

MINUTES OF THE MEETING OF THE  
CADDO PARISH COMMISSION'S  
FINANCE COMMITTEE  
HELD ON THE 14TH DAY OF JANUARY, 2019

The Caddo Parish Finance Committee met in the Government Chambers Conference Room on the above date at 1:30 p.m., with Mr. John Atkins, presiding, and the following members in attendance: Commissioners Atkins, Cawthorne, Chavez, Gage-Watts, and Lyndon Johnson (5). ABSENT: Commissioner Louis Johnson (1).

Also in attendance were Parish Administrator Dr. Woodrow Wilson, Parish Attorney Donna Frazier, Finance Director Mrs. Erica Bryant, Mrs. Hailey Barnett, Assistant Parish Attorney Henry Bernstein, Juvenile Services Director Clay Walker, and Commissioners Linn and Middleton.

Mrs. Gage-Watts gave the invocation, and Mr. Chavez led the Committee in the Pledge of Allegiance.

Mr. Atkins welcomed member to the first committee meeting of 2019 and opened up the floor for citizens comments:

Ms. Susan Trahan stated that the audit has been discussed now for a full year and she still has concerns on the amount of money being spent compared to what the Parish has received from the audit company that was ultimately chosen. It was her understanding that three (3) departments were to be audited in the first year and only Animal Services were completed in 2018. Her other concern was that the money spent on this audit was expensive and she believes most of those monies could have been better served going the Animal Shelter.

Mr. Atkins stated that the audit performed was to look at both accounting and operational aspects of Animal Services.

Dr. Wilson stated that an initial audit was performed at the request of Administration on Animal Services in 2017-2018 and then the audit/finance committee selected Animal Services to be audited a second time, therefore insuring that an outside group not selected by administration would give Commissioners confidence that an unbiased company looked at Animal Services.

Mr. Atkins agreed that with the RFP process a good unbiased group was selected to perform the Animal Services audit and now it is time for the same group to present to this committee a course of action for auditing other departments and areas and what order this process should be taken.

Dr. Wilson also pointed out that in selecting the company through the RFP process the Parish selected the company that met the specifications of RFP and had the best price for Caddo Parish.

Ms. Laura Soileau stated that their bid was for 5 years and year one was for \$69,500 but because of the time of the audit in 2018 only \$35,000 in charges were incurred which included the Animal Services audit and the risk assessment facilitation, which is being presented today. She pointed out that for year 2 approximately \$88,000 has been budgeted for the audit process.

Ms. Laura Soileau gave a brief overview of the risk assessment process along with the 2019 internal audit plan for the Parish of Caddo. Ms. Soileau pointed out that the risk assessment process worked to focus on items that were most important in regards to risks to the parish and the citizens. They worked with parish personnel in a survey format to find which areas showed the highest risks regarding department and other agencies and programs used by the Parish of Caddo. Once surveys were completed, her team compiled a listing showing the type of risk on how that risk fell on a priority from lowest to highest.

Ms. Soileau stated that 39 people were sent surveys for completion and 33 responded back with a completed survey. She pointed out that the six (6) non-respondents were Commissioners.

Answering a question from Mr. Linn regarding whether Administration cleared certain respondents for survey, Ms. Soileau stated that survey were sent to higher-level employees based on the hierarchy chart, we checked with administration to be sure no one was missed but they did not determine who would or would not respond in any way.

Dr. Wilson pointed out that individual department management staffs were sent email communications requesting they complete survey but Administration did not determine who would or how to respond to survey. He pointed out that only just now did we find out that Commissioners were sent individual emails also and 6 of the 12 responded. Dr. Wilson stated that he was not aware individually of who was contacted for survey or who was not contacted.

Mrs. Bryant stated that after the completion of the survey she received information of who responded but no actual information regarding those responses have been provided to my office.

Ms. Soileau stated that once all responses were received and put together, a listing showing risk levels were developed with anything of 2.5 or higher being what we believe should be handles first. Those risks were as follows:

- Other auditable areas - Non-Governmental Organizations (NGO'S) 3.85
- Animal Services – Caddo Parish Animal Services 3.77 (Audit Completed)
- Juvenile Services – Juvenile Detention Services 3.08
- Finance & Human Resource – vendor & contract management 3.04
- Facilities & Maintenance – CCC 3.04
- Finance & Human Resource – Human Resources Benefits selection 2.90
- Parish Funded Agencies – Juvenile Court 2.87

Based on the information provided, Ms. Soileau presented the proposed internal audit plan for 2019 as the following areas:

- Other auditable agencies – NGO's
- Juvenile Services – Juvenile Services Detention
- Finance & Human Resource – vendor and contract management
- Finance & Human Resource – Benefits selection

Ms. Soileau stated that their intention is to start the first audit (NGO's) if the Commission agrees within the first quarter of 2019 and the other audits would start as they progress into the year.

Answering a question from Mrs. Bryant regarding the risk assessment of other areas the Parish will need eventually audit, Ms. Soileau will provide that to administration when they send copy of presentation.

Answering a question from Mr. Chavez regarding what staff's answers were to survey questions sent out and if commissioners would be able to view those statements; Ms. Soileau stated that she believes that information will be in the full reporting process but pointed out most of the information shows scoring and not commentary with the survey.

Mr. Atkins pointed out that with all surveys this information is the respondent's views on the subject and how much real understanding of the issue is debatable.

Mr. Walker, director of Juvenile Services requested that Juvenile Services be moved down to a little later in the year due to the fact beginning in March Juvenile Services will be in the middle of trying to comply and manage the new "Raise the Age" standards handed down for the State of Louisiana. His concern of trying to get up to speed and complying with new rules along with an internal audit could be a major overload and it may best serve the staff and our children to delay for a few months.

Moved by Mr. Chavez, seconded by Mr. Atkins to cover the four (4) issues provided by internal audit plan. Motion carried, as shown by the following roll call votes: AYES: Commissioners Atkins, Cawthorne, Chavez, and Gage-Watts (4). NAYS: None (0). ABSENT: Commissioners Louis Johnson and Lyndon B. Johnson (2). ABSTAIN: None (0).

Mrs. Bryant stated that Human Resources will be rolling out a new system for the benefit selection process and requests that the Benefits Selection audit come later in the preferably the last quarter (Oct. – Dec.).

Ms. Frazier pointed out that the next grant cycle starts in May/June so it may be that NGO's be the first audit so that any changes that they find are needed during audit can be implemented for the 2020 Budget process.

Mrs. Bryant's suggestion is to move audit's in this order:

- Other auditable agencies – NGO's
- Finance & Human Resource – vendor and contract management
- Juvenile Services – Juvenile Services Detention
- Finance & Human Resource – Benefits selection

Moved by Ms. Gage-Watts, seconded by Mr. Chavez to set internal audit in order for 2019 as: NOGO's, vendor and contract management (Finance and Human Resources), Juvenile Services Detention (Juvenile Services), and benefits selection (Finance and Human Resources), Motion carried, as shown by the following roll call votes: AYES: Commissioners Atkins, Cawthorne, Chavez, and Gage-Watts (4). NAYS: None (0). ABSENT: Commissioners Louis Johnson and Lyndon B. Johnson (2). ABSTAIN: None (0).

Answering a question from Dr. Wilson regarding the next group of audit items for 2020, Ms. Soileau pointed out that more than likely the items on the list under these first four items would be next; they would check to make sure if other variables might have affected those item sending them up or down on the risk assessment ladder.

Answering a question from Dr. Wilson regarding audit of the NGO's, MS. Soileau agreed that both policy and practices would be looked at during the NGO audit.

Mr. Linn stated that when the Commission originally voted for these audits, the audits

were in order and somehow the dynamics have changed. He stressed changed by giving the administration and department heads the surveying power to change what was or is not important.

Mr. Adkins disagreed with Mr. Linn, he stated that his interpretation of the audit process that the company picked by RFP would perform a risk analysis ranking those areas that show the more risk as the ones that would be audited. He definitely did not view Administration as trying to impose their will on the process.

Mrs. Bryant pointed out that the process voted on and approved by the Commission stated that all areas would fall under scrutiny. The area audits chosen based on a risk assessment procedure performed by the chosen company approved by the RFP.

Answering a question from Mr. Lyndon Johnson regarding the reason NGO's are rated so high, Mr. Atkins stated that Postlethwaite & Netterville found as part of their risk assessment process that the NGO's carried the highest risk assessment of all items on our list of auditable agencies and functions.

Ms. Soileau stated that they will be able to learn during the audit process whether there are mitigating issues that will need addressing or whether there are just perceived issue that need addressing.

Mr. Johnson stated that it is possible a group or groups could have gotten together and agreed to answer certain questions making certain areas of the audit to come back as high risk and therefore pushing it toward the front of the line.

Ms. Soileau stated that it could be possible but the audit process would show up the particular area was only perceived to be a risk but in reality it was not a risk and there were no problems. She pointed out that their other agencies they have performed this process on they have not found any skewing of information that Mr. Johnson is concerned about.

There was no further discussion, so the meeting adjourned at 2:20 p.m.

/s/Todd Hopkins  
Todd A. Hopkins  
Commission Clerk