page 2

program description in the appropriation act states that the Incarceration Program "provides security, housing and clothing, nutritional services, and facility maintenance for approximately 4,876 maximum custody inmates."

Furthermore, Louisiana Revised Statute (R.S.) 42:1401(a) provides that employees of any public entity assume a personal obligation not to misappropriate, misapply, convert, misuse, or otherwise wrongfully take any funds, property or other thing of value belonging to the public entity in which they are employed.

Questionable expenditures included the following meetings or banquets:

- Pine Marshall's meetings: \$127 for pork loin, roast beef, smoked turkey breast, ham, fresh fruit, and desserts
- Religious revival banquets: \$991 for special cut steaks, chickens, lettuce, and tomatoes
- Pardon Board meetings: \$448 for crawfish tails, whole fryers, boneless chicken breast, ham, chicken, boneless brisket, gumbo mix, Uncle Ben's rice, spices, Kraft cheese, vegetables, bread, fresh fruit, Cool Whip, Blue Bell ice cream, cheesecake mix, Hostess macarons, Minute coconut, Slim Fast, Pine Sol cleaner, fish spring soap, Glade air freshener, toilettes, dryer sheets, and batteries
- Cowboys for Christ banquet: \$507 for whole chickens, red potatoes, Italian dressing, charcoal, and starter
- Chamber of Commerce meetings: \$609 for Zatarain's fish fry, Minute coconut, bread, fresh fruit, bell peppers, napkin holders, baking cups, pie server, plates, silverware, toothpicks, platter, bowls, trays, napkins, cups, skewers, bowls, charcoal, household cleaning supplies, Tide detergent, Love-My Carpet, 409 cleaner, and Klip & Glow cleaner
- Religious banquet: \$489 for whole fryers and potatoes
- United Way function: \$520 for smoky sausage, lettuce, tomatoes, pie plates, bowls, steaks, and napkins
- National Institute of Corrections (NIC) Deputy Director Conference: \$908 for ribs, chicken drumsticks, sausage, and whole chickens
- Camp D picnic: \$487 for moon pie

LEGISLATIVE AUDITOR

**CORRECTIONS SERVICES
DEPARTMENT OF PUBLIC SAFETY
AND CORRECTIONS**

Management Letter, Dated February 24, 1999

Page 3

- American Correctional Association (ACA) auditors: \$502 for sirloin tip roast, whole fryers, ground beef, quarter loin, boneless brisket, etouffee mix, Zatarain's gumbo file, Saran Whip, Orzo, spices, dressing, Joy dishwashing soap, and toilet tissue
- Food Department meeting: \$60 for roast beef, honey ham, potatoes, onions, bread, lettuce, and Karo syrup
- Bible College graduation: \$400 for ribs, lettuce, and tomatoes
- Social Workers Appreciation Week: \$384 for ribs, charcoal, and red potatoes
- Grand Jury meals: \$209 for crawfish, etouffee mix, fish fry, roast beef, ham, smoked turkey breast, spices, corn on cob, bread, onions, garlic, cake mix, chocolate chips, coconut, Orzo, Stouff stain remover, Renewal air freshener, Charmin tissue, and Joy dishwashing soap
- Lower Board meetings: \$853 for pork loin, hot and mild sausage, whole shakers, sirloin tip roast, turkey breast, roast beef, special ribs, charcoal, and lighter fluid
- Officer of Month awards banquet: \$360 for various meats, vegetables, potatoes, bread, fruit, paper plates, and cups
- Museum Dedication: \$457 for Cajun ham, Cajun turkey breast, Cajun roast beef, and fresh fruit
- Parole Board meetings: \$100 for quarter loin, crawfish tails, etouffee mix, rice, steak sauce, coconut, cheese cake mix, lettuce, potatoes, and Lay's potato chips
- Camp Wardens Appreciation dinner: \$430 for ribeye steaks, potatoes, tomatoes, charcoal, and lighter fluid
- Officer Appreciation Week: \$1,426 for lettuce, tomatoes, mayonnaise, mustard, onions, charcoal, lighter fluid--no purchases of meat were identified for this function
- K-9 visitors: \$445 for whole chickens and charcoal

LEGISLATIVE SOURCE

CORRECTIONS SERVICES DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONS

Management Letter, Dated February 24, 1999

Page 4

- Corp. of Engineers: \$295 for Slim Fast, charcoal, fresh fruit, coconut, potato chips, cake mix, oil, pepperoni, butter, cheese, and brand name cleaning supplies
- Fourth of July 1997: \$837 for charcoal and lighter fluid—no purchases of meat were identified for this function
- Fourth of July 1998: \$452 for charcoal and lighter fluid—no purchases of meat were identified for this function

These examples of questionable expenditures totaled \$13,287. Another 138 purchases of similar food and household supplies totaling \$23,202 did not have a description on the payment voucher explaining the purpose for the purchase. LSP failed to implement policies and procedures that would ensure that Incarceration Program expenditures related to the program's purpose. Furthermore, authorizing employees to shop for these items during their workday, purchase them with public funds, and eventually consume them may be a violation of a public employee's obligation not to misappropriate funds outlined in Louisiana law.

LSP should implement policies and procedures that will ensure expenditures are necessary, reasonable, and directly relate to the Incarceration Program's purpose described in the appropriation act. LSP employees should comply with Louisiana law and not misuse or otherwise wrongfully take public assets. Management did not concur with the finding and stated at the exit conference that they would request clarification from the Attorney General regarding the appropriateness of the expenditures. Management grouped the finding points into categories and responded to these categories, in part, as follows:

1. Items grouped by the department into category 1 totaled \$11,282.89 for food items and \$475.82 for computer labels. Examples of the purchases included holiday meals and "Camp D" movie receipts. Management stated, "None of the items grouped in category 1 were purchased for use or consumption by employees, guests, or any other individuals," but, rather were for inmates, and, therefore, justifiable. Management stated that holidays are a time of low morale for inmates and special meals, like bar-b-que, help to decrease violence.
2. Items grouped by the department into category 2 totaled \$10,753.78 for food items and \$923.85 for cleaning and household supplies. Examples of the purchases included the Fire Marshal meeting, Parson Board meetings, Chamber of Commerce meeting, National Institute of Corrections training programs, American Correctional Association

LEGISLATIVE AUDITOR

**CORRECTIONS SERVICES
DEPARTMENT OF PUBLIC SAFETY
AND CORRECTIONS**

Management Letter, Dated February 24, 1999

Page 5

acceleration visits, a Grand Jury visit, Lewis Board meetings, the museum dedication, Parole Board meetings, and K-9 visitors. Management stated, "Each of the food purchases was made for the purpose of providing meals to official guests," as allowed by Department Regulation A-68-004.

3. Items grouped by the department into category 3 totaled \$4,084.97 for food items and \$290.29 for cleaning supplies. Management stated, "It is the policy of the department to allow wardens and other unit heads to acknowledge the significant contribution and dedication of the employees of the department in accomplishing its mission by conducting employee appreciation events." Management also noted, "Correctional Officers who comprise 50% of the department's workforce are the lowest paid in the nation. . . ." Management concluded with an opinion that the incidental meals do not offend Article VII, Section 14(A) of the Constitution.
4. Items grouped by the department into category 4 totaled \$2,947.32 for food items purchased for banquets and other functions for inmate religious organizations. While these functions are often paid for by the related religious organization, the ones in question did not have a source of funding and LSP paid the cost. Management stated, "The presence of religious programming is absolutely essential for the 'moral rehabilitation' of the inmates."
5. Items grouped by the department into category 6 totaled \$389.61 in cleaning supplies for state facilities, and, as such, management felt the expenditures were properly coded and charged.
6. Items grouped by the department into category 6 totaled \$1,178.35 in food items that should have been charged to the Rodeo Fund. The department's Rodeo Fund will reimburse the General Fund.
7. Items grouped by the department into category 7 totaled \$9,517.26 for food items and \$1,375.97 for cleaning supplies. Management stated, "These expenditures are for meals served during various executive staff meetings held during the noon hour." Management expressed that because these employees are not paid for the lunch hour, the benefit of working through lunch outweighed the cost of the meal.

Management also noted that \$351.85 in expenditures for certain items have been reimbursed (see Appendix A, page 7).

LEGISLATIVE AUDITOR

CONNECTIONS SERVICES
DEPARTMENT OF PUBLIC SAFETY
AND CORRECTIONS

Management Letter, Dated February 24, 1999

Page 8

Additional Comments: We offer the following in response to management's comments:

1. The vouchers for these expenditures did not include an adequate description of the reason for the purchase, or whether the items were purchased for use or consumption by inmates, employees, special guests, or other individuals.
2. The department cites Department Regulation A-05-004 as authorization to serve meals to "official guests." Employees should not be considered official guests and should reimburse the department for the cost of their meals. Furthermore, the vouchers did not include lists of persons attending or references to matters discussed at the meetings to determine if the meeting met the purpose of the program.
3. The finding included four items totaling \$2,619 that were specifically identified as appreciation dinners. Effective July 1, 1995, after the audit period, the Civil Service Commission adopted Rule 8.50.1 allowing employee recognition and rewards, provided Civil Service has approved the policies and procedures established by each department in advance of the recognition program being held. The department's Rewards and Recognition Awards Policy was approved by the Civil Service Commission with an effective date of January 1, 1999. However, the documentation for the meals did not include a list of participants.
4. The use of public funds to purchase items for banquets and other functions for inmate religious organizations appears to be a violation of the Louisiana Constitution of 1974, Article VII, Section 14(A). The vouchers also did not include a list of employees, guests, or inmates attending.
5. Pine cleaner, glass cleaner, disinfectants, various soaps, and other janitorial products are manufactured by Prison Enterprises. Therefore, many of these cleaning supplies, as well as other household and cleaning supplies cited, could have been purchased from Prison Enterprises, possibly at a reduced cost, which would have benefited the department.
6. As the department states, the wrong program was charged. The vouchers for these expenditures did not include an adequate description of the reason for the purchase, or whether the items were purchased for use or consumption by inmates, employees, special guests, or other individuals.

LEGISLATIVE AUDITOR

CORRECTIONS SERVICES DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONS

Management Letter, Dated February 24, 1999

Page 7

7. LSP could have saved at least \$9,517 by scheduling staff meetings at times other than the noon hour. In addition, documentation for the meal did not include the name and title of each person attending the staff meeting.

Improper Procurement Practices

LSP did not comply with state purchasing laws and regulations. P.S. 30-1590 provides that any procurement not exceeding the amount established by executive order of the governor may be made in accordance with small purchase procedures prescribed by such executive order, except that procurement requirements shall not be artificially divided so as to constitute a small purchase. The governor's Executive Order Number MJP 89-14, (replaced by Executive Order MJP 95-20 dated May 4, 1995) Section 3(A), defines the purchasing requirements in part as (1) purchases up to \$500—no competitive bidding is required and (2) purchases over \$500 not to exceed \$2,000 must be made by telephone or facsimile quotations solicited from at least three bona fide, prospective bidders and selection made on the basis of the lowest responsive quotation received.

Questionable expenditures included:

1. One hundred thirty-seven disbursements for 181 separate purchases of food and household supplies during the fiscal year. One hundred eighty of the purchases were for less than \$500, thus avoiding the competitive bidding and state contract requirements. These purchases were primarily from two grocery stores, a discount store, a warehouse club, and a food distributor.
2. The following purchases from one vendor were made in stages, reducing the individual amounts below the level requiring quotes:
 - Two separate purchases of onions, lettuce, and tomatoes for \$499 each were made two days apart.
 - Two separate purchases of margarine for \$484 each were made six days apart.
 - Two separate purchases of baking powder for \$408 each were made three days apart.
 - Two separate purchases of lettuce and tomatoes for \$499 and \$325 were made four days apart.

LEGISLATIVE AUDITOR

**CORRECTIONS SERVICES
DEPARTMENT OF PUBLIC SAFETY
AND CORRECTIONS**

Management Letter, Dated February 24, 1985

Page 5

3. During the fiscal year, there were 37 other purchases totaling \$17,510 from the same vendor noted in item number 2 for products, food seasoning, and meat. Some purchases were one day apart. Invoices ranged from \$287 to \$466.

Management has not placed adequate emphasis on compliance with the procurement code. Failure to comply with the procurement code increases the risk that the best price will not be obtained and that public funds may be misspent.

LSP should comply with purchasing regulations and should not artificially divide purchases to circumvent those regulations. In response to item 1, management partially concurred and expressed that it will make an effort to ensure that low dollar orders are kept to a minimum and used only when necessary. In response to items 2 and 3, management concurred with the finding and outlined a plan of corrective action (see Appendix A, page 17).

**Wardens of Louisiana State Penitentiary
and Dixon Correctional Institute
Do Not Live on Prison Grounds**

For the third consecutive year, the wardens of LSP and Dixon Correctional Institute (DCI) do not reside at their respective institutions. It would be prudent for the department to employ the most effective methods relating to its housing and vehicle expenses and the on-site management of its correctional institutions by providing housing for the wardens of LSP and DCI at their respective institutions.

We have been informed that the current LSP warden does not reside at the institution because the warden's residence at Angola has been seriously damaged. The LSP warden was appointed to that position on March 23, 1985, and was previously employed as the warden of DCI at Jackson, Louisiana. However, he continues to reside in a house at DCI, approximately 34 miles one-way from LSP. As a result, the department is currently incurring additional commuting costs for him to travel back and forth from DCI to LSP.

In addition, the current DCI warden receives a housing and subsistence allowance totaling \$9,000 per year, and the department is incurring additional commuting costs because he has been displaced by the LSP warden. The DCI warden resides in a private home approximately seven miles from the institution and, as a result, neither warden is on-site to address emergencies at their respective institutions.

The department should review the housing arrangements at LSP and DCI, and give consideration to providing housing to the wardens at their respective institutions to

**CORRECTIONS SERVICES
DEPARTMENT OF PUBLIC SAFETY
AND CORRECTIONS**

Management Letter, Dated February 24, 1999

Page 9

provide for immediate on-site availability. Management did not concur with the finding and recommendation (see Appendix A, page 19).

**Inadequate Controls Over Federal
Program Reports and Expenditures**

Corrections Services did not maintain adequate documentation for the calculation of the allowable rate of foster care maintenance payments for all residential care facilities in the program. Furthermore, the Office of Youth Development did not establish controls to ensure that accurate Administrative Claim Information Reports are prepared. The department overstated its "attributable administrative expenditures" associated with the Foster Care - Title IV-E Program (CFOA \$3,658) in its Administrative Claim Information Report to the Louisiana Department of Social Services (DSS). The department obtains funds for the program from the U.S. Department of Health and Human Services through an interagency agreement with DSS. Failure to maintain an adequate system of controls over the Title IV-E Program reports and expenditures increases the risk of noncompliance with federal laws and regulations.

The Code of Federal Regulations (45 CFR 1356.55) requires attributable administrative expenditures eligible for reimbursement by the U.S. Department of Health and Human Services to be supported by documentation. For fiscal year 1998, the department reported to DSS "estimated" attributable administrative expenditures of \$2,304,426 instead of "actual" attributable administrative expenditures of \$2,385,295, an overstatement of \$8,131.

In accordance with the interagency agreement between DSS and the department, DSS pays the department for foster care maintenance payments based on a rate established by the DSS Bureau of Rate Setting. The department did not have adequate documentation to determine the rate used for 6 of the 21 (29%) residential care facilities selected in a sample. Without documentation, the proper rate and resulting overpayment or underpayment cannot be determined. In addition, the department's request for one residential care facility exceeded the allowable rate by \$.75 per day, per resident, resulting in DSS overpaying the department by \$1,368 for that facility.

Management of the department should establish controls to ensure that accurate Administrative Claim Information Reports are prepared, that documentation for allowable rate of foster care maintenance payments is maintained, and that requests for payment from DSS for foster care maintenance payments are accurate. Management concurred with the finding and recommendation and outlined a plan of corrective action (see Appendix A, page 20).

**CORRECTIONS SERVICES
DEPARTMENT OF PUBLIC SAFETY
AND CORRECTIONS**

Management Letter, Dated February 24, 1999

Page 10

**Improper Accumulation of
Compensatory Leave**

For the second consecutive year, Corrections Services has not complied with Civil Service Rule 51.25 regarding the accumulation of straight-time compensatory leave. Civil Service Rule 11.39 requires that no more than 45 working days, or 360 hours, of compensatory leave be carried forward into the next calendar year. The compensatory balance can fluctuate above that amount during the year; however, as of December 31, each year, an employee's compensatory leave balance must be reduced to a maximum of 360 hours. Allowing more than 360 hours to be carried forward and used would violate Article VIII, Section 14 of the Louisiana Constitution of 1874, prohibiting the donation of a thing of value (salary) of the state to a person.

Internal departmental regulation A-50-002 of Corrections Services, Section 7-1-4(b), states that employees may accumulate and carry forward (to the next calendar year) an amount of hours equivalent to a maximum of 45 working days of straight-time compensatory leave. The department regulation defines the equivalent of 45 working days as 360, 450, or 540 hours depending on whether the employee normally works an 8-, 10-, or 12-hour day. Consequently, the department's hourly definition of 45 working days is not consistent with Civil Service's definition that limits the carry forward to 360 hours.

Our test of straight-time compensatory leave balances as of December 31, 1997, found that 670 of 7,234 employees (9.3%) had balances ranging from 1 to 1,281.5 hours in excess of 360 hours. Exceptions were detected in 12 of 13 budget units. These excessive balances were carried forward into January 1998, in violation of the Civil Service rule. Based on the exceptions, the risk exists that employees will be allowed to use and/or be compensated for compensatory time in excess of Civil Service rules.

The department should amend its regulations to ensure compliance with Civil Service rules for compensatory leave. Management responded that the department will continue to work with the Civil Service Commission in proposing a Civil Service rule change that will more clearly accommodate the work schedule of the department's workforce (see Appendix A, page 27).

Inadequate Use of Internal Audit Division

For the ninth consecutive year, Corrections Services did not effectively use its resources, including its internal audit division staff, to evaluate the adequacy of its accounting controls. The department created an internal audit division in May 1994. However, because of other management priorities, the department has not effectively used the internal audit division as follows:

LEGISLATIVE AUDITOR

**CORRECTIONS SERVICES
DEPARTMENT OF PUBLIC SAFETY
AND CORRECTIONS**
Management Letter, Dated February 24, 1998
Page 11

1. A comprehensive risk-based plan for internal audits has not been prepared.
2. The division does not have an audit charter or audit policies that address specific auditing standards to be followed in conducting internal audits.
3. The internal audit reports issued during the year ended June 30, 1998, did not identify the auditing standards followed.
4. For the year ended June 30, 1998, the internal audit division did not perform internal audits on the following:
 - Corrections Services Administration program expenditures of \$17,666,221, which includes the Office of the Secretary, Office of Management and Finance, Pardon Board, Parole Board, and Adult Services.
 - Sheriff's Housing of State inmates program expenditures of \$91,767,119, which paid approximately 111 local government law enforcement entities to incarcerate an average of 11,428 state inmates each month.
 - Office of Youth Development program expenditures of \$82,944,543, which included payments of \$99,559,977 to 71 contract programs to house or monitor juvenile offenders.
 - Adult Probation and Parole program expenditures of \$32,432,079, which has 21 district offices that collected \$7,996,649 from persons on probation or parole.
 - Federal program expenditures of \$1,113,099.
5. Although the division completed several operational reviews of adult and juvenile institutions and work release centers during the year ended June 30, 1998, those reviews did not address significant self-generated revenues, nonpayroll expenditures, various inmate accounts, or data processing controls.

Considering the size and diversity of the department, with assets of \$68,370,536 and revenues of \$506,149,619, as of and for the year ended June 30, 1998, an effective internal audit function is needed to provide management with assurance that the assets of the department are properly safeguarded, internal controls are established and

LEGISLATIVE AUDITOR

CORRECTIONS SERVICES DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONS

Management Letter, Dated February 24, 1999

Page 12

operating in accordance with applicable laws and regulations, and procedures are sufficient to prevent or detect errors and/or fraud in a timely manner.

Corrections Services should effectively use the internal audit division to evaluate the adequacy of accounting controls. Management did not concur that the internal audit division was not used effectively. However, management did concur that an adequate internal audit function is needed for the department and that accomplishment of the items enumerated in the finding would increase its effectiveness. Management stated that the department has repeatedly requested additional internal audit resources in its budget and has repeatedly been denied (see Appendix A, page 24).

Electronic Data Processing Control Weaknesses

For the second consecutive year, Corrections Services has not established adequate internal controls over electronic data processing (EDP) to ensure that the integrity of data is maintained. Adequate internal controls require that individuals be permitted business-need-only access to data files and functions necessary to perform their normal duties.

The department has no written procedures pertaining to the deletion of User ID codes once an employee terminates or no longer has a legitimate need for access. Furthermore, the department does not have adequate supervisory review to ensure that employees do not have greater access than their business need.

Our tests of controls for users with access to the Advantage Financial System (AFS) and the Advanced Governmental Purchasing System (AGPS) disclosed the following:

- Six out of 148 AFS users reviewed were terminated and their User ID codes were not deassigned.
- Eleven out of 300 AGPS users were terminated and their User ID codes were not deassigned.

Failure to establish adequate controls in an on-line data entry environment could result in the loss of data and the failure to prevent or detect errors or fraud in processing transactions.

Corrections Services should develop written procedures to ensure the timely deletion of AGPS and AFS User IDs after an employee is terminated or transferred and to provide for an adequate supervisory review of access granted to employees. Management

LEGISLATIVE AUDITOR

CORRECTIONS SERVICES DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONS

Management Letter, Dated February 24, 1969

Page 13

occurred with the finding and recommendation and outlined a plan of corrective action (see Appendix A, page 26).

Unfavorable Budget Variance

Corrections Services incurred expenditures of \$398,408 in excess of those authorized by the Louisiana Legislature for Sheriff's Housing of State Inmates, one of its budget units. Act 18 of the 1967 Regular Session of the Louisiana Legislature, the annual appropriation act, and subsequent amendments approved by the Joint Legislative Committee on the Budget, authorized expenditures of \$81,900,589 for Sheriff's Housing of State Inmates. In its Annual Fiscal Report to the Division of Administration, the department reported expenditures for the fiscal year of \$91,787,119. The department did not report expenditures of \$623,800 applicable to the 1968 fiscal year that were paid with appropriations of the 1969 fiscal year. Therefore, the department incurred expenditures totaling \$82,391,001 for the 1968 fiscal year resulting in a deficit of \$398,408 for the budget unit. The department was aware of the excessive expenditures but did not take timely action to request a budget increase.

The department should monitor its budget more closely and take immediate corrective action when projected expenditures exceed budgetary authority. Management expressed that it is difficult to develop a precise estimate of funding needs with a high degree of confidence because of a number of factors including the uncertainty in the number of beds available and used for state inmates at the local level. Management further stated that the department is continuing its efforts to provide for better budget projections in the future. At the exit conference, management stated that the department is required by state law to incarcerate individuals convicted of a crime that subjects them to confinement by the state. Incarceration may be in either a state institution or local jail. If confinement is in a local jail, the department is required to pay the governing authority \$21 per inmate per day they are confined, regardless of budget constraints (see Appendix A, page 27).

The recommendations in this report represent, in our judgment, those most likely to bring about beneficial improvements to the operations of the department. The varying nature of the recommendations, their implementation costs, and their potential impact on the operations of the department should be considered in reaching decisions on courses of action. The findings relating to the department's compliance with applicable laws and regulations should be addressed immediately by management.

LEGISLATIVE AUDITOR

**CORRECTIONS SERVICES
DEPARTMENT OF PUBLIC SAFETY
AND CORRECTIONS**

Management Letter, Dated February 24, 1999

Page 14

This report is intended for the information and use of the department and its management. By provisions of state law, this report is a public document, and it has been distributed to appropriate public officials.

Respectfully submitted,



Daniel G. Kohn, CPA, CFE
Legislative Auditor

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am:es

Appendix A

Management's Corrective Action Plans and Responses to the Findings and Recommendations

DEPARTMENT OF
PUBLIC SAFETY AND CORRECTIONS



DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONS

HOWARD J. DODD, SECRETARY

January 12, 1999

Dr. David G. Kyle, CPA/CPE
Legislative Auditor
P. O. Box 94197
Baton Rouge, LA 70894-0197

re: *Improper Expenditures for food and household supplies*

Dear Dr. Kyle:

Please find enclosed response prepared by the Louisiana State Penitentiary in justifying the expenditures questioned in the above finding.

Sincerely,

Handwritten signature of Edward R. 'Trey' Bandrean, III in cursive.

Edward R. "Trey" Bandrean, III
Undersecretary

cc: Richard J. Dodder, Secretary
Darl Cain, Warden/LSJ
Ron Granger, Chief Fiscal Officer

**RESPONSE TO LEGISLATIVE AUDIT REPORT of December 18, 1998
Louisiana Department of Public Safety and Corrections**

Expenditures for Food and Household Supplies

The administration of Louisiana State Penitentiary received an audit report from the Office of the Legislative Auditor on December 18, 1998. The report questioned various purchases for food and household supplies throughout fiscal year 1997-1998 as they relate to the mission of the Incarceration Program. The Incarceration Program encompasses all security and related costs. It also includes other services in keeping with the goal of providing for the custody and care of persons committed to the department's custody.

The expenditures questioned by the Auditor have been sorted by category on the attached spreadsheet (Attachment 1). The following narrative explains each subsection of the spreadsheet by number.

1. The items grouped in category 1 total \$11,392.89 for food items purchased for consumption by inmates at Louisiana State Penitentiary and \$475.82 for computer labels. The purchase of computer labels was made to replenish depleted stock.

Some of the food purchases were for special meals on holidays (Thanksgiving, 4th of July, etc.). The audit report specifically questioned why charcoal and lighter fluid was purchased for these functions when they found no purchases for meat. Each prison camp has on-site a bar-b-que pit as bar-b-que meals are served on various holidays. These special meals help keep morale up, thereby reducing violence and disciplinary problems throughout the institution. Holidays are typically a time of low morale for the inmate population and violence increases during those times. We put forth special effort during holidays to use various measures to reduce incidents within the prison to maintain stability— special meals is but one of those measures. The inmates are served a traditional 4th of July barbecue. There are no meat purchases identified in the documents reviewed, as the meat was issued to each housing location through warehouse withdrawals of warehouse stock.

An expenditure of \$467 for "Camp D movie receipts" was questioned. A location agreement between LSP and Universal Pictures for a motion picture entitled "Out of Sight" was executed to commence on October 14, 1997 and to not extend beyond November 12, 1997. This major motion picture, which was originally set in Florida, was filmed at Louisiana State Penitentiary and at two other Louisiana locations, largely due to the fact that the production company decided that LSP was the best prison location for filming. This decision was based on the ability of film makers to feel safe while filming, an location is an environment that also enhanced their production. The use of inmate canteen, design and construction of movie sets made preliminary meetings in which to discuss security matters a necessity. Therefore, meetings were held with key staff members prior to the beginning of filming, and throughout the production. The movie company's location fee was \$2,508.00

to the Louisiana State Penitentiary Inmate Welfare fund and a \$7,500.00 in-kind contribution to Louisiana State Penitentiary. A portion of the movie was filmed at Camp D. As filming on that particular day ran late in the evening, the inmates eaten were provided a "snack". The recipients were necessary and essential as the workday was prolonged and extra food was needed in order that filming would not be interrupted. Providing food to the inmates is in keeping with the mission of the Incarceration Program. In addition, this movie had a positive economic impact on the State of Louisiana.

None of the items grouped in category 1 were purchased for use as consumption by employees, guests, or any other individuals.

2. The items grouped in category 2 total \$10,769.76 (not including \$13.57 for reimbursed costs) for food items and \$823.63 for cleaning and household supplies.

Each of the food purchases was made for the purpose of providing meals to official guests. Departmental Regulation A-06-084, authorized by Chapter 9 of Title 38, specifically authorizes Warden to furnish meals for official guests at no charge when in their opinion it is in the best interest of the state. This in and always has been a common occurrence at LSP. Due to the notoriety and size of LSP, a large number of guests and officials tour, meet and conduct business at the institution. On occasion, it is necessary to serve meals to official guests because of the extreme remote location of the prison. The nearest dining location to the penitentiary is fifty miles away. Other wardens have applied the same departmental regulation in the past at Angola.

All of the meals served were served to official guests and the LSP staff members who facilitated the meetings.

Fire Marshal Meeting

In 1983, Louisiana State Penitentiary was cited for numerous Health Department and Fire Marshal violations. The State Fire Marshal as established by La. R. S. 40:1561 et seq, has the duty to take all steps necessary and proper to protect life and property from the hazards of fire and the panic which may arise from fire or the threat of fire or explosion. The State Fire Marshal and LSP must work in close co-existence on renovations and new construction so as to insure the complete safety of staff and inmates. Many discussions are held during lunch, where plans and drawings for renovations/construction can be laid out and thoroughly discussed.

Parole Board Meetings

This board is appointed by the Governor. R.S. 15:572.2 provides for reimbursement for members for necessary travel and other expenses actually incurred in the discharge of his duties. As members' official domicile vary, members are eligible for meal reimbursement for the noon meal when at Louisiana State Penitentiary. Meals served by the institution, at the institution, provide an economic savings to the state. As the nearest restaurant to the prison is over 30 miles away from the institution, travel time to and from such an establishment must be considered. Valuable time would be lost if members were not provided a meal at the institution. R.S. 15:572.2 further provides for reimbursement of Parole Board members' actual expenses incurred. The cost of the meal provided by the state is far less than the expense of a meal served at a restaurant.

Chamber of Commerce Meeting

The St. Francisville Chamber of Commerce has held a meeting at Louisiana State Penitentiary after normal business for the past three years. In keeping with LSP's mission statement to "maintain and improve credibility with the general public and the local community", chamber members were provided a tour of the penitentiary prior to their meeting. The mission statement of the Chamber of Commerce specifically states that "The Chamber is actively involved in economic development, governmental affairs, community development, education, ..." In order to further our own mission and goals, it is imperative that meaningful communication be established with community leaders, many of whom are members of the Chamber of Commerce.

LSP uses the chamber meetings at LSP as an opportunity to request local officials to actively participate and assist in our recruiting efforts by referring local unemployed citizens to LSP for job consideration. The importance of this recruiting effort is evident at this time when a major strain on our budget is the payment of overtime due employee shortages.

In times of emergency, the St. Francisville community has willingly come to the assistance of the penitentiary. The St. Francisville community provided assistance to LSP during the flood of 1997 -- providing loading equipment to load dirt used to build a levee berm; providing space in a town facility for storage of inmate medical records and other vital LSP records during the threat of flood; making arrangements to reuse the Yonkers School facility for use as staff housing; and a picnic center in the event of evacuation of inmates.

National Institute of Corrections

The National Institute of Corrections hosted a deputy directors conference in Louisiana during October, 1997. The NIC and the Louisiana Department of Corrections share the belief that it is important to develop and promote effective standards for the care, custody, training, and treatment of offenders. It is important, as well as helpful, in this endeavor to visit with professionals from different criminal justice systems and discuss matters of mutual concern and/or interest with administrators. Contacts made in other states have greatly improved LSP's ability to network with other criminal justice professionals. This has, in turn, led to the establishment of a greater pool of resources. LSP has been chosen by both the National Institute of Corrections and the American Correctional Association as a pilot site when there are conferences in our state.

The NIC across the nation in correctional training programs and Louisiana must compete for training slots. Visits such as this benefit Louisiana and Louisiana State Penitentiary through the exchange of information and new ideas regarding efficient and safe incarceration.

ACA Audits

A primary goal of Louisiana State Penitentiary (as stated in its Mission Statement) is to "maintain accreditation through the American Correctional Association and the Commission on Accreditation", which will further our goal to improve LSP's overall operation, programs and effectiveness. In addition, maintenance of accreditation will assist in maintaining and improving credibility with the general public and local community.

During November, 1996, LSP's first re-accreditation audit was performed. LSP scored 97.9% on non-mandatory standards and 100% on mandatory standards established by the American Correctional Association. This re-accreditation represented the satisfactory completion of a rigorous self-evaluation, followed by an outside review by a team of independent auditors. In an effort to insure maintenance of ACA standard compliance, a team of HQ and other DOC facilities auditors conduct semi-annual reviews. Throughout the course of these reviews, the auditors inspect all areas of the prison. During this time, auditors are able to provide direct communication with key staff who are responsible for maintaining accreditation standards. Staff are provided the opportunity to ask questions concerning standards for re-accreditation. At the conclusion of the audit process, an exit interview is conducted which provides auditors with the opportunity to comment on and discuss their findings. Such discussion and direct interaction between staff members and the audit team is critical to our success when preparing for our next re-accreditation effort, which is scheduled for November 1999.

Grand Jury

The grand jury, under Article 444C of the code of Criminal Procedure "may make such reports as are authorized by law." In the Parish of West Feliciana, the Courts require the grand juries to inspect Louisiana State Penitentiary and return its report in open court. Such reporting insures the operation of the prison are of an acceptable nature. Just as petit juries are provided meals during a trial, in this instance the grand jury was provided a meal during its tour of Louisiana State Penitentiary.

This visit also provides a forum to encourage the grand jury to support LSP when criminal charges are brought against employees, visitors, or inmates in an effort to discourage violence and/or introduction of contraband, both of which could cause instability within the prison.

Levee Board Meetings

These "levee board meetings" were with representatives of the Louisiana National Guard and/or the United States Army Corps of Engineers. The LSP levee is owned by the State of Louisiana and is the only levee along the Mississippi River that is not part of the U.S. Army Corps of Engineers levee system. The flood in the spring of 1997 caused great concern regarding the impact of a major flood and the disruption and extensive costs associated with the evacuation of the inmates at LSP. The Corps of Engineers has proposed to construct features to provide LSP with a level of flood protection equivalent to the Flood Control, Mississippi River and Tributaries Project. These meetings were to address flood damage reduction measures for LSP, consisting of enlargement of the existing levee, construction of escape berms and relief walls, replacement of an existing concrete double culvert structure in the existing levee, restoration of conveyance capability of an exterior intercepted drainage channel, and relocation of the mitigation feature from the Soggy Lake area to the Monkey Island area. Such planning meetings are critical to the safety of staff and inmates, as well as the safety of the general public.

The Corps of Engineers plans to spend \$38 million on the LSP levee system. Corps representatives drive or fly to LSP, arriving at 9:30 or 10:00 a.m. To leave the institution and travel 130 miles to lunch, returning 30 miles to continue meetings would result in a 2 hour lunch delay. This makes it imperative that lunch be served at LSP. Staff kitchens were dismantled years ago and business cannot be conducted in a noisy inmate dining room. There is no alternative for maximum time utilization but to serve lunch at the institution.

Museum Dedication

In 1995, the Bank of Commerce donated the old bank building which was formerly the Angola Branch of the St. Francisville facility to Louisiana State Penitentiary. As the building is located on prison grounds, just outside of the front gate facility, a decision was made to establish a museum to preserve the rich history of Angola, the state's only maximum security prison. The museum presents a history of the penitentiary and provides an educational experience to help the public understand the history of imprisonment in Louisiana. The Louisiana State Penitentiary is the only prison museum in the southern United States operated under the auspices of an active prison. During 1996 and 1997 items for museum exhibits were collected from various offices at Angola, Headquarters, State Archives, and the State Museum in New Orleans. An advisory board was established, consisting of members of the West Feliciana community and several Louisiana university faculty members (Southern University, Louisiana State University, Louisiana Tech University, University of Southwestern Louisiana). These advisory board members serve on a volunteer basis. The official "grand opening" and dedication of the museum was held on April 17, 1998. As the museum represents a major tourist attraction for the Felicitanos, local and state dignitaries were invited to attend the ceremony. The guest speaker for this significant event was Mr. Phillip Jones of the Department of Culture Recreation and Tourism. Refreshments were available for guests. No formal meal was served.

The Department is committed to supporting the public's expectations of incarceration, while working to develop, implement and support alternatives to traditional correctional practices. Such alternatives permit efficient and effective allocation of new and existing resources for prevention initiatives. The Department has launched a full-scale effort to develop a primary crime prevention program that incorporates initiatives to positively impact children. While duty bound as a state correctional system to protect public safety and promote order and discipline first, the Department can expand its mission and impact. The LSP Museum is part of this crime prevention initiative. The museum is an integral part of "team" organized to bring at risk youth to the penitentiary in order to help change their lives as incarceration may not be in their future.

In addition to providing an education experience for the at-risk youth, the museum log reflects visitors from all over the United States, as well as many foreign countries. The positive economic effect on Louisiana is immeasurable.

Board Board Meetings

(Same as above - Parden Board meetings) R.S. 15:574.2 provides for reimbursement for necessary travel and other expenses actually incurred in the discharge of his duties.

Key Findings

They trainees assemble and exchange techniques, just as lawyers and doctors go to continuing education. For a number of years, Angiola has been the site for an annual inmate training conference. Law enforcement officers from all across the state participate in this training event. It is through training sessions such as this, coupled with the networking of law enforcement officers, that we are able to further develop security components of the institution. Members of the Louisiana State Penitentiary Chase Team also participate in the training sessions. It is vital to the success of our contingency plans for apprehension of an escapee that we maintain a cadre of highly trained professionals as members of the Louisiana State Penitentiary Chase Team. This enables us to ensure the safety of staff, inmates, and the general public in the event of an escape. Interaction and cooperation between various law enforcement officials is essential to public safety.

The \$20,65 in household and cleaning items was purchased for the proper sanitary maintenance of state owned facilities.

3. The items grouped in category 3 total \$4,094.57 for food items and \$280.39 for cleaning and other household supplies.

It is the policy of the department to allow wardens and other unit heads to acknowledge the significant contribution and dedication of the employees of the department in accomplishing its mission by conducting employee appreciation events. These events are funded with public funds and normally include the provision of a low cost meal prepared at the institution. (These are not meals purchased in restaurants). These functions are consistent with the current philosophy of the State Department of Civil Service and the Division of Administration as outlined in the attached letter from Allen H. Reynolds, Director of Civil Service approved by Commissioner of Administration, Mark C. Thomas.

These activities are a significant management tool in sustaining the above average performance of staff in the face of below average compensation, hazardous duty conditions, emergency assistance responsibilities and other atypical characteristics of correctional employment. For example, Correctional Officers who comprise 55% of the department's workforce are the lowest paid in the nation according to the 1987 Corrections Yearbook. Even in the face of this, they continue to perform diligently and are the backbone of the department's successful and fully accredited operations throughout the state.

Chapter 9 of Title 36 authorizes the Secretary of the department to determine the policies of the department and to organize, plan, direct, administer, estimate and be responsible for the functions and programs vested in the department. It also grants him the authority to "employ, appoint, remove, assign, and promote such personnel as is necessary for the efficient administration of each office of the department and the performance of its powers, duties, functions, and responsibilities" and "to do such other things, not inconsistent with law, as are necessary to perform properly the functions vested in him." These functions are viewed as a fulfillment of the public duty or responsibility of the department in maintaining a sound personnel management system and the costs of such events is very small compared to the benefit.

It is our opinion that such programs with the incidental associated meal do not offend Article VII, Section 14(A) of the Louisiana Constitution relative to "...things of value of the State..." being "...donated to or for any person..." Mr. Robert Boland, Civil Service General Counsel, adopted the position that the recently approved employee bonus awards to civil servants also do not offend the Constitution, (even though they are direct cash payments.) Borrowing heavily from his analysis in response, our belief that such meals are allowable is based on the following points:

- A three-fold analysis must take part to determine whether or not a donation is acceptable within the limits of Article VII, Section 14(A).
- The first test is a general review of whether or not the agency makes the donation, (in this case, meals), consistent with some constitutional or statutory authority. In this case, as referenced earlier, Chapter 9 of Title 36 clearly provides statutory authority for these types of legitimate personnel management functions.
- The second and related test is whether or not the donation of the meals furthers the duties and responsibilities of the agency. Obviously, employee recognition functions for civil servants who work at great risk for comparatively low pay in a correctional environment qualify as a sound management practice and further our duties and responsibilities.
- Thirdly, a determination must be made relative to the value of that given by the employees compared to the value of that received, (meals in this example). In this case, our employees have enabled the full American Correctional Association (ACA) accreditation of our correctional system, (ranking us among the best in the nation). Their work has resulted in less violence in our units and fewer escapes than ever before in our history. Our programs are more varied and productive. Our participation in community policing efforts has helped to lower crime in Louisiana. The provision of over 15,000 man-hours per week of community service in litter pickup and other assistance has helped to improve the image of the State. While we could continue to list many other examples of enhanced service, we will not. The third test is met. The value received in the form of a prison cooked meal is not disproportionate to the value gained by the State.

The Attorney General has concluded that the giving of plaques, certificates and pins, (all very much items of value bought by the State and donated to persons), does not violate the constitution. It is inconceivable that a simple meal sharing an employee appreciation function at a prison would or could be considered any differently.

Also, included in this category were expenditures for meals served for the Capital Area United Way campaign at LSP. Employee morale is one of the most important factors in a work product at Louisiana State Penitentiary. United Way creates a bond between employees that no administration could ever create. This year a total of \$37,880 was contributed by LSP employees to support United Way. This bond helps build morale and creates an atmosphere within the work place of harmony and goodwill. It is in this environment that employees give above and beyond the call of duty. The United Way also supports and promotes many of the civic and community organizations that provide alternatives to incarceration for "at risk" youth. (Alcohol & Drug Abuse Council, C.Y.O., Big Buddy Program, Boy Scouts, Girl Scouts, Camp Fire Girls, Catholic Community Services, Children's Developmental Centers, Community Associations for the Welfare of School Children, Youth and Family Councils, Head Start Programs YMCA, YWCA). These programs assist in the State's effort to reduce crime and are actively supported through the United Way by the Louisiana Department of Corrections.

The \$180.29 in-household and cleaning items was purchased for proper sanitary maintenance of state owned facilities.

4. The items grouped in category 4 total \$2,943.32 for food items. These items were purchased for banquets and other functions for inmate religious organizations. These types of functions are usually paid for by the inmate organization if benefits, but the religious organizations in question do not or did not have a source of funding at the time of that particular function.

The mission statement of Louisiana State Penitentiary states "It is the philosophy of Louisiana State Penitentiary to provide services in a professional manner so as to protect the safety of the public, the staff and the inmate population. Consistent with this, it is LSP's responsibility to provide meaningful opportunities to enhance -- through a variety of education, work, social service and medical programs -- the individual's desire to become a productive member of society. In addition, LSP has set a goal (as referenced in its mission statement) to improve LSP's overall operations, programs, and effect; recruit and to maintain and improve credibility with the general public and the local community.

The practice of religious programming is absolutely essential for "moral" rehabilitation. Religious inmates are more peaceful, easier to manage, and have a calming effect on others. We encourage community religious organizations to conduct bible studies and religious programs in the institution. It is our belief that these people are "messengers" to the silent majority regarding positive conditions of confinement. Participation in such programs assists in the "individual's desire to become a productive member of society". Such programming and rehabilitative efforts are vital to the security of the institution.

Strong religious programs promote a "safe haven" for inmates who would otherwise become "victims" in an institutional setting. They also provide an opportunity to belong to a group that promotes goodwill instead of one that promotes violence, such as inmate gangs that are so prevalent in many of the country's institutions. It is the philosophy of Louisiana State Penitentiary to promote religion to the fullest extent in order to have a more peaceful and safe environment.

As of June 30, 1988, Louisiana's incarceration rate was 710 per 100,000 residents, with only Texas having a higher rate. Louisiana's rate is 54% higher than the U.S. total incarceration rate. Inmates who are released from prison who have actively participated in religious programs do become productive members of their community and are less likely to recidivate.

5. The items grouped in category 5 total \$389.61 in cleaning supplies. These items were purchased for the Training Academy and the Mail/Package Room, which are both state facilities. The requests for purchase clearly reflect the delivery point and were properly coded to the Incarceration Program.
6. The items grouped in category 6 total \$1,375.33 for food items. These items were inadvertently purchased from the Incarceration Program. They should have been purchased from the Rodeo Fund. This is a regrettable but very understandable mistake since many items purchased for the rodeo from the Rodeo Fund are very similar to regular items purchased from the General Fund. These purchases are made by the same employees and were mistakenly misidentified at the time of purchase. We will initiate a payment from the Rodeo Fund to the General Fund for that amount.
7. The items grouped in category 7 total \$9,517.28 (not including \$315.81 for reimbursed items) for food items and \$1,375.99 for cleaning and other household supplies.

These expenditures are for meals served during various executive staff meetings held during the noon hour. The employees who attend these meetings are exempt from the provisions of the Fair Labor Standards Act, and are therefore not compensated monetarily for these meetings which are held during their normal lunch time. Since the cost to compensate these employees greatly outweighs the rest of the funds, it is in the best interest of the state to occasionally have working meetings of departmental staff wherein a lunch is provided in lieu of compensation.

The \$1,375.99 in household and cleaning items was purchased for the proper sanitary maintenance of state facilities.

All general funds budgeted for food expenditures are budgeted through the Incarceration Program. All procurement activity referenced above was properly approved and related to specific goals and objectives of the Louisiana State Penitentiary, as is required by policies and procedures set forth in Penitentiary Directive 02.001.

In May, 1998, LSP was questioned by the Legislative Auditor regarding expenditures for meals served at the Ranch House. In March 1997, LSP initiated procedures for monitoring of those expenditures. Many of the food expenditures questioned in the current audit report are associated with meetings held at the Ranch House. The Ranch House is a formal meeting room with a large conference table, office facilities, as well as a fully equipped kitchen. This facility also serves as a "conference point" for institutional emergencies (floods, fires, escapes, tactical exercises, etc.), providing for private discussions of highly sensitive issues. The Ranch House is a state facility and is not used to conduct state business in an effective manner.

Please note that \$331.81 in expenditures for items such as crawfish, Shred-it, and Kentwood water have been reimbursed, since they were not just food within the context of the above functions.

LaGuardia High School
 Special

REPORTING TO APPLICATING ACADEMIC PROGRAM

APP #	APP #	APP #	APP #	APP #	APP #	APP #
1	1001	1002	1003	1004	1005	1006
2	1007	1008	1009	1010	1011	1012
3	1013	1014	1015	1016	1017	1018
4	1019	1020	1021	1022	1023	1024
5	1025	1026	1027	1028	1029	1030
6	1031	1032	1033	1034	1035	1036
7	1037	1038	1039	1040	1041	1042
8	1043	1044	1045	1046	1047	1048
9	1049	1050	1051	1052	1053	1054
10	1055	1056	1057	1058	1059	1060
11	1061	1062	1063	1064	1065	1066
12	1067	1068	1069	1070	1071	1072
13	1073	1074	1075	1076	1077	1078
14	1079	1080	1081	1082	1083	1084
15	1085	1086	1087	1088	1089	1090
16	1091	1092	1093	1094	1095	1096
17	1097	1098	1099	1100	1101	1102
18	1103	1104	1105	1106	1107	1108
19	1109	1110	1111	1112	1113	1114
20	1115	1116	1117	1118	1119	1120
21	1121	1122	1123	1124	1125	1126
22	1127	1128	1129	1130	1131	1132
23	1133	1134	1135	1136	1137	1138
24	1139	1140	1141	1142	1143	1144
25	1145	1146	1147	1148	1149	1150
26	1151	1152	1153	1154	1155	1156
27	1157	1158	1159	1160	1161	1162
28	1163	1164	1165	1166	1167	1168
29	1169	1170	1171	1172	1173	1174
30	1175	1176	1177	1178	1179	1180
31	1181	1182	1183	1184	1185	1186
32	1187	1188	1189	1190	1191	1192
33	1193	1194	1195	1196	1197	1198
34	1199	1200	1201	1202	1203	1204
35	1205	1206	1207	1208	1209	1210
36	1211	1212	1213	1214	1215	1216
37	1217	1218	1219	1220	1221	1222
38	1223	1224	1225	1226	1227	1228
39	1229	1230	1231	1232	1233	1234
40	1235	1236	1237	1238	1239	1240
41	1241	1242	1243	1244	1245	1246
42	1247	1248	1249	1250	1251	1252
43	1253	1254	1255	1256	1257	1258
44	1259	1260	1261	1262	1263	1264
45	1265	1266	1267	1268	1269	1270
46	1271	1272	1273	1274	1275	1276
47	1277	1278	1279	1280	1281	1282
48	1283	1284	1285	1286	1287	1288
49	1289	1290	1291	1292	1293	1294
50	1295	1296	1297	1298	1299	1300

DATE	DESCRIPTION	AMOUNT
12/31/20	Balance	1,000.00
1/15/21	Deposit	50.00
2/10/21	Withdrawal	(25.00)
3/31/21	Balance	1,025.00

DATE	DESCRIPTION	AMOUNT
4/15/21	Deposit	75.00
5/10/21	Withdrawal	(30.00)
6/30/21	Balance	1,070.00
7/31/21	Balance	1,095.00

COMMENTS

DATE	DESCRIPTION	AMOUNT
8/15/21	Deposit	100.00
9/10/21	Withdrawal	(40.00)
10/31/21	Balance	1,155.00

DEPARTMENT OF
PUBLIC SAFETY AND CORRECTIONS



January 23, 1999

Dr. Daniel G. Kyle, CPA/CYB
Legislative Auditor
P. O. Box 94397
Baton Rouge, LA 70804-9187

re: Deproger Procurement Practices

Dear Dr. Kyle:

In explaining the number of small purchases questioned under item number 1 of your finding regarding deproger procurement practices, it is important to note that Louisiana State Penitentiary is a vast operation (18,000 acres, 5,100 houses and over 1,700 employees). The size and complexity of this unit requires that small orders be made in addition to its regular purchases to comply with safety and security issues as well as repair and maintenance of the physical plant. Louisiana State Penitentiary is located 30 miles from any city or town with a store. The options for diversity of vendors are extremely limited due to the fact that we are so far away from a major city. St. Francisville is the closest town to Louisiana State Penitentiary and it, like most small towns, has one store for certain commodities. Baton Rouge is 63 miles away and it would be excessively difficult and demonstrate poor management to travel that distance to make small purchases which are available in closer proximity to the prison. However, in some cases, Baton Rouge is the closest place to make certain purchases.

It is also important to note that Louisiana State Penitentiary operates under the philosophy of "Unit Management". The National Institute of Corrections recognizes this management style as being an efficient and effective management practice. This concept works very well for an organization as large as Louisiana State Penitentiary and especially well due to the configuration of the prison. Each section of the prison operates in its own operating unit. The main prison and each camp are under the direct authority of an Assistant Warden with responsibility for the security and all other components of the respective facility (religious, culinary, maintenance, etc.). Non-security sections are under the direct authority of their own Unit Manager. The complexity of operations at Louisiana State Penitentiary does not allow each Warden or Unit Manager to contact every other area of the prison to determine if another unit is making or has made a similar order. The Louisiana State Penitentiary purchasing office makes every effort to identify these types of orders as they come through and group them into single orders. This is demonstrated by some of the RFP's that were questioned by the auditors.

Dr. David G. Kyle, CPM/CFE

January 23, 1989

Page 3

Louisiana State Penitentiary purchases frequently used supplies on a quarterly basis from the state contract to adequately stock its warehouses that routinely run an average combined inventory of over \$1,000,000. Of the 1,800 RFP's issued during FY 1987-88, over 1,000 were for quarterly orders to stock warehouses for issues to different segments of the prison. Even with the best planning methods, there will be occasions of necessity to make small orders for certain items in an operation as large as Louisiana State Penitentiary. These occasions may occur for a variety of reasons such as an infrequently used item, a new item, the inability of a vendor to deliver a contract item in a timely manner, etc. The management of Louisiana State Penitentiary will make a concerted effort to ensure that LSP's are kept to a minimum and they are only used when necessary or the situation warrants the use of them.

In reference to items 2 and 3, the department concurs with your finding in regards to the majority of the specific food purchases noted. Correspondence will be directed to Wendell Earl Cain advising him of the impropriety of these purchases. He will be instructed to abstain from these practices and institute action to insure compliance with Executive Order Number 80746-20 relative to purchases.

The department will also require LSP to monitor purchases more carefully to ensure that orders for food and other supplies are competitively bid when required.

If you require additional information in this regard please advise.

Sincerely,



Bernard E. "Drey" Bousbrantz, IV

Undersecretary

NEB:SLG:msh

*cc: Richard J. Stabler, Secretary
Wendell Cain, Warden/LSP
Ron Grazier, Chief Fiscal Officer*

DEPARTMENT OF
PUBLIC SAFETY AND CORRECTIONS

HOWARD L. BARNES, SECRETARY



September 11, 1988

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
P.O. Box 94337
Baton Rouge, LA 70804-9437
re: Warden's residences

Dear Dr. Kyle:

Regarding your report, dated concerning the Warden's of Louisiana State Penitentiary (LSP) and Dixon Correction Institute (DCI) not residing on prison grounds, the Department reviewed the housing arrangements of these facilities and determined that the Department is meeting its needs in terms of on-site availability of management personnel at these two facilities. The current allocation of housing is efficiently addressing the broad spectrum of executive, security, medical, and maintenance staffing requirements.

LSP currently has 185 homes. Many are occupied by various levels of security personnel, including a Deputy Warden 5, 8 Assistant Wardens, a Colonel and several Lieutenant Colonels. The continued allocation of available resources to making necessary repairs to staff housing rather than rebuilding the warden's residences at LSP will provide the State with a greater return on the investment, in the department's opinion.

DCI currently has three homes. The limited amount of near-wood housing at DCI does not allow for housing assignments for senior level security staff to be on the grounds. Warden Cain's residing at DCI helps to alleviate this problem by being available for call to assist Warden LeBlanc in addressing potential security problems at DCI. The security experience and support provided to DCI by Warden Cain far outweighs the additional commuting costs that are incurred.

Additionally, Warden LeBlanc has a personal residence within approximately 20 miles of the institution. This distance is not significantly greater than the state housing for the institution, which is approximately five miles from the prison grounds. Because of this, Warden LeBlanc's ability to respond to emergencies is not impaired and no significant additional commuting costs are incurred by his utilizing his private residence.

Sincerely,


Howard L. Barnes, III
Undersecretary

cc: Richard Shultz, Secretary
Johnny Crowl, Assistant Secretary/Office of Adult Services
Ron Grimes, Chief Fiscal Officer

DEPARTMENT OF
PUBLIC SAFETY AND CORRECTIONS



U. S. GOVERNMENT PRINTING OFFICE

HOWARD L. BUCKNER, GOVERNOR

November 3, 1988

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
P.O. Box 84197
Baton Rouge, LA 70804-8197

re: *Inadequate controls over Federal Program Receipts and Expenditures*

Dear Dr. Kyle:

In response to your finding regarding the controls over the Title IV-E Program (CFR 461.653) funded through the Louisiana Department of Social Services, the following response is offered. The Department concurs with your recommendation that adequate documentation for the calculation of the allowable rates of foster care maintenance payments for all residential care facilities be maintained to insure that the requests for payment from DSS are accurately verified. The Department also concurs that only the actual attributable administrative expenses relating to the program and supported by documentation should be reported.

The Office of Youth Development is developing procedures to insure that documentation from DSS for the allowable foster care maintenance rates is current and maintained on file. They will also insure that only actual administrative expenses relating to the program are reported to DSS.

Through these actions, the Department will overcome the noted weaknesses in this area.

Sincerely,



Howard E. "Trey" Rowland, III
Undersecretary

BA00RUG:gal

cc: Mr. Richard E. Boudin, Secretary
Mr. Ron Chanter, Chief Fiscal Officer
Mr. Ed Insland, Director Youth Services

DEPARTMENT OF
PUBLIC SAFETY AND CORRECTIONS



September 11, 1988

Dr. Daniel G. Kyle, CPM, CPE
Legislative Auditor
P.O. Box 94197
Baton Rouge, LA 70804-9197

re: Accumulation of Compensatory Leave

Dear Dr. Kyle:

In reference to your second year report finding concerning the Department's accumulation of compensatory leave, the Department continues to work with the Civil Service Commission in proposing a Civil Service rule change that will more clearly accommodate the work schedule of the department's workforce. The proposed rule offered by Civil Service (see attached) seeks to clarify the carry-forward provision in a fashion that is fair to the employees by ensuring that they do not lose that which they have earned, even in the face of the department's inability to pay for straight-time compensatory leave.

The Department does not view the payment of these accumulated hours of compensatory leave as a donation of a thing of value of the State, since these individuals provided a service to the State by working the additional hours. To simply eliminate it, given the inability to allow the time off or to pay for it, is taking a thing of value from the employee.

The Department is committed to working with the Civil Service Commission in resolving this very complex issue and thereby eliminating the concerns expressed by your office.

Sincerely,

A handwritten signature in dark ink, appearing to read "Bernard E. 'Drey' Andreweaux, III".

Bernard E. "Drey" Andreweaux, III
Undersecretary

*cc: Richard L. Soubles, Secretary
Ron Gouvier, Chief Fiscal Officer
Zeljator Cypel, Human Resource Director*

Amend 6.25 (c)

6.25 Caps on Accumulation of Compensatory Leave.

- (a) _____
- (b) _____

- (c) Compensatory leave earned hour for hour at and above GS 12 in the General Schedule and MS 17 in the Medical Schedule may be accrued in excess of 45 work days, but not more than 45 work days may be carried forward after January 1, 2008.

Payment for compensatory leave earned hour for hour at and below GS 11 in the General Schedule and MS 16 in the Medical Schedule shall be as given below:

1. After January 1, 2008, compensatory leave earned hour for hour at and below GS 11 in the General Schedule and MS 16 in the Medical Schedule may be accrued in excess of 45 work days but any that exceeds 45 work days shall be paid no later than January 1 of each year.
2. Upon separation or transfer from the department in which the leave was earned:
 - a. 15 work days must be paid after January 1, 2000
 - b. 30 work days must be paid after January 1, 2001
 - c. All work days must be paid after January 1, 2002
3. Compensatory leave earned hour for hour at and below GS 11 in the General Schedule and MS 16 in the Medical Schedule shall be paid at the regular hourly rate for all hours over the above limitations.

EXPLANATION

This amendment would essentially prevent the loss of compensatory leave earned for employees below GS 11 in the General Schedule and MS 16 in the Medical Schedule.

AMEND RULE 11.29 (c)

11.29 Compensatory Leave

- (a) _____
- (b) _____
- (c) _____
- (d) _____
- (e) _____
- (f) _____

2. (a). All unused annual compensatory leave earned hour for hour at and above GS 12 in the General Schedule and MS 37 in the Medical Schedule may be paid upon separation or transfer from the department in which he earned it at the final regular rate received by the employee, excluding premium pay, shift differential and non-cash compensation.
- (b). All unused compensatory leave earned hour for hour at and below GS 11 in the General Schedule and MS 36 in the Medical Schedule shall be paid, in accordance with rule 6.25 (c), at the final regular rate received by the employee, excluding premium pay, shift differential and non-cash compensation.
3. All unused compensatory leave earned hour for hour at and above GS 12 in the General Schedule and MS 37 in the Medical Schedule, if not paid to the employee upon separation or transfer, shall be accrued upon separation or transfer from the department in which he earned it. Such leave shall not be credited to him upon his employment in that or any other department.

EXPLANATION

This amendment would prevent the loss of compensatory leave when an employee at and below GS 11 in the General Schedule and MS 36 in the Medical Schedule separates or transfers from the department in which it was earned.

DEPARTMENT OF
PUBLIC SAFETY AND CORRECTIONS



MISSISSIPPI STATE GOVERNMENT

September 4, 1998

Dr. Daniel G. Ryle, CPA, CFE
Legislative Auditor
P.O. Box 84187
Baton Rouge, LA 70804-0187

Re: Internal Audit Division

Dear Dr. Ryle:

The department does not agree with your finding regarding its ineffective utilization of the Internal Audit Division. The department has continuously added to the responsibilities of the Division and utilizes the available resources as effectively as possible. Over the past fiscal year the internal audit staff conducted 43 audits at various correctional facilities. Scope of these audits included cash handling and management, movable property, inmate offender welfare and organization funds, accounting system reconciliations, computerization, budgeting, medical supplies, budget supplies and services and warehouse inventories. These audits were effective in providing assurances to management that assets are properly safeguarded, internal control structures are established and operating in accordance with applicable laws and Department Regulations and Procedures are sufficient in present or direct error and discrepancies in a timely manner.

The department agrees with your finding in that an adequate internal audit function is needed for the department and that accomplishment of the four items enumerated in your finding would increase its effectiveness. As indicated each year, the department lacks sufficient resources to adequately staff and provide for the needed services in this area. The department has repeatedly requested the resources in the budget to properly staff this function and have repeatedly been denied. Furthermore, the department's annual budget continues to increase on other statutory reporting requirements. The department is continuously asked to provide additional information and services while facing budget and position reductions each year in its administrative appropriation as well as having to absorb expenditure items which are necessary for required.

In spite of this, the department continues to strive to have exemplary performance in all levels of operations. To this end, all institutions have been accredited by the American Correctional Association. The standards that are required to meet ACA accreditation set strict spending requirements on all field units, several of which include internal controls dealing with the financial aspects of the operations. In order to remain accredited, the department must continue to meet these high standards.

Dr. Daniel G. Egan, CPA, CFE
September 4, 1998
Page 3

The department continues to conduct operational audits twice annually for all operating units of the department in accordance with Department Regulation C-85-801. The audit teams include representatives from both the Office of Task Development and Adult Services, and the Office of Management and Finance Personnel and Payroll and Fiscal Services division (see attached). The purpose of this regulation is to provide ongoing audits of institutional programs to insure compliance with Department Regulation and Policies. It includes review of policy, procedures, and relevant documentation (primarily in the ACFI file) and such inspection/verification as may be needed to determine compliance status with key ACFI standards, several of which deal directly with internal controls on several of the key financial areas in the institution. The department also requires all operating units to report monthly operating data to top management of the department through Department Regulation C-85-801, a copy of which is attached.

The department will continue to seek additional resources and to strive to have an effective internal audit division given the available resources. Whichever assistance your office could provide in informing the legislature and other decision makers as to the pressing need to have these functions funded for the executive department would certainly be appreciated.

Sincerely,



Edward E. "Tony" Scudlark, III
Undersecretary

cc: Richard Scudlark, Secretary
Evan Greenlee, Chief Fiscal Officer
Internal Audit



DEPARTMENT OF
PUBLIC SAFETY AND CORRECTIONS

MICHAEL BRIDGES, DIRECTOR

September 4, 1988

Dr. David G. Kyle, CPA, CFE
Legislative Auditor
P.O. Box 84387
Detroit Rouge, LA 70804-84387

Re: Electronic Data Processing Control Weaknesses

Dear Dr. Kyle:

The department concurs with your finding regarding the need to establish written procedures to insure the timely deletion of ADFS and AFS User ID codes after an employee is terminated or transferred and to provide for an adequate supervisory review of access granted to employees.

While no formal procedures were implemented in this regard for fiscal year 87-88, correspondence regarding procedures to be followed was disseminated to all units and a plan of follow-up was established utilizing ISG reports from the MURKIN System. Inadequate review and follow-up by the Security Administrator for the agreement allowed for the control weaknesses in error which precipitated the report finding. For this, the Security Administrator will be reprimanded and directed to implement detailed written procedures and to provide follow-up to insure the department overcomes the noted weaknesses.

Sincerely,

Donald E. "Trey" Bowdoin, III
Undersecretary

cc: Richard Stahler, Secretary
Ron Grantor, Chief Fiscal Officer

DEPARTMENT OF
PUBLIC SAFETY AND CORRECTIONS



December 14, 1995

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
P. O. Box 94187
Baton Rouge, LA 70804-6997

RE: Unfavorable budget variances

Dear Dr. Kyle:

In response to your finding regarding an unfavorable budget variance in the appropriation for Sheriff's Housing of State Inmates, the following information is provided. The department routinely monitors the budget for the Sheriff's Housing of State Inmates and prepares projections regarding the estimated needs in this area on a monthly basis. The department periodically supplies this information to the Director of Administration to secure additional funding, if needed, to avoid an unfavorable budget variance at the year end.

While the department strives for accuracy in its projections, experience has shown that it is very difficult to develop a precise variance with high degree of confidence. This is due to many factors, but the main one is the uncertainty in the number of beds which will be available and used for housing state inmates at the local level. The department currently utilizes over one hundred different locations at the parish and local level to house state inmates. Information must be supplied in a timely and accurate manner as to the number of beds available at each facility, the number of beds planned through expansion, and the number of beds which are anticipated to be filled with state inmates.

Providing this information is sometimes difficult, since the addition of bed space at the local level sometimes involve difficult cost and other financial considerations. This coupled with the uncertainties in meeting construction deadlines sometimes prohibits them from projecting a realistic date when they may expect to house additional state inmates. Another complicating factor is that the sheriff must estimate the percentage of beds being utilized by state inmates. The actual percentage of state inmates being housed at the facility can and does vary significantly sometimes from original estimates, based upon the actual housing demand at the local level once the beds are opened.

Dr. Daniel G. Kyle, CPA, CFE

December 16, 1998

Page 2

Another difficulty in this area is that projections utilized to make supplemental appropriations are often required well in advance of the actual budget needs. Once changes are noted in the projection from actual data gathered after the fact, it is often times too late in the appropriation process to make revisions to the supplemental appropriation. All of these factors make it difficult to avoid an impermissible budget variance that you noted.

Notwithstanding the above, the department is continuing its effort in taking corrective action which will hopefully provide for better budget projections in the future. This includes the inside staff at the Elgin Hall Correctional Center working more closely with the sheriff and other local housing authorities in order to ensure that the department has the best information that is available regarding the actual number of inmate inmates being housed in these facilities as well as the planned additions to bed space.

Through these actions the department will be in a better position to hopefully avoid impermissible budget variances in the future. However, due to the many factors that are involved in this process, there will continue to be a degree of uncertainty regarding the projections.

Sincerely,



Jay Boardman
Deputy Sheriff, Elgin Hall

BNVPLG:cbh

cc: Mr. Richard L. Skulder, Secretary
Mr. Ron L. Gouvier, Chief Fiscal Officer