

STATE POLICE COMMISSION
STATE OF LOUISIANA



FINANCIAL AUDIT SERVICES
PROCEDURAL REPORT
ISSUED JUNE 20, 2022

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Legislative Auditor

Michael J. “Mike” Waguespack, CPA



State Police Commission

June 2022

Audit Control # 80220068

Introduction

The primary purpose of our procedures at the State Police Commission (Commission) was to evaluate certain controls that the Commission uses to ensure accurate financial reporting, compliance with applicable laws and regulations, and accountability over public funds.

Results of Our Procedures

We evaluated the Commission’s operations and system of internal control through inquiry, observation, and review of its policies and procedures, including a review of the applicable laws and regulations. Based on the documentation of Commission’s controls and our understanding of related laws and regulations, and the results of our analytical procedures, we performed procedures relating to non-payroll disbursements, LaCarte purchasing cards, travel expenditures, contracts, payroll and personnel, Board meetings and minutes, ethics, budget, sexual harassment policies, and reporting misappropriation, fraud, waste, or abuse.

Non-Payroll Disbursements

For non-payroll disbursements, we obtained an understanding related to the job duties of employees involved with non-payroll purchasing and payment functions and observed that the job duties were properly segregated. We also traced selected disbursements to supporting documentation and evaluated proper segregation of duties in the processing and approval of those disbursements. No exceptions were noted.

LaCarte Purchasing Cards

The Commission has one purchasing card, which is used by the Program Manager for office supplies and other small purchases. We traced selected credit card purchases to supporting documentation and evaluated the purpose of the purchase, compliance with laws and regulations, and proper approval. No exceptions were noted.

Travel Expenditures

Travel expenditures include administrative staff travel and reimbursement of expenses for Commission members to attend meetings. Fiscal years 2021 and 2022 travel expenditures totaled \$6,905 through March 31, 2022. We traced selected travel expense reimbursements to supporting documentation, evaluated compliance with laws and regulations, and observed evidence of proper review and approval. No exceptions were noted.

Contracts

The Commission contracted with Taylor, Porter, Brooks, & Phillips, L.L.P. and Louisiana State University in Shreveport to perform legal and testing services. For fiscal years 2021 and 2022, contract and service agreement expenditures totaled \$245,618 through March 31, 2022. We traced selected contract payments to contract terms and evaluated compliance with laws and regulations. No exceptions were noted.

Payroll and Personnel

Approximately 50% of the Commission's fiscal year 2021 expenditures related to payroll costs. Commission personnel include the Director, Program Manager, and a Test Analyst. We traced selected employees' salaries to contract terms or pay structure, evaluated controls over time and attendance records, and evaluated termination payments. We reviewed selected commissioner per diem transactions to ensure payments were made in accordance with state laws. We also obtained management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and worker's compensation premiums were paid, and associated forms were filed, by required deadlines. No exceptions were noted.

Board Meetings and Minutes

We reviewed the Commission's minutes for the fiscal period, and determined the Commission met, with a quorum, regularly in accordance with the schedule planned by the Commission. No exceptions were noted.

We accessed the "entity name" online information included in the Division of Administration's boards and commissions database and determined that the Commission submitted board meeting notices and minutes, as available, for all Commission meetings to date during fiscal years 2021 and 2022. No exceptions were noted.

We also reviewed commissioner appointments made during the fiscal period to ensure that state policies, procedures, and relevant laws were followed. No exceptions were noted.

Ethics

We evaluated evidence to determine if required ethics training was completed by the Commission's members and employees. We determined Commission members and employees completed the required annual ethics training. No exceptions were noted.

Budget

The Commission's budget for the year ended June 30, 2022, was approximately 10% less than the previous year because in fiscal year 2021 the Commission requested additional funding to replace its previous Cadet and Trooper Application Database, FoxPro. We evaluated variances between budgeted amounts and actual revenues and expenditures for reasonableness. In addition, we obtained the budget information for the current fiscal period and determined if the information agreed with the budget information contained in the Division of Administration's boards and commissions database. No exceptions were noted.

Sexual Harassment Policies

We performed procedures to determine if the Commission's sexual harassment policies and procedures address all requirements of Louisiana Revised Statute (R.S.) 42:342-344 and that the policy and complaint procedure was posted on the Commission's website or premises. We also observed evidence that the Commission's employees and members completed the required training during the calendar year and that the Commission's sexual harassment report was properly completed. No exceptions were noted.

Reporting Misappropriation, Fraud, Waste, or Abuse

We evaluated evidence to determine if all misappropriations, if any, were reported to the legislative auditor and the appropriate parish district attorney. We also observed that the Commission has posted on its website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds. No exceptions were noted.

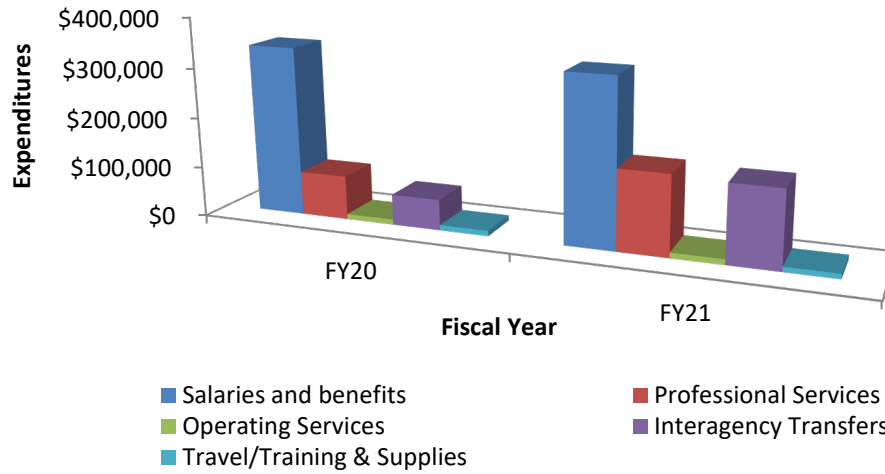
Trend Analysis

We compared the most current and prior-year financial activity using the Commission's general ledger and other system generated reports to identify trends and obtained explanations from management for any significant variances that could potentially indicate areas of risk. Management provided reasonable explanations for all significant variances. As shown in Exhibit 1, there were significant increases in professional service and interagency transfer expenditures. Professional service expenditures were lower in fiscal year 2020 because the May 2020 promotional exam was not administered due to COVID-19. Interagency transfer expenditures increased in fiscal year 2021 as a result of a Division of Administration – Office of Technology Services database replacement project.

Since January 2019, the Commission has administered testing for 908 new cadet applicants and 805 applicants for promotion as shown by year in Exhibit 2. During that time period, there were 51 new hires and 221 promotions of officers within the Louisiana State Police. Cadet applications decreased in 2021 as a result of the delay of a new cadet class due to COVID-19. During calendar years 2020 and 2021, there were no new hires because there were no Cadet Class Graduates. Promotions increased in calendar year 2021 due to a number of retirements in leadership positions

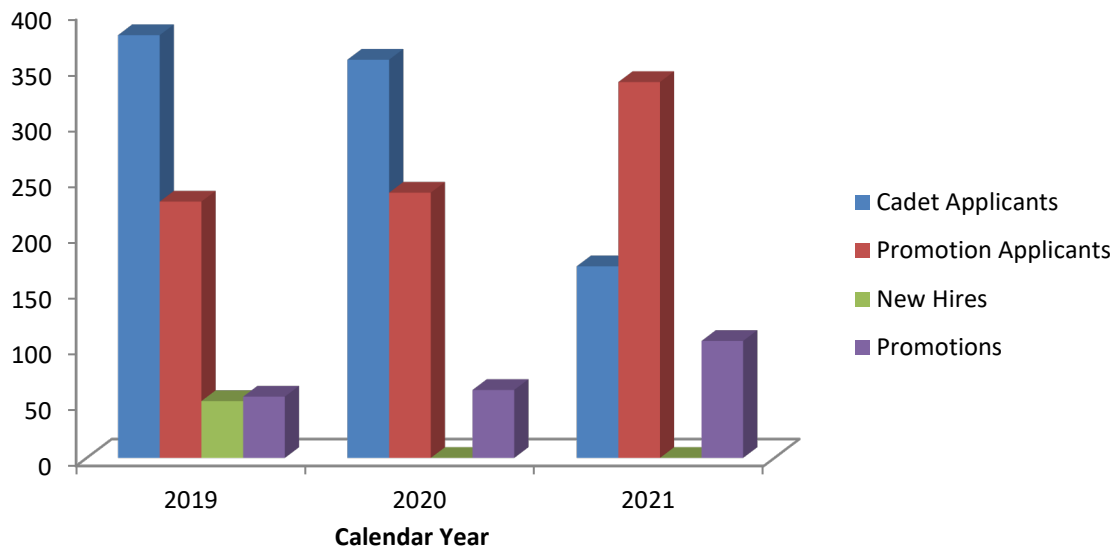
as well as new vacancies resulting from restructuring and the creation of a new division to review the Use of Force within the Office of State Police.

**Exhibit 1
Expenditures by Fiscal Year**



Source: Commission’s General Ledger

**Exhibit 2
Applicants, New Hires, and Promotions by Year**



Source: Commission-generated reports

Under R.S. 24:513, this report is a public document, and it has been distributed to appropriate public officials.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Mike Waguespack", with a stylized flourish extending to the right.

Michael J. "Mike" Waguespack, CPA
Legislative Auditor

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APPENDIX A: SCOPE AND METHODOLOGY

We performed certain procedures at the State Police Commission (Commission) for the period from July 1, 2020, through June 14, 2022. Our objective was to evaluate certain controls the Commission uses to ensure accurate financial reporting, compliance with applicable laws and regulations, and accountability over public funds. The scope of our procedures, which is summarized below, was significantly less than an audit conducted in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States. We did not audit or review the Commission's Annual Fiscal Report, and accordingly, we do not express opinions on that report. The Commission's accounts are an integral part of the state of Louisiana's financial statements, upon which the Louisiana Legislative Auditor expresses opinions.

- We evaluated the Commission's operations and system of internal control through inquiry, observation, and review of its policies and procedures, including a review of the laws and regulations applicable to the Commission.
- Based on the documentation of the Commission's controls and our understanding of related laws and regulations, and results of analytical procedures, we performed procedures on selected controls and transactions relating to non-payroll disbursements, LaCarte purchasing cards, travel expenditures, contracts, payroll and personnel, Board meetings and minutes, ethics, budget, sexual harassment policies, and reporting misappropriation, fraud, waste, or abuse.
- We compared the most current and prior-year financial activity using the Commission's general ledger and other system generated reports and obtained explanations from the Commission's management for any significant variances.

The purpose of this report is solely to describe the scope of our work at the Commission and not to provide an opinion on the effectiveness of the Commission's internal control over financial reporting or on compliance. Accordingly, this report is not intended to be, and should not be, used for any other purpose.