

WEST FELICIANA PARISH POLICE JURY



COMPLIANCE AUDIT
ISSUED DECEMBER 7, 2011

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LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

December 7, 2011

**MR. KENNETH DAWSON, PRESIDENT,
AND MEMBERS OF THE WEST FELICIANA
PARISH POLICE JURY**

St. Francisville, Louisiana

We have audited certain transactions of the West Feliciana Parish Police Jury. Our audit was conducted in accordance with Title 24 of the Louisiana Revised Statutes to determine the propriety of certain financial transactions.

Our audit consisted primarily of inquiries and the examination of selected financial records and other documentation. The scope of our audit was significantly less than that required by *Government Auditing Standards*.

The accompanying report presents our findings and recommendations as well as management's response. This is a public report. Copies of this report have been delivered to the District Attorney for the Twentieth Judicial District of Louisiana and others as required by law.

Respectfully submitted,

Daryl G. Purpera, CPA, CFE
Legislative Auditor

DGP/dl

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Credit Card Usage

From November 2009 to March 2010, Ms. Sarah Coco, former accounting manager for the West Feliciana Parish Police Jury (Police Jury) used the Police Jury's credit card to incur personal charges for lodging, car rentals, and parking totaling \$4,652 while traveling on Police Jury business and during personal travel. Ms. Coco's employment was terminated on March 23, 2010. Police Jury records also indicate that during October 2010 and November 2010, former Information Services director, Mr. Robert Reinhardt, redeemed rewards certificates earned by the Police Jury's Office Depot credit card to make personal purchases totaling \$235. Mr. Reinhardt's employment was terminated on August 1, 2011. By using the Police Jury's credit cards for personal use, Ms. Coco and Mr. Reinhardt may have violated state law.¹

Information Services Department Purchases

From January 2009 to August 2011, Mr. Reinhardt served as the Police Jury Information Services director. During this period, the Police Jury provided Mr. Reinhardt with access to American Express, Master Card, and Office Depot credit cards for business purposes. Mr. Reinhardt used the credit cards to make purchases totaling \$229,535 that included servers, desktop computers, internal computer parts, software, televisions, monitors, printers, web hosting, cellular phones and data plans, and IPADs. During our review of these transactions, we noted several purchases were made without an approved purchase order and there were no controls over equipment purchased by the department. In addition, during 2010, Mr. Reinhardt made purchases on the Police Jury's American Express credit card that were not supported by written quotes or bids in accordance with the Public Bid Law.²

¹ **R.S. 14:67** provides, in part, that "theft is the misappropriation or taking of anything of value which belongs to another, either without the consent of the other to the misappropriation or taking, or by means of fraudulent conduct, practices, or representations."

R.S. 14:67.3(B) provides, in part, that "whoever, directly or indirectly, by agent or otherwise, with intent to defraud,...uses an **Access Card** belonging to another...without authority of said person: thereby obtaining, whether contemporaneously or not, credit, money, goods, services or anything of value shall be guilty of theft and shall be subject to the penalties provided for the crime of theft in R.S. 14:67."

² **R.S. 38:2212.1 A. (1)(b)** provides, in part, that "purchases of ten thousand dollars or more, but less than thirty thousand dollars, shall be made by obtaining not less than three telephone or facsimile quotations. A written confirmation of the accepted offer shall be obtained and made a part of the purchase file. If quotations lower than the accepted quotations are received, the reasons for their rejection shall be recorded in the purchase file."

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In December 2009, Advisory Services staff of the Louisiana Legislative Auditor (LLA) visited the West Feliciana Parish Police Jury (Police Jury) to review resolution of recurring audit findings and to make an assessment of the Police Jury's business/financial operations. On August 25, 2010, LLA issued an Advisory Services report, which included a finding regarding the Police Jury's lack of controls over credit cards.

In March 2010, Ms. Sarah Coco, former accounting manager, was terminated for improper use of an agency credit card. However, those transactions were not in the scope of the Advisory Services audit and not addressed in the audit report. The Advisory Services audit report did note that on March 17, 2009, the former Information Services director, Mr. Robert Reinhardt, reimbursed \$305 to the Police Jury for 13 personal purchases made on his agency credit card in February and March 2009.

As a result of previous findings, Compliance Services staff were sent to the Police Jury in December 2010. Based on her personal credit card usage, Ms. Coco pleaded no contest to misdemeanor theft in July 2011.

The LLA received a request from the District Attorney of the Twentieth Judicial District of Louisiana to provide assistance in conducting an audit of the Police Jury to determine the propriety of certain financial transactions. This audit was performed to determine the property of the allegation. The procedures performed during this audit included:

- (1) interviewing employees of the Police Jury;
- (2) interviewing other persons as appropriate;
- (3) examining selected documents and records of the Police Jury;
- (4) gathering documents from external parties; and
- (5) reviewing applicable state laws and regulations.

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Credit Card Usage

From November 2009 to March 2010, Ms. Sarah Coco, former accounting manager for the Police Jury, used the Police Jury's credit card to incur personal charges for lodging, car rentals, and parking totaling \$4,652 while traveling on Police Jury business and during personal travel. Ms. Coco's employment was terminated on March 23, 2010. Police Jury records also indicate that during October 2010 and November 2010, Mr. Robert Reinhardt, former Information Services director, redeemed rewards certificates earned by the Police Jury's Office Depot credit card to make personal purchases totaling \$235. Mr. Reinhardt's employment was terminated on August 1, 2011. By using the Police Jury's credit cards for personal use, Ms. Coco and Mr. Reinhardt may have violated state law.¹

Former Accounting Manager

Ms. Coco was hired in June 2009 as the manager of accounting and served in this role until March 2010. During this period, she was issued a Police Jury credit card to make business related purchases to include training registrations, hotels, meals, airfare, vehicle rentals, and other miscellaneous expenses. According to Police Jury correspondence in January 2010, Ms. Coco informed Mr. Ambrose Sims, former parish manager, that she had inadvertently used the Police Jury's credit card while on vacation in Orlando, Florida and estimated she charged \$700 to the card. Mr. Sims instructed her to write a check to the Police Jury for the amount incurred.

However, in March 2010, upon further review of the credit card statements, Mr. Sims discovered that from December 26, 2009, to January 5, 2010, Ms. Coco incurred five charges totaling \$1,749 in personal hotel and parking charges while on vacation in Florida. Further research of these transactions indicated that on February, 12, 2010, Ms. Coco issued a personal cashier's check to the Police Jury's American Express account in the amount of \$1,749. Ms. Coco's employment was terminated on March 23, 2010.

During our examination of credit card charges made by Ms. Coco from November 2009, to March 2010, we noted she incurred a total of \$4,652 in personal charges (including the December 2009 charges incurred while on vacation) for lodging, car rentals, and parking while attending out-of-town conferences for the Police Jury and during personal travel. Of this amount, charges totaling \$1,749 were reimbursed to the Police Jury by Ms. Coco. In addition, it appears that Ms. Coco used the Police Jury's credit card to hold hotel reservations totaling \$1,768 for a personal trip in March 2010; however, Ms. Welsh stated that she and former Parish Manager Ambrose Sims had the charges reversed (credited) on the Police Jury's credit card account prior to the statement date. The personal charges incurred by Ms. Coco are included in the following table:

WEST FELICIANA PARISH POLICE JURY

Conferences	Destination	Travel Dates	Personal Charges
Sage Training	Atlanta, GA	Nov. 6 to Nov. 15, 2009	\$356
Sage Training	Austin, TX	Nov. 21 to Nov. 24, 2009	170
Sage Training	Herndon, VA	Mar. 11 to Mar. 22, 2010	609
* Personal Travel	Orlando, FL	Dec. 26 to Jan. 5, 2010	1,749
**Personal Travel	Huntington Beach, CA	Apr. 18 to Apr. 23, 2010	1,768
Total			\$4,652
Amount Reimbursed/Credit to Police Jury			3,517
Amount Due Police Jury			\$1,135

* Personal charges reimbursed to the Police Jury

** Personal charges for hotel reservation incurred but reversed (credited) prior to the statement date

- From November 9, 2009, to November 12, 2009, Ms. Coco attended a Sage Accounting training conference in Atlanta, Georgia (four-day conference). According to Police Jury records, Ms. Coco stayed in Atlanta, Georgia for a total of 10 days (November 6, 2009, through November 15, 2009) and incurred four additional days of rental car charges totaling \$356 for which there appears to be no public purpose.
- On November 23, 2009, Ms. Coco attended a one-day Sage Accounting training conference in Austin, Texas. Police Jury records indicate that Ms. Coco arrived in Austin, Texas on Saturday, November 21, 2009, (two days prior to the conference). Ms. Coco incurred rental car charges on November 21, 2009, totaling \$170 for which there appears to be no public purpose.
- From March 15, 2010, to March 19, 2010, Ms. Coco attended a Sage Accounting training conference in Herndon, Virginia (five-day conference). Police Jury records indicate that Ms. Coco stayed in Washington, D.C. for a total of 11 days (March 11, 2010, through March 22, 2010). Although the conference ended on Friday, March 19, 2010, Ms. Coco charged the additional night (Friday) totaling \$357 to the Police Jury’s credit card. In addition, Ms. Coco incurred five additional days of rental car charges totaling \$252. As a result, it appears that Ms. Coco incurred hotel and rental car charges totaling \$609 for which there appears to be no public purpose.

Ms. Kathy Welch, Police Jury treasurer, stated that she attended the two conferences with Ms. Coco during November 2009 (see table above). She stated that during each conference, Ms. Coco used the rental vehicles for personal use before and after the conferences. She recalled that during training in Atlanta, Ms. Coco informed her that she would be staying additional days beyond the Sage training and would use personal funds to pay the additional vehicle rental cost. Ms. Welch indicated that she later discovered the entire vehicle rental cost was charged to the Police Jury. Ms. Welch further stated that the Sage Accounting training conference from March 15, 2010, to March 19, 2010, was held in Herndon, Virginia, but Ms. Coco stayed in Washington D.C. According to Ms. Welch, Ms. Coco informed her that she had family that lived near the D.C. area.

Former Information Services Director

From January 2009 to August 2011, Mr. Reinhardt served as the Police Jury information services director. During this period, the Police Jury provided Mr. Reinhardt access to American Express, Master Card, and Office Depot credit cards for business purposes. Police Jury records indicate that on four occasions from October 2010 to November 2010, Mr. Reinhardt used rewards certificates earned by making purchases on the Office Depot credit card to make personal purchases totaling \$235. Mr. Reinhardt's employment was terminated on August 1, 2011.

From January 2009 to July 2011, the Police Jury earned 576 rewards certificates for purchases made by Mr. Reinhardt using the Police Jury's Office Depot credit card. Certificates are valued at a dollar per point and redeemable by the cardholder. Although rewards certificates were issued to the Police Jury, records indicate that Mr. Reinhardt changed the contact phone number on the Office Depot account from the Police Jury's primary office phone to his Police Jury issued cell phone. In addition, Mr. Reinhardt placed his personal email information on the Office Depot account.

Personal purchases Mr. Reinhardt made with rewards certificates included the following:

1. October 1, 2010 - \$65.37 for two children video games and typing software
2. October 9, 2010 - \$22.48 for photo supplies and trading card binder pages
3. October 11, 2010 - \$16.80 for photo supplies and trading card binder pages
4. November 19, 2010 - \$130.77 for ear phones, VHS to DVD computer software, and recipe manager software

According to Ms. Welsh, Ms. Sherrel Johnson, Police Jury accounting manager, and Mr. John Hashagen, interim parish manager - operations, Mr. Reinhardt initially stated that his wife inadvertently used the Police Jury's reward certificates to make the purchases but later changed his statement and indicated he made the purchases.

By using the Police Jury's credit cards for personal use, Ms. Coco and Mr. Reinhardt may have violated state law.¹

We recommend the Police Jury adopt detailed policies and purchasing procedures for the use of credit cards. These policies should provide guidance for the business use of the credit cards and the supporting documentation expected to be maintained. This policy should require:

- (1) documentation of the business purpose for the expenditure;
- (2) itemized receipts for meals, as well as a list of people attending the meals;

- (3) timely submission of original receipts - submission should occur before the monthly statement arrives and in time to adequately review the propriety of the expenditure; and
- (4) disciplinary action for noncompliance.

Information Services Department Purchases

During the period of January 2009 to August 2011, the Police Jury provided Mr. Reinhardt access to American Express, Master Card, and Office Depot credit cards for business proposes. Mr. Reinhardt used the credit cards to make purchases totaling \$229,535 for items such as servers, desktop computers, internal computer parts, software, televisions, monitors, printers, web hosting, cellular phones and data plans, and IPADs. During our review of these transactions, we noted several purchases were made without an approved purchase order and there were no controls over equipment purchased by the department. In addition, during 2010, Mr. Reinhardt made purchases on the Police Jury's American Express credit card that were not supported by written quotes or bids in accordance with the Public Bid Law.²

On August 25, 2010, the LLA Advisory Services section reported that the Police Jury's purchasing process was decentralized by departments (e.g., administrative, road, information services, etc.) and that purchase requisition forms were not being prepared for all purchases. Advisory Services recommended that the Police Jury implement a centralized purchasing system for all Police Jury purchases and require the use of purchase requisition/order forms to provide controls over spending. As of August 24, 2011, the Police Jury does not have approved written purchasing procedures.

Ms. Welch stated that it was the Police Jury's practice to have purchases preapproved by the parish manager. She stated that Mr. Reinhardt regularly circumvented the purchase practice and in many instances would not obtain a purchase order until after the purchase or not at all. From January 2009 to May 2011, Mr. Reinhardt made 294 transactions on the Police Jury's credit cards totaling \$229,535. The Police Jury could not provide approved purchase orders for 214 (73%) purchases totaling \$172,809.

During our examination, we noted that the Police Jury did not comply with the requirements of the Louisiana Public Bid Law. The Public Bid Law generally requires at least three written quotes (telephone or facsimile quotations) to be obtained for purchases of materials or supplies costing between \$10,000 and \$30,000 and requires solicitation of competitive bids for purchases exceeding \$30,000. On July 13, 2010, Mr. Reinhardt purchased two computer servers on the Police Jury's American Express card totaling \$16,600 which were not supported by written quotes or bids. As a result of these purchases, the Policy Jury may have violated the Public Bid Law.²

In addition, we requested an inventory of items purchased by the Information Services department. Mr. Reinhardt could not provide auditors an inclusive list of computers, and related parts and supplies purchased using Police Jury funds. As a result, we examined purchases made by Mr. Reinhardt during the period of January 2009 to May 2011, and noted that the Police Jury has no inventory system established in its Information Services department to record assets. The

lack of an inventory system to track the purchase, storage, and use of equipment, parts, and supplies restricts the Police Jury in its efforts to detect shortages, thefts, and misuse, as well as creates inefficiencies when determining reorder quantities.

The Police Jury could not locate six out of 27 credit card purchases that included a Pavilion Notebook and MAC minicomputer. The six items cost the Police Jury \$3,507 at the time of acquisition. In addition, we were informed that the Police Jury provides information technology services to the West Feliciana Fire Protection District #1 (fire district). On July 14, 2011, we visited the fire district to examine items purchased with the Police Jury's credit card. We identified two Apple computers that were purchased by Mr. Reinhardt using Police Jury funds. One computer was purchased on November 10, 2010, and the other was purchased on April 14, 2011. Both computers appeared to have been unused. Police Jury records indicate that the cost of the two computers were \$2,199 and \$1,299, respectively. According to Fire Chief James Wood, the fire district does not use Apple computer products. On August 5, 2011, the police jury retrieved the two Apple computers from the fire district.

We recommend that the Police Jury adopt policies and procedures to ensure public funds are spent according to appropriate policies and laws. Such procedures should include the following:

1. Ensure that all purchases have a purchase order approved by the appropriate level of management.
2. Ensure that accurate and detailed listings of assets are maintained and updated when property is purchased and disposed.
3. Assets are tagged for identification purposes and included on the detailed listing.
4. Ensure that a complete physical inventory is conducted at least annually and differences are investigated and resolved timely.
5. Ensure that the purchase of data processing equipment, hardware and software including maintenance, is in compliance with the requirement of the Public Bid Law.
6. Seek recovery of all IT assets that may have been disposed of improperly and/or in the possession of former employees.

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Management's Response



West Feliciana Parish Police Jury

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November 4, 2011

KENNETH R. DAWSON
President

BILLY D. SHOEMAKE
Vice President

Parish Manager

SHEILA L. SMITH
Secretary

KATHY M. WELCH
Treasurer

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LEA REID WILLIAMS
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St. Francisville, LA 70775

District 2

RANDY STEVENS
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Daryl G. Purpera
Louisiana Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

Re: Draft of Compliance Audit Report

Dear Mr. Purpera,

Based on your recommendation that the Police Jury adopt policies and procedures to ensure public funds are spent according to appropriate policies and laws; we offer the following responses:

- 1. Ensure that all purchases have a purchase order approved by the appropriate level of management.**

Answer: All purchases have purchase orders and are approved by the appropriate level of management. Additionally, all purchases follow the requirement of the applicable section of the public bid law, and all purchases/contracts exceeding \$25,000.00 will have used the "RFP" or bid process.

- 2. Ensure that accurate and detailed listing of assets are maintained and updated when property is purchases and disposed.**

Answer: Procedures for listing assets are being developed. These procedures will detail all parish assets by description, value at purchase, value estimated when disposed at end of life. Implementation of fixed asset module with the governmental accounting program will be in place.

3. Assets are tagged for identification purposes and included on the detailed listing.

Answer: West Feliciana Parish Police Jury has started an inventory process of identifying all assets and equipment. All fixed assets and movable equipment valued at our in excess of \$5,000.00 have been identified using the MIP Accounting System. We are now in the process of identifying and tagging the balance of the parish assets.

4. Ensure that a complete inventory is conducted at least annually and differences are investigated and resolved timely.

Answer: West Feliciana parish Police Jury currently is identifying all assets/equipment and will be complete with current inventory by the end of 2012. Individual departments have inventories of consumables (i.e. Water District No. 13 and Road Department).

5. Ensure that the purchase of data processing equipment, hardware and software including maintenance, is in compliance with the requirement of the public bid law.

Answer: West Feliciana Parish Police Jury issues purchase orders for all purchases in accordance with public bid law. Additionally, based on audit findings, projects in excess of \$10,000.00 for labor, materials, and/or labor and materials will have three (3) quotes to ensure West Feliciana Parish Police Jury receives the lowest cost possible for all projects. However, the staff will follow the public bid law requirements wherever the requirement exists to go to formal bid and advertisement for bid.

6. See recovery of all Information Technology (IT) assets that may have been disposed of improperly and/or in the possession of former employees.

Answer: West Feliciana Parish Police Jury is in the process of reviewing all purchase orders and credit card statements regarding purchases of equipment. As identified and located, the equipment will be cleared. Equipment not located and/or not disposed of properly will be identified and turned over to proper authority for action.

Should you have any questions, or require additional information, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read 'John Hashagen', with a long horizontal flourish extending to the right.

John Hashagen
Interim Parish Manager of Operations

Response from Ms. Sarah Coco

In a letter dated October 28, 2011, we asked Ms. Coco to respond, in writing, to this report. On November 18, 2011, Ms. Coco's attorney issued a check for \$1,135 to the Police Jury. As of the date of this report, Ms. Coco has chosen not to respond.



----- Forwarded by Dan Daigle/LLA on 11/02/2011 02:45 PM -----

From: "Robert K. Reinhardt" <rreinhardt@bellsouth.net>
To: <ddaigle@lla.la.gov>
Cc: <dpurpera@lla.la.gov>
Date: 11/02/2011 01:48 PM
Subject: Reply to Audit West Feliciana Parish Police Jury

Mr. Daigle,
Please find attached and shown below my reply to your audit report.
If you have any questions please contact me via return email or call me at the below number.

Thank you,
Robert K. Reinhardt
225-938-0038

At no time were any purchases made by myself with police jury credit card, points systems or any other means for personal use.

The Office Depot rewards program requires that you supply phone or email as they request your phone or email when using the system at the store. I at no time requested to have any previous entries changed or overwritten. I communicated with Mrs. Welch the first time I used the system that they had taken my information and I thought that they had switched the phone number from the Parks and Recreation directors number that was previously listed to mine. She stated that "that was fine."

When asked by Mr. Hashagen about office depot rewards purchases I stated that I did not specifically remember purchasing the item he listed, two children's programs. I stated that "**Perhaps** my wife may have picked up a card off of my desk and used it not knowing it was for the police jury **but that I really had no idea.**" I called my wife to ask her and she said no, it was not something she had purchased. Mr. Hashagen asked me to a meeting an hour later and stated that since these were personal purchases he would have to take action. I stated "if that was the case then it is what it is and I was sure that it would be sorted out and I understood they would have to take action but that I had not bought anything for personal use with jury funds." I was then suspended and sent home. I looked at the rewards account online and in reviewing the account I recalled that the items he had listed was purchased for the parks and rec. day camp but moved to the more sutible fire district after school children's program. I reviewed all items listed on the account and ALL were purchased for a public entity for a public purpose. I communicated this information to Mr. Hashagen and he stated that it was being investigated and he would contact me with the results. I contacted the fire district chief and asked if he could locate the items that Mr. Hashagen had listed at his facility to clear up this issue. He located the items, in unopened condition. He communicated this information to Mr. Hashagen. After a day I contacted Mr. Hashagen again to find out the status of this issue so that I could return to work. I was told that the investigation had been turned over to the local police department. At the time of this writing nobody has contacted the fire district to confirm these purchases. I later found that when Mr. Hashagen was asked by a member of the fire district about the issue and the items he stated that "They did not care about that" and the person asking should "stay out of it."

The "photo supplies and trading cards" you list in the audit report are transparent card holder pages for organizing and storing vendor and contacts business cards. They were used for that purpose and still reside in my previous office.

The two games and children's beginning typing software were originally purchased for the children's day camp at

the parks and recreation department. I found that they would not fit into the type of program they had at the time so they were moved to the Fire District Children's Program and reside with that entity.

The "cooking software" you list is a recipe program purchased for the planned terminal in the kitchen of the Fire District HQ and resides there.

The earphones listed are a wired ear bud set for the issued police jury phone I used while employed there and reside in my previous office with the police jury along with the phone they were used with.

ALL these items were purchased for a public entity for a public purpose as shown above.

All these items have always and still reside with the public entities they were purchased for.

All purchases over \$10,000.00 but less than \$30,000.00 by the IS department during my supervision of it were supported by three quotes. Most often via notes after phone or internet quotation. I was never asked about, nor asked to provide these by **any** auditor. For example the two servers you list in the report had 3 quotes obtained previous to their purchase. I will note again for clarity that **I WAS NEVER AT ANY TIME ASKED ABOUT OR TO PROVIDE THESE QUOTES TO ANY AUDITOR.** How you can state repeatedly in an official audit report that quotes were not solicited **when the auditor never checked that fact ?**

All purchases were approved by the parish manager. Some were verbal approvals, some were written approvals.

On three separate occasions the auditors asked to review inventory starting with a written inventory of items purchased by the IS department with the AMEX card. **I provided the requested inventory to the auditors who referred to a printed copy of it they carried during the inventory checks.** How can you state in the audit report that I could not provide an inclusive list of computers etc...????????? I maintained a list of even small parts such as screws and brackets with their amount and location. I was never asked for that list, I was only asked for an inventory of purchases made with the jury AMEX card. During the inventory audit, of AMEX purchases, that I note was carried out on three separate occasions over the span of six months:

- I was never asked to provide an updated inventory due to the time past between audits.
- I was never asked for an inventory of anything not purchased on the AMEX card
- **Every item that the auditors asked to view was located where listed.**
- There were **NO** items missing from the inventory.

Listed in the your audit report are 6 items(what exactly?)out of 27(what 27? did that number look better than 294?) including a pavilion notebook and a MAC Mini. both of which items were identified to the two auditors during the inventory audit. One located in the IS office at the fire district and one in use by the public education officer. The statements in this report are flatly untrue and easily provable as such. Further you state that that there were two apple computers at the fire district that were not for use by the fire district. That is the one true thing in the report. There were also 30 to 40 other things located in the IS office at the Fire District HQ that were not for use by the fire district. Tools, computers, laptops, routers and otherwise. The Office there was used to store things needed to service both the fire district as well as the Parks and Recreation or the police jury assets in the EOC data center as well as a point to work on upcoming projects for those entities, all of which are geographically close to each other. In taking the two computers from one IS office to another IS office you effectively transferred equipment from the police jury to the police jury. However this section of your report seems to make an effort to represent some sort of impropriety going on where none even remotely exists. You further try to give it validity by adding a quote from the fire chief about the type of computers they use. The last statement in that paragraph is the most misleading of all.

The reality was On August 5, 2011 the Police Jury asked the fire chief if they could take the two computers and he told them sure, since they were not his, which was perfectly true.

In fact the whole report tries to represent through inaccuracies and flat untruths a negative image of

**the IS department and its director. In that respect it is a very successful report.
As a competent, factual, accurate and complete report of a compliance audit it is a complete failure.**

Louisiana Legislative Auditor's
Rebuttal to
Robert Reinhardt's Response

At no time were any purchases made by myself with police jury credit card, points systems or any other means for personal use.

The Office Depot rewards program requires that you supply phone or email as they request your phone or email when using the system at the store. I at no time requested to have any previous entries changed or overwritten. I communicated with Mrs. Welch the first time I used the system that they had taken my information and I thought that they had switched the phone number from the Parks and Recreation directors number that was previously listed to mine. She stated that "that was fine."

Rebuttal: According to Ms. Welch, Mr. Reinhardt never informed her that the Parks and Recreation Director's information was switched to Mr. Reinhardt's personal information.

When asked by Mr. Hashagen about office depot rewards purchases I stated that I did not specifically remember purchasing the item he listed, two children's programs. I stated that "**Perhaps** my wife may have picked up a card off of my desk and used it not knowing it was for the police jury **but that I really had no idea.**" I called my wife to ask her and she said no, it was not something she had purchased. Mr. Hashagen asked me to a meeting an hour later and stated that since these were personal purchases he would have to take action. I stated "if that was the case then it is what it is and I was sure that it would be sorted out and I understood they would have to take action but that I had not bought anything for personal use with jury funds."

Rebuttal: According to Mr. Hashagen, Ms. Johnson, and Ms. Welch, Mr. Reinhardt did not provide an explanation or public purpose for the purchases made with Office Depot rewards points.

I was then suspended and sent home. I looked at the rewards account online and in reviewing the account I recalled that the items he had listed was purchased for the parks and rec. day camp but moved to the more suitable fire district after school children's program. I reviewed all items listed on the account and ALL were purchased for a public entity for a public purpose. I communicated this information to Mr. Hashagen and he stated that it was being investigated and he would contact me with the results.

Rebuttal: According to Parks and Recreation Director Randy Alberez, Parks and Recreation does not have an after school child program. He stated that he never requested children's PC games from Mr. Reinhardt to be used for the Parks and Recreation Department. He stated that he has access to police jury's credit cards and that he mainly makes purchases for the Parks and Recreation Department himself.

I contacted the fire district chief and asked if he could locate the items that Mr. Hashagen had listed at his facility to clear up this issue. He located the items, in unopened condition. He communicated this information to Mr. Hashagen.

Rebuttal: Fire Chief Wood stated that he made no specific requests to Mr. Reinhardt to purchase children's PC games, typing software or any other children DVDs. He stated that Mr. Reinhardt called him after being terminated and inquired about children's PC games that he had purchased for the Fire District. Mr. Reinhardt asked if he still had them and directed him to where he could locate the games at the Fire District. Chief Wood stated that he found the PC games and typing software, unopened, where Mr. Reinhardt had instructed him to look. When asked if he recalled how long the games had been at the Fire District, he stated that he had no idea. He further stated that he did not recall receiving the children PC games and did not know how they got to the Fire District.

After a day I contacted Mr. Hashagen again to find out the status of this issue so that I could return to work. I was told that the investigation had been turned over to the local police department. At the time of this writing nobody has contacted the fire district to confirm these purchases. I later found that when Mr. Hashagen was asked by a member of the fire district about the issue and the items he stated that "They did not care about that" and the person asking should "stay out of it."

The "photo supplies and trading cards" you list in the audit report are transparent card holder pages for organizing and storing vendor and contacts business cards. They were used for that purpose and still reside in my previous office.

Rebuttal: According to Ms. Johnson and Ms. Welch, neither of these items have been located at the Police Jury's Office.

The two games and children's beginning typing software were originally purchased for the children's day camp at the parks and recreation department. I found that they would not fit into the type of program they had at the time so they were moved to the Fire District Children's Program and reside with that entity.

Rebuttal: According to Mr. Alberez, the Parks and Recreation Department does not have a children's day camp. Ms. Bonnie Hines, public education officer for the West Feliciana Parish Fire Protection District, stated that she oversees the Emergency Service Apprentice Program at the Fire District that is designed for 15 - 17 year olds. She stated that she would have no use for children's PC games or DVDs and did not request that they be purchased.

The "cooking software" you list is a recipe program purchased for the planned terminal in the kitchen of the Fire District HQ and resides there.

Rebuttal: Chief Wood stated that he did not request Mr. Reinhardt to purchase cooking recipe software for the Fire District and was unable to locate any recipe software at the Fire District.

The earphones listed are a wired ear bud set for the issued police jury phone I used while employed there and reside in my previous office with the police jury along with the phone they were used with.

Rebuttal: According to Ms. Johnson and Ms. Welch, neither of these items have been located at the Police Jury's Office.

ALL these items were purchased for a public entity for a public purpose as shown above.

All these items have always and still reside with the public entities they were purchased for.

All purchases over \$10,000.00 but less than \$30,000.00 by the IS department during my supervision of it were supported by three quotes. Most often via notes after phone or internet quotation. I was never asked about, nor asked to provide these by **any** auditor. For example the two servers you list in the report had 3 quotes obtained previous to their purchase. I will note again for clarity that **I WAS NEVER AT ANY TIME ASKED ABOUT OR TO PROVIDE THESE QUOTES TO ANY AUDITOR.** How you can state repeatedly in an official audit report that quotes were not solicited **when the auditor never checked that fact ?**

All purchases were approved by the parish manager. Some were verbal approvals, some were written approvals.

Rebuttal: During our audit of the Police Jury, we inquired about the purchase of two computer servers on the Police Jury's American Express card totaling \$16,600 which were not supported by written quotes or bids. The Police Jury's American Express credit card statement indicated that the servers were purchased on July 13, 2010; however, Police Jury employees could not locate bids or quotes for the purchase. On November 4, 2011, Mr. Hashagen stated that he had previously examined the Police Jury's files for the bids or quotes to support the two servers but did not find any.

On three separate occasions the auditors asked to review inventory starting with a written inventory of items purchased by the IS department with the AMEX card. **I provided the requested inventory to the auditors who referred to a printed copy of it they carried during the inventory checks.** How can you state in the audit report that I could not provide an inclusive list of computers etc...????????? I maintained a list of even small parts such as screws and brackets with their amount and location. I was never asked for that list, I was only asked for an inventory of purchases made with the jury AMEX card. During the inventory audit, of AMEX purchases, that I note was carried out on three separate occasions over the span of six months:

- I was never asked to provide an updated inventory due to the time past between audits.
- I was never asked for an inventory of anything not purchased on the AMEX card
- **Every item that the auditors asked to view was located where listed.**
- There were **NO** items missing from the inventory.

Rebuttal: During our review, LLA representatives made several attempts to obtain from Mr. Reinhardt an all-inclusive list of IT purchases he made with Police Jury funds.

- On February 28, 2011, LLA representatives requested from Mr. Reinhardt a list of all purchases he made for the IT section since his employment with the Police Jury in January 2009. Mr. Reinhardt stated that he would provide the information within the next couple of days.
- On March 3, 2011, LLA representatives telephoned Mr. Reinhardt as a follow-up to the prior request for an inventory of IT purchases. Mr. Reinhardt indicated he was still preparing a list of the items he purchased and would provide the list by March 10, 2011.
- On March 7, 2011, LLA representatives emailed Mr. Reinhardt as a follow-up to the February 28, 2011, request for inventory list records. Mr. Reinhardt provided LLA representatives an inventory list of IT purchases from February 2009 to January 2011, totaling \$151,654 which did not appear to be an all-inclusive list of IT purchases made by Mr. Reinhardt.
- On June 30, 2011, LLA representatives attempted to speak to Mr. Reinhardt regarding his IT purchases. Mr. Reinhardt indicated that he could not speak to LLA representatives because of a computer repair that would take all day.
- On July 13, 2011, LLA representatives attempted to speak to Mr. Reinhardt regarding the IT purchases. Mr. Reinhardt indicated he was leaving the office to attend a personal matter.

Listed in the your audit report are 6 items (what exactly?) out of 27 (what 27? did that number look better than 294?) including a pavilion notebook and a MAC Mini. Both of which items were identified to the two auditors during the inventory audit. One located in the IS office at the fire district and one in use by the public education officer. The statements in this report are flatly untrue and easily provable as such.

Rebuttal: During our examination of IT purchases made by Mr. Reinhardt, the Police Jury could not locate six of the 27 items LLA representatives were trying to locate including an HP Pavilion Notebook model DM3 and a MAC-Mini. At no time were these items identified or located. On November 4, 2011, (several months after our examination) LLA representatives located the missing Pavilion Notebook in the Police Jury IS office. Mr. Hashagen, Ms. Johnson, and Ms. Welch indicated they were not aware that the computer was in the IS office or how it got there. Furthermore, although LLA representatives located a MAC-Mini at the Fire District, it was not the specific computer listed among the items not located by the Police Jury.

Further you state that that there were two apple computers at the fire district that were not for use by the fire district. That is the one true thing in the report. There were also 30 to 40 other things located in the IS office at the Fire District HQ that were not for use by the fire district. Tools, computers, laptops, routers and otherwise. The Office there was used to store things needed to service both the fire district as well as the Parks and Recreation or the police jury assets in the EOC data center as well as a point to work on upcoming projects for those entities, all of which are geographically close to each other. In taking the two computers from one IS office to another IS office you effectively transferred equipment from the police jury to the police jury. However this section of your report seems to make an effort to represent some sort of impropriety going on where none even remotely exists. You further try to give it validity by adding a quote from the fire chief about the type of computers they use. The last statement in that paragraph is the most misleading of all.

The reality was On August 5, 2011 the Police Jury asked the fire chief if they could take the two computers and he told them sure, since they were not his, which was perfectly true.

In fact the whole report tries to represent through inaccuracies and flat untruths a negative image of the IS department and it's director. In that respect it is a very successful report.

As a competent, factual, accurate and complete report of a compliance audit it is a complete failure.