

VILLAGE OF EPPS



ADVISORY SERVICES REPORT  
ISSUED JANUARY 14, 2009

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STEVE J. THERIOT, CPA

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LOUISIANA LEGISLATIVE AUDITOR  
STEVE J. THERIOT, CPA

January 14, 2009

**THE HONORABLE JEFF GUICE,  
MAYOR, AND MEMBERS OF THE BOARD  
OF ALDERMEN**

Epps, Louisiana

My staff applied our *Checklist of Best Practices in Government* in providing advisory services for the financial operations of the Village of Epps (village). In addition, we reviewed your resolution of the findings previously reported in the village's 2007 annual financial statements.

Attachment I contains our findings and recommendations resulting from our assessment and Attachment II provides the status of the findings previously reported in the village's 2007 annual financial statements. Management's response is presented in Appendix A.

Our recommendations are intended to assist you in your efforts to (1) improve controls over the village's financial operations; (2) implement good business practices; and (3) ensure the village's compliance with the Louisiana Constitution and state laws.

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

Respectfully submitted,

Steve J. Theriot, CPA  
Legislative Auditor

SCD:ESS:JSI:dl

EPPS08



## Findings and Recommendations



The following are the findings and recommendations resulting from our advisory services. Management (mayor and aldermen) of the village should consider the costs of implementing the recommendations compared to the benefits they will provide. For any recommendations not implemented, management should be aware of the risks.

We reviewed these findings and recommendations with management to provide management an opportunity for its response. Management's response is presented in Appendix A.

### **Financial Management**

Management of the village's fiscal operations needs improvement. Without an effective financial management system, the mayor and board of aldermen cannot effectively exercise its fiduciary responsibilities of managing the village's finances.

1. **Lack of Written Policies and Procedures** - The village's written policies and procedures were not complete. Although the village has a personnel policy for general guidance, the village lacks specific written policies and procedures in key financial areas.

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

Recommendation: Management should develop and implement written policies and/or procedures, in accordance with applicable Louisiana laws, related to the following:

- Ethics, including issues such as nepotism and prohibited activities (e.g., related party transactions) and requiring that an annual certification letter be signed by the mayor, each alderman, and all employees attesting to their compliance with the ethics policy
- Budgeting, including procedures for preparing, adopting, monitoring, and amending budgets
- Financial reporting, including the nature, extent, and frequency of reporting financial information to management
- Disbursements, including processing, reviewing, and approving expenditures
- Procurement/purchasing, including how purchases are initiated and approved and checks and balances to ensure compliance with the public bid law
- Contracts, including monitoring procedures to ensure that services received comply with terms and conditions of the contracts

- Capital assets, including recording, tagging, and safeguarding assets, including conducting physical inventories
- Travel, including rates for mileage, meals, and lodging and filing standard expense reimbursement reports
- Gasoline and diesel inventories, including accounting for usage
- Computer, including backing up and storing computer files and general controls over the computer system
- Customer utility accounts, including collecting delinquent (past due) accounts
- Receipts/collections, including receiving, recording, and preparing deposits
- Payroll processing, including appropriate approvals of time/attendance records, leave, and overtime
- Investments, including procedures for investing excess cash and ensuring that bank balances and investments are fully secured
- Traffic tickets and misdemeanor summons, including safeguarding, issuing, and accounting for the tickets/citations
- Confiscated evidence, including recording, maintaining, inventorying, and disposing of items

2. **Budget-to-Actual Comparisons** - The village's monthly financial statements did not reflect budget to actual comparisons. Budget-to-actual comparisons with variances (amounts and percentages) allow the board to readily detect when corrective action is needed (e.g., spending cuts, amending the budget, et cetera).

Recommendation: The clerk should provide the board with monthly financial statements that include budget-to-actual comparison schedules.

3. **Deficit Spending in General Fund** - Management spent more than the available revenues of the General Fund in five of the past six years (2002-2007). According to village records, deficit spending totaled \$200,129 over the past six years:

	2007	2006	2005	2004	2003	2002
Revenues	\$229,609	\$275,969	\$331,291	\$201,404	\$180,903	\$170,774
Expenditures	262,842	346,584	386,611	222,986	177,732	193,324
(Deficit) Excess	<u>(\$33,233)</u>	<u>(\$70,615)</u>	<u>(\$55,320)</u>	<u>(\$21,582)</u>	<u>\$3,171</u>	<u>(\$22,550)</u>



This “overspending” eliminated the fund balance/surplus of the General Fund in 2005 and the fund balance has been in a deficit position for the past three years:

	2007	2006	2005	2004	2003	2002
Fund Balance (Deficit)	(\$26,512)	(\$49,314)	(\$11,323)	\$16,480	\$7,048	\$18,576

Recommendation: Management should stop deficit spending. We suggest that management prepare and implement a plan (written) for the General Fund that requires spending cuts and/or increases in revenues that will restore fund balance to a reasonable level. Management should also use this plan for budgeting and decision-making.

4. **Noncompliance With Budget Laws** - Management did not fully comply with the Local Government Budget Act [Louisiana Revised Statute (R.S.) 39:1301 et seq.].

- **Budget Adopted Late** - Management failed to adopt the village’s 2008 General Fund budget by December 31, 2007, as required by state law. The budget was adopted 14 days late (on January 14, 2008). R.S. 39:1309.A requires that all action necessary to adopt and otherwise finalize and implement the budget shall be completed before the end of the prior year (December 31).
- **Budget Not Adopted by Ordinance** - The village’s 2008 General Fund budget was adopted by resolution rather than by ordinance as required by the Lawrason Act [R.S. 33:406 A (3)]. In addition, the budget adoption instrument (resolution) did not define the authorities of the mayor and board. The Local Government Budget Act (R.S. 39:1305.D) requires the budget adoption instrument to define the authority of the mayor to make changes within various budget classifications without approval by the board, as well as those powers reserved solely to the board.

Furthermore, we advise management that the Louisiana Attorney General has opined (Opinion 00-462) that an amendment to a budget adopted by ordinance in a Lawrason Act municipality must also be made by ordinance.

- **No Budget Message** - The 2008 General Fund budget did not include a budget message as required. R.S. 39:1305.C (1) requires a budget message signed by the budget preparer (mayor) that provides a summary description of the proposed financial plan, policies, objectives, assumptions, budgetary basis, and a discussion of the most important features.
- **Fund Balances Not Shown in Budget** - The 2008 General Fund budget did not include the estimated beginning and ending fund balances (both negative balances) as required by law [R.S. 39:1305.C (2)(a)].
- **Deficit Fund Balance** - Contrary to state law (R.S. 39:1305.E), management budgeted expenditures in the 2008 General Fund budget in excess of the total of

estimated funds available for the year. (See finding, *Financial Management - Deficit Spending in General Fund.*)

**Recommendation:** Management should ensure the village’s annual General Fund budget is adopted (and amended) by ordinance and complies with all provisions of the Local Government Budget Act.

5. **No Utility Fund Budget** - Management did not prepare an annual budget of the village’s utility (water and sewer) operations. Although not required by law, good business practices dictate that an annual budget be prepared and adopted for the Utility Fund to serve as a road map for management in managing the utility operations of the village.

According to village records, operating losses totaling \$155,095 have resulted in the Utility Fund over the past six years:

	2007	2006	2005	2004	2003	2002
Operating Revenues	\$122,428	\$129,049	\$127,372	\$120,058	\$114,960	\$121,203
Operating Expenses	126,362	147,966	152,133	142,799	148,504	172,401
Operating (Loss)	<u>(\$3,934)</u>	<u>(\$18,917)</u>	<u>(\$24,761)</u>	<u>(\$22,741)</u>	<u>(\$33,544)</u>	<u>(\$51,198)</u>

**Recommendation:** We suggest that an annual budget for the Utility Fund be prepared and submitted to the board for approval, including a written plan that will ensure the elimination of future operating losses.

6. **Noncompliance with Bond Requirements** - Management failed to make all payments required under the terms and conditions of two separate bonds that the village has with the United States Department of Agriculture (USDA). Although the village is making the required monthly payments of principal and interest, the village has not set aside sufficient monies in the “Reserve Fund” and “Depreciation and Contingency Fund” as required by both bond agreements.

The cash deficiency at July 31, 2008, totals \$45,240 for both bond issues:

**\$250,000 Water Revenue Bond:**

- There is a cash deficiency of \$14,168 in the Reserve Fund:

	<u>July 31, 2008</u>
Cash in bank	\$2,002
Cash deposit requirements (May 1989 - July 2008)	<u>16,170</u>
Cash deficiency	<u><u>(\$14,168)</u></u>

- There is a cash deficiency of \$14,158 in the Depreciation and Contingency Fund:

	<u>July 31, 2008</u>
Cash in bank	\$2,012
Cash deposit requirements (May 1989 - July 2008)	<u>16,170</u>
Cash deficiency	<u><u>(\$14,158)</u></u>

**\$359,000 Sewer Revenue Bond:**

- There is a cash deficiency of \$7,378 in the Reserve Fund:

	<u>July 31, 2008</u>
Cash in bank	\$3,610
Cash deposit requirements (June 1997 - July 2008)	<u>10,988</u>
Cash deficiency	<u><u>(\$7,378)</u></u>

- There is a cash deficiency of \$9,536 in the Depreciation and Contingency Fund:

	<u>July 31, 2008</u>
Cash in bank	\$3,462
Cash deposit requirements (June 1997 - July 2008)	<u>12,998</u>
Cash deficiency	<u><u>(\$9,536)</u></u>

Recommendation: Management should seek guidance from the USDA on the resolution of these cash deficiencies. Any resolution/agreement should be in writing and maintained on file at village hall.

**Segregation of Accounting Duties**

The village's accounting duties were not adequately segregated. Without adequate segregation of duties, errors or fraud could occur and not be detected. Ideally, different employees would be responsible for transaction (1) authorization; (2) custody; (3) recordkeeping; and (4) reconciliation. Good controls dictate that one person should not have control of more than one of those responsibilities.

For example, the clerk performs certain accounting duties that are incompatible for a proper system of checks and balances. Without review, the clerk prepares the monthly utility bills, collects payments, posts payments to customer accounts, and records adjustments to customer utility accounts.

Recommendation: Management should assign responsibilities between the clerk and assistant clerk to ensure there is an appropriate crosscheck of accounting duties. In addition, as a compensating control, we suggest that the mayor periodically perform a supervisory review of the clerk's work.

### **Customer Utility Accounts**

Controls over customer utility accounts need to be improved.

**Utility Billing Software** - The village was neither able to perform backups of customer data nor consistently retrieve accurate reports from the utility billing system.

Recommendation: Management should consult with the software vendor to resolve these reporting and backup issues.

**Customer Account Balances Not Reconciled** - The total of customer account balances in the Utility Billing System (subsidiary ledger) was not being reconciled with the accounts receivable balance in the Utility Fund's general ledger. The monthly reconciliation of these two independent records is essential for a proper system of controls over customer utility accounts.

Recommendation: The village clerk or contract accountant should reconcile these two separate records (general ledger and subsidiary ledger) each month and resolve any differences on a timely basis.

**No Accounting of Customer Meter Deposits** - The village did not have a listing of meter deposits paid by each customer nor was there a separate bank account maintained for those monies. Meter deposits should be separately controlled as they are eligible for refund back to customers who terminate their utility services. Management has a fiduciary responsibility to properly control and account for meter deposits.

Recommendation: Management should do the following:

- Take immediate steps to account for the amounts paid by each customer, which will also establish the village's total liability for repayment.
- Open a bank account and transfer monies from the Utility Fund operating account equal to the amount of the village's total liability.
- Ensure that the meter deposit information is properly recorded in each customer account in the utility system.

- Require the clerk to reconcile (monthly) the meter deposit bank account balance with the liability balance in the Utility Fund's general ledger and with the deposits recorded in the utility system. The clerk should immediately investigate and resolve any differences.

### **Traffic Violations**

The village was not reporting traffic violations to the Louisiana Department of Public Safety (DPS) as required by law. R.S. 32:393C(1)(b) requires the village to report all traffic violations, except parking violations, to DPS not later than 30 days after the final disposition of the case.

Recommendation: Management should ensure that traffic violations are reported to DPS in accordance with state law.

### **Mayor's Court**

Our assessment of mayor's court revealed certain matters that are contrary to state law.

**No Docket Kept by Mayor** - The mayor did not keep a regular docket of all cases tried in mayor's court as required by law. R.S. 33:442 requires the mayor to keep an accurate record of all cases tried.

Recommendation: The mayor should comply with state law and keep an accurate and complete record/docket of all cases.

**Special Court Costs Not Assessed** - The village was not assessing and remitting the following special court costs to agencies as required:

1. *Law Enforcement Officer Training and Assistance Program* - The Louisiana Code of Criminal Procedure (Article 887.E) requires the village to assess \$2 to each person convicted of a misdemeanor or village ordinance, which is to be paid/remitted (less 2% withheld as an administrative fee) to the Louisiana Commission of Law Enforcement and Administration of Criminal Justice.
2. *Traumatic Head and Spinal Cord Injury Trust Fund* - State law (R.S. 46:2633) requires the village to assess \$5 to each person convicted of a speeding or reckless driving offense, which is to be paid/remitted to the state treasurer within 30 days of collection.

Recommendation: Management should ensure that the village is assessing and remitting all special court costs required by state law.

### **Minutes**

Minutes of the board meetings were not published as required by law. R.S. 43:143 requires the board minutes to be published in the village's official journal/newspaper. The Louisiana Attorney General has opined (Opinion 94-376) that the minutes to be published do not have to be a verbatim transcript of the meeting but must include the substance of all matters decided.

Recommendation: Management should ensure that minutes and all other official proceedings of the board are published in accordance with state law and that newspaper clippings are maintained on file as evidence.

### **Purchasing and Disbursements**

Our review of payments to vendors revealed that appropriate documentation to support the payments was not always available.

Recommendation: The village should implement a purchase order system to strengthen accountability and controls over purchasing and disbursements. Under a basic purchase order system, certain documentation is required before payment is made for services provided or materials received. Documentation should include the following:

- Purchase order - prepared by the clerk who verifies that funds are budgeted and available and that the purchase is in compliance with the public bid law (approved by a designated village official)
- Receiving report - evidence that supplies and materials were actually received
- Invoice - evidence from the vendor of the services or materials provided
- Approval - verification by both the clerk and mayor (e.g., initials and date) that documentation is present to support the payment and the amount owed is correct. (The clerk should attach the invoice with the purchase order and receiving report and provide to the mayor for review and approval.)

### **Payroll/Personnel**

Controls over payroll/personnel need to be improved.

**Time/Attendance Records** - The village did not maintain adequate employee time/attendance records to support payroll payments. Employees were not required to document hours worked nor the hours they were on leave (vacation and sick). Without adequate time/attendance records, including evidence of supervisory review and approval, management cannot ensure that hours worked are accurate and leave privileges are not abused.

Recommendation: Management should do the following:

- Require employees to prepare daily time sheets that document hours worked and leave (e.g., vacation and sick) taken. Employees should sign their time sheet and submit to their supervisor who should sign the time sheet evidencing review and approval. The mayor should review and approve supervisors' time sheets.
- Require leave slips/forms to be completed by employees (approved by supervisors) for all leave taken. The clerk should use the leave slips and time sheets to update employee leave balances each pay period.

**Personnel Records** - Standard employment information and forms were not maintained on file for all employees. Personnel files did not include the following records:

- Written authorization of pay rates
- Form W- 4 - Federal Withholding Allowance Certificate
- Form L-4 - Louisiana Employee Withholding Exemption Certificate
- Form I-9 - Employment Eligibility Verification (for all employees hired after November 6, 1986, as required by the U.S. Department of Justice Immigration and Naturalization Service)

Recommendation: Management should ensure that personnel files are updated to include authorized pay rates and the standard tax and employment forms.

### **Gasoline/Diesel**

Controls over fuel need to be improved. Our assessment revealed that (1) the combination to the lock on the gasoline pump was not restricted (known by several employees); (2) the diesel tank did not have a meter; (3) logs documenting fuel usage were not always completed; and (4) vehicle mileage logs were not used. Good business practices require that management implement controls to ensure that only village vehicles and equipment receive fuel and adequate records are maintained.

Recommendation: Management should strengthen controls over fuel by doing the following:

- Restrict employee access to the fuel pumps.
- Authorize the purchase and installation of a meter on the diesel tank.
- Require written logs of fuel usage to be completed.
- Require vehicle mileage logs to be completed.

- Require the clerk to prepare and present (to the board) a monthly summary of fuel usage by vehicle/equipment that provides the total number of gallons received, miles traveled, and the calculated miles per gallon data.

### **Capital Assets**

Controls over capital assets of the village need to be improved. The village did not perform an annual physical inventory of its capital assets and assets were not tagged for identification purposes. R.S. 24:515 B (1) requires the village to maintain records of all land, buildings, improvements other than buildings, equipment, and any other capital assets, which were purchased or otherwise acquired.

Recommendation: For proper controls, management should ensure that the village's capital assets are tagged and inventoried at least annually.

### **Contracts**

The village did not have written contracts/agreements for its contracted legal and accounting services. Good business practices require that contracted services of the village be evidenced in writing setting forth the specific terms and conditions (e.g., payment rates, specific deliverables).

Recommendation: All agreements for services (professional and otherwise) with third parties should be in the form of a written contract. The clerk should monitor contracts to ensure that payments made and services received by the village comply with the terms and conditions of the contracts.

### **Confiscated Evidence**

The village's police department did not maintain an inventory listing of confiscated evidence (e.g., weapons). Failure to maintain control over evidence increases the risk that evidence may be stolen, lost, or disposed of improperly.

Recommendation: The police chief should ensure that a complete inventory of evidence is taken and a log is maintained that documents the (1) date confiscated; (2) tag number; (3) description of item confiscated; (4) name of the person from whom item was confiscated; (5) reference to the arrest report; and (6) final disposition of the item.

In addition, we recommend that the police chief establish a policy for the time period that evidence/weapons is maintained and when a destruction order (or an order to return the evidence to the lawful owner) is to be obtained from the court/judge and district attorney. After approval of the policy, obtain destruction orders for all evidence held that exceeds the policy period. The destruction order should include date, location, items destroyed, and signature of the persons destroying and witnessing the destruction (prohibit the village's police officers from destroying evidence).



### **Computer Backup and Disaster Recovery Plan**

We recommend that the village clerk perform a daily backup of computer data/files and secure the backup at an off-site location. In addition, although the village follows West Carroll Parish's disaster recovery plan, we recommend that management tailor that plan to the specific needs of the village and test/revise the plan on an annual basis. Having a specific plan is a good business practice, as it will provide the steps to be performed to continue village operations in the event of a disaster, fire, or terrorist attack.

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Findings Previously Reported  
December 31, 2007



The following presents a summary of the findings reported in the December 31, 2007, annual financial statements (reported by the village’s independent auditor) and the disposition of those findings based on our inquiries and general observations as of July 31, 2008. Management’s response is presented in Appendix A.

December 31, 2007, Findings	Disposition as of July 31, 2008
<p><b>1. Budget</b></p> <ul style="list-style-type: none"> <li>• The General Fund budget was not amended in accordance with state law (when actual expenditures exceeded budgeted expenditures by 5% or more).</li> <li>• Contrary to state law, a deficit was budgeted in the General Fund.</li> </ul>	<p><u>Not Determinable.</u> (See finding, <i>Financial Management - Budget-to-Actual Variances Not Reviewed.</i>)</p> <p><u>Unresolved.</u> (See finding, <i>Financial Management - Noncompliance With Budget Laws.</i>)</p>
<p><b>2. Disbursements</b></p> <ul style="list-style-type: none"> <li>• Disbursements were not always adequately supported by documentation.</li> <li>• An expense of \$88 was considered to be a donation of public funds.</li> <li>• Salaries were improperly advanced to employees.</li> </ul>	<p><u>Unresolved.</u> (See finding, <i>Purchasing and Disbursements.</i>)</p> <p><u>Resolved.</u></p> <p><u>Resolved.</u></p>
<p><b>3. Payroll Taxes</b></p> <ul style="list-style-type: none"> <li>• The quarterly federal payroll tax returns were not completed and filed, and the payroll taxes (withheld from employees and matched by the village) were deposited/paid late or not paid at all to the Internal Revenue Service.</li> <li>• The quarterly state payroll tax returns were not completed and filed, and the state taxes withheld from employees were not always being remitted to the state.</li> </ul>	<p><u>Partially Resolved.</u> The quarterly tax returns were filed. However, in addition to not paying all of its 2006 and 2007 payroll taxes, the village was delinquent in paying its current year (2008) taxes. As of July 31, 2008, the village owed \$40,566 in delinquent federal payroll taxes.</p> <p><u>Resolved.</u></p>

December 31, 2007, Findings	Disposition as of July 31, 2008
<ul style="list-style-type: none"> <li>The quarterly state unemployment tax returns were not completed and filed and the unemployment taxes were not paid.</li> </ul>	<p><u>Resolved.</u></p>
<p><b>4. Sales Taxes</b> - The village incurred penalties and interest for failing to collect state sales tax on nonresidential water customers and for not filing sales tax returns.</p>	<p><u>Resolved.</u></p>
<p><b>5. Accounts Receivable</b></p> <ul style="list-style-type: none"> <li>Adjustments to customers' water and sewer accounts were not adequately supported.</li> <li>Adjustments and credits to accounts were not properly posted to the general ledger.</li> <li>Deposits were not always supported by customer payment reports.</li> <li>The general ledger accounts receivable balance was not reconciled to the amount due from customers on a timely basis.</li> </ul>	<p><u>Resolved.</u></p> <p><u>Resolved.</u></p> <p><u>Resolved.</u></p> <p><u>Unresolved.</u> (See finding, <i>Customer Account Balances Not Reconciled.</i>)</p>
<p><b>6.</b> The village does not have a formal records retention schedule.</p>	<p><u>Resolved.</u></p>

## Management's Response





# Village of Epps

MAYOR  
Jeff Guice

P. O. Box 253  
EPPS, LOUISIANA 71237  
318-926-5224

COUNCIL MEMBERS  
Roberta Simms  
Shirley Gibson  
Charlie Grimble

CHIEF OF POLICE  
Roosevelt Porter

VILLAGE CLERK  
Denise Franks

State of Louisiana  
Legislative Advisory Services  
Baton Rouge, La.

## Advisory Services Members:

We have looked over the recommendations and findings from your advisory services. We would like to offer the following responses.

### Item number 1, Lack of Written Policies and Procedures:

The Louisiana Code of Ethics has been down-loaded. A copy will be provided to each employee for review and an annual letter will be signed by all employees attesting to their compliance with the ethics policy.

We will adopt policies for budgeting, financial reporting, disbursements, procurement/purchasing, contracts, capital assets, travel, gasoline and diesel inventories, computer, customer utility accounts, receipts/collections, payroll processing, investments, traffic tickets, confiscated evidence. These policies will include the line items in your report.

Item number 2, Budget-To-Actual Comparisons: A copy of our budget will be supplied to our C.P.A. so they can project comparisons. These will be passed on to the Mayor and Council each month for review.

Item number 3, Deficit Spending in General Fund:



*Epps - "Home of Poverty Point"  
Equal Opportunity Employer*



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Expenses have been cut to a minimum and our revenues have increased. Our accounts show no deficits at this time, and we will insure that they don't.

Item number 4, Noncompliance with Budget Laws:

We will be sure that our budgets are passed by December 31st of each year and not be late.

We are going to go back and pass 2009 budget by Ordinance and any amendments to this budget will be adopted by ordinance also.

The Mayor will add a budget message for 2009.

Fund balances will be shown in the 2009 budget.

There is no deficit spending.

Item number 5, No Utility Fund Budget: We will have our C.P.A. or Auditor prepare a Utility Fund Budget for the Water and Sewer System.

Item number 6, Noncompliance with Bond Requirements: Payments are now being made monthly into these accounts. We will contact U.S.D.A. about this and also try to fund these deficits as soon as possible.

Segregation of Accounting Duties: We will, to the best of our ability segregate the duties in the Clerk's office. Seperate money boxes will be maintained.



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The Mayor will periodically perform a supervisory review of the work of the clerk.

**Utility Billing Software:** We have purchased a new software program and have implemented this program for our utility system. There are backups available and all data is available to be correctly and consistently retrieved. The Clerk has been providing all records necessary for the C.P.A. to reconcile the records on the utility system.

**No Accounting of Customer Meter Deposits:** A listing will be kept of each meter deposit. A separate account will be opened for this money. A figure has been determined for the meter deposits we currently have and this amount will be transferred to a separate account.

**Traffic Violations:** We will report all tickets to DPS in accordance with state law.

**Mayors Court:** A docket is now being kept as required by law. We will start paying the special court costs as listed in your report.

We will start publishing all minutes in the Village's official journal.

**Purchasing and Disbursements:** All purchasing and disbursements are now being properly documented. We will implement a purchase order system.



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**Payroll/ Personnel:** Time sheets were implemented on January 1. Time sheets will be submitted to supervisors and then the Mayor. Leave Slips will be implemented.

**Personnel Records:** Personnel files have been completed on each employee with the Forms and Wage information you have recommended.

**Gasoline/Diesel:** We will follow your recommendations to improve controls over fuel.

**Capital Assets:** We will perform an annual physical inventory and also tag assets for inventory purposes.

**Contracts:** We will get contracts/agreements for our legal and accounting services. These contracts will be monitored by the Clerk.

**Confiscated Evidence:** The Village will take steps to improve control over evidence as recommended.

**Computer Backup and Disaster Recovery Plan:** We will perform a daily backup of data and secure it at an off-site location. We will also try to tailor the W.C. Parish's disaster plan to fit our specific recovery needs

Our goal is to submit our policies to the Council for approval at the January 12th, 2009 and the February 9th, 2009 meetings.



*Epps - "Home of Poverty Point"  
Equal Opportunity Employer*



# Village of Epps

MAYOR  
Jeff Guice

P. O. Box 253  
EPPS, LOUISIANA 71237  
318-926-5224

COUNCIL MEMBERS  
Roberta Simms  
Shirley Gibson  
Charlie Grumble

CHIEF OF POLICE  
Roosevelt Porter

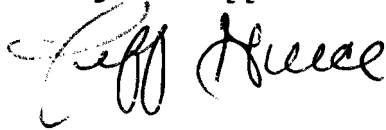
VILLAGE CLERK  
Denise Franks

Several of the changes you recommended have already been resolved and the others will be worked at deligently.

We appreciate the time your office spent here with us. Thank you for the recommendations. We know that once these are all implemented, we will have a much more efficient operational system.

Sincerely,

Jeff Guice, Mayor  
Village of Epps



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