

STATE POLICE COMMISSION

STATE OF LOUISIANA

FINANCIAL AUDIT SERVICES

Procedural Report
Issued May 15, 2024

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Louisiana Legislative Auditor

Michael J. "Mike" Waguespack, CPA



State Police Commission

May 2024

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Introduction

The primary purpose of our procedures at the State Police Commission (Commission) was to evaluate certain controls 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 the Commission's controls and our understanding of related laws and regulations, we performed procedures on selected controls and transactions relating to Commission meetings and minutes, interagency transfers, LaCarte purchasing cards, travel expenditures, contracts, payroll and personnel, ethics, budget, sexual harassment policies, and reporting of misappropriations, fraud, waste, and abuse.

Commission Meetings and Minutes

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

We accessed the Commission's online information included in the Division of Administration's boards and commissions database to determine that the Commission submitted meeting notices and minutes, as available, for all Commission meetings to date during fiscal years 2023 and 2024. 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.

Interagency Transfers

For payments made to other state agencies, we traced selected disbursements to supporting documentation and evaluated proper segregation of duties in the processing of those disbursements. No exceptions were noted.

LaCarte Purchasing Cards

The Commission participates in the state of Louisiana's LaCarte purchasing card program and has one purchasing card, which is used by the Program Manager for general office supplies and administrative expenditures. We traced selected credit card purchases to supporting documentation and evaluated the purpose of the purchase and compliance with applicable laws and regulations. We further confirmed the timely review of purchasing card statements. No exceptions were noted.

Travel Expenditures

Travel expenditures include administrative staff travel and reimbursement of travel expenses for Commission members to attend meetings. Fiscal years 2023 and 2024 travel expenditures totaled \$7,031 through February 29, 2024. 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 2023 and 2024, contract and service agreement expenditures totaled \$291,168 through February 29, 2024. We traced selected contract payments to contract terms and evaluated compliance with laws and regulations. No exceptions were noted.

Payroll and Personnel

Salaries and related benefits comprise approximately 65% of the Commission's expenditures in fiscal year 2023. Commission personnel include the Executive Director, Deputy Director, Program Manager, and Senior Analyst. We traced employees' salaries to the approved pay structure and evaluated controls over time and attendance records. 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. We reviewed selected commissioner per diem transactions to ensure payments were made in accordance with state laws. No exceptions were noted.

Ethics

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

Budget

The Commission's budget for the year ended June 30, 2024, was approximately 10% more than the previous year due to restoring the Deputy Director position at the Commission. 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 Commission members completed the required training during the calendar year and that the Commission's sexual harassment report was properly completed by the February 1 deadline. No exceptions were noted.

Other Compliance Areas

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 misappropriations, fraud, waste, or abuse of public funds. No exceptions were noted.

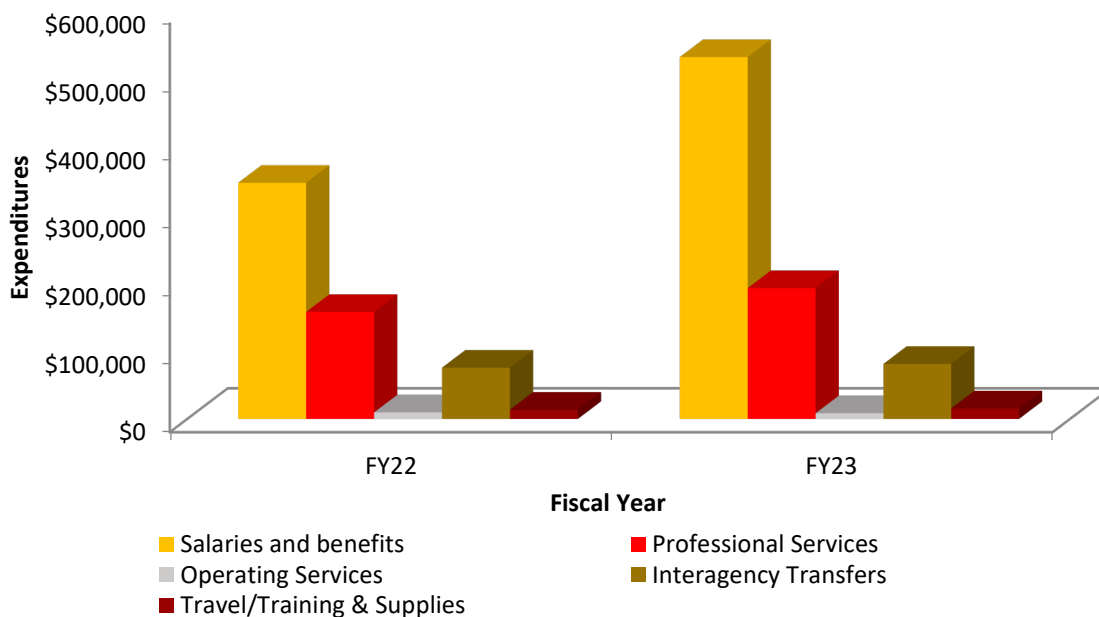
Comparison of Activity between Years

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. Exhibit 1 shows the Commission’s fiscal year 2022 and 2023 expenditures through June 30, 2023. There was a significant increase in salaries and related benefits in Fiscal Year 2023 due primarily to the re-establishment of the Deputy Director position and the increase of retirement payments for an employee no longer in the state’s Deferred Retirement Option Plan program.

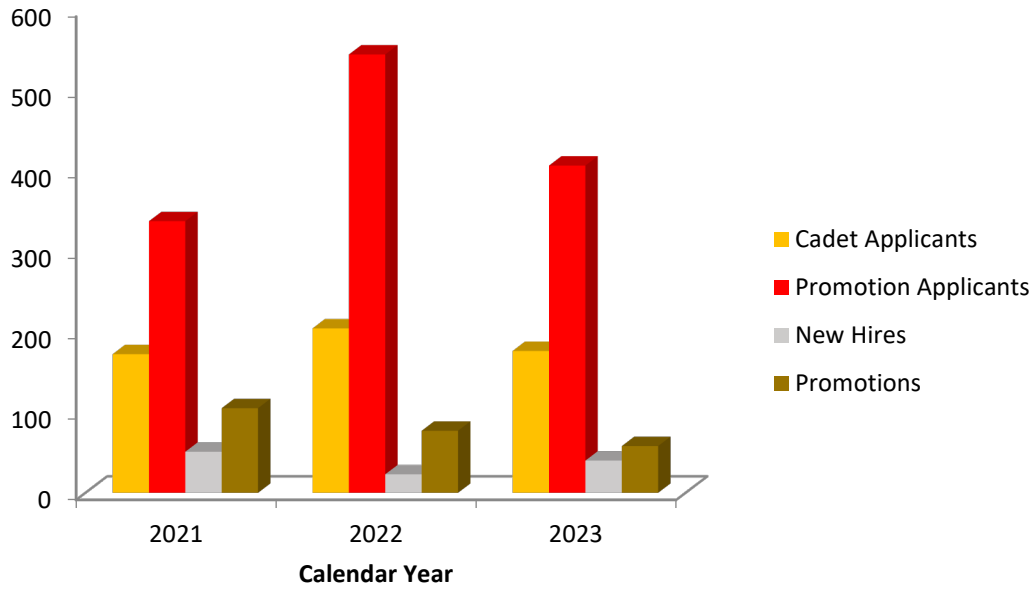
Exhibit 2 shows the number of applicants, new hires, and promotions by year. Since January 2021, the Commission has administered testing for 552 new cadet applicants and 1,287 applicants for promotion as shown by year. During that time period, there were 114 new hires and 240 promotions of officers within the Louisiana State Police. Promotion applications increased in 2022 as the May 2022 exam was a mandatory retest and the subsequent exams were optional. May 2024 will be the next mandatory retest.

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,

Michael J. "Mike" Waguespack, CPA
Legislative Auditor

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APPENDIX A: SCOPE AND METHODOLOGY

We conducted certain procedures at the State Police Commission (Commission) for the period from July 1, 2022, through May 7, 2024. 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 are 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 controls 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, we performed procedures relating to Commission meetings, interagency transfers, LaCarte purchasing cards, travel expenditures, contracts, payroll and personnel, ethics, budget, sexual harassment policies, and reporting of misappropriations, fraud, waste, and 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.