



State of Louisiana

OFFICE OF

STATE INSPECTOR GENERAL

FIFTH LOUISIANA LEVEE DISTRICT

Report by

Inspector General Bill Lynch

Prepared for

Governor M.J. "Mike" Foster, Jr.

October 27, 1998

File No. 1-99-0020



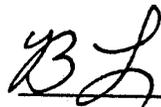
State of Louisiana

**OFFICE OF
STATE INSPECTOR GENERAL**

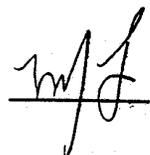
Fifth Louisiana Levee District

September 30, 1998

Report by

 **Inspector General Bill Lynch**

Approved by

 **Governor M.J. "Mike" Foster, Jr.**

File No. 1-98-0020

Fifth Louisiana Levee District

The Fifth Louisiana Levee District does not maintain records in its office to properly document payroll, vehicle use, or use of prison labor. The District lacks written policy and procedures for its operations.

One of the District's employees has an agricultural lease with a land owner over whom the District exercises some regulatory oversight.

Background

The Fifth Louisiana Levee District encompasses a four parish area consisting of East Carroll, Madison, Tensas, and Concordia parishes. It is governed by an eight member board, two from each parish, appointed by the Governor. The Board President has an active role in business affairs and receives part-time compensation. The administrative office is located in Tallulah.

The District works in conjunction with the Army Corps of Engineers, with the Corps constructing the levees and the District maintaining them. There are currently twelve employees consisting of a superintendent, administrative secretary, two foremen, and an eight man field crew. The foremen and field crew workers are split into north and south crews with separate shop facilities. They maintain 357 miles of levee system.

Records

Payroll Records

A review of records showed that time sheets were not kept up-to-date in the administrative office. Payroll is prepared bi-weekly by the administrative secretary. On the date of review,

Aug. 18, 1998, the most current time and attendance records available for inspection were dated June 30, 1998. This put time records seven weeks behind date. The administrative secretary commented that the time records will trail up to six months behind and were only sent in recently in order to prepare for the fiscal year end audit. The administrative secretary also stated that she computes payroll based on what the superintendent tells her. The superintendent said that he keeps time records at the shops and turns them in periodically.

District employee time sheets were neither signed nor initialed by the employee to validate the time at work.

Vehicle Use Records

The District has five vehicles that are used for work and taken home by employees. The superintendent and two foremen each have a pick-up truck assigned to them. There are two carryalls driven home by a member of the north and south crews that are used to pick up the other crew members and carry them to and from the job. When we asked to look at the vehicle logs we were informed that there were none.

Fleet management regulations require that a vehicle log, DOA form MV-3, be kept on each vehicle.

Prison Labor Records

Prison labor is used frequently by the District and there exists a cooperative endeavor agreement with the Madison Parish Detention Center to provide that labor. The agreement requires that the District provide meals and necessary clothing (i.e. boots) not normally provided by the Detention Center while performing services for the District. Prison labor is used during flooding to help maintain the levees. Recently one trusty has been utilized regularly to do maintenance on the District's equipment.

There were no records available to track which prisoners worked where and when. A review of meal receipts provided no information on the number of prisoners fed and merely showed costs of \$6 to \$12.50 a day for food.

Lack of Policy

The District has no written policy and procedures for operations. The administrative secretary said she has not had time to create a policy manual for the district.

Agricultural Lease

Bobby Cowan, one of the District's foremen, has a private hay baling contract with the agent of a local estate within the Levee District. The foreman pays the estate 10% of the assessed value of the hay from levee land or \$2 per \$20 bale. The District has the responsibility to maintain the levees and this includes grass cutting. However, if the levee is situated on private property, the land owner retains use to that property subject to oversight by the District.

Conclusions:

1. The District has failed to maintain adequate time and attendance records to substantiate its payroll.
2. The District has failed to maintain vehicle logs to substantiate proper use of public vehicles.
3. The District has failed to maintain adequate documentation for the use of prison labor.
4. The District lacks written policy and procedures for its operations.
5. An ethics question exists with the foreman's agricultural lease.

Recommendations:

1. The Board should require that the superintendent promptly remit time and attendance records prior to payroll preparation along with the appropriate detail and signatures.
2. The Board should require that vehicle logs be maintained.
3. The Board should determine a schedule of allowable expenditures and a method for tracking prison labor.
4. The Board should establish written policy and procedures for operations of the District.
5. The Board should seek an opinion from the Board of Ethics about the foreman's agricultural lease.

Management's Response:

See attached Fifth District Board response.

Bobby Cowan chose not to provide a written response.

**FIFTH LOUISIANA LEVEE DISTRICT
BOARD OF COMMISSIONERS
222 NORTH CEDAR STREET
TALLULAH, LA 71282**

PH(318) 574-2206

FAX(318) 574-2205

E-Mail <flld@louisiana-internet.net>

September 23, 1998

Bill Lynch
Inspector General
State of Louisiana
P O Box 94095
Baton Rouge, LA 70804-9095

Re: File No. 1-98-0020
Draft Report

Dear Mr. Lynch:

I have reviewed the draft report prepared by your office concerning record keeping by the Fifth Louisiana Levee District and an ethics matter relating to an employee. While I have no objections to the overall scope of the report, I wish to address or correct statements contained in the report, i.e.:

1. Payroll Records, Page 2
Conclusions: Page 3

Complete time records are kept at the maintenance department offices on a regular basis and available for review at any time. Revenues to the Levee District are not sufficient to provide the numbers of employees necessary to permit every item of work to be done in a timely manner; therefore, employee time records are transferred to personnel folders in the business office following the heavy mowing, maintenance season, usually in November or December, and prior to annual audits after the June 30th fiscal year end. Changes to an employee's work schedule are reported to the office at the end of each bi-weekly payroll period.

2. Lack of Policy, Page 3:

The administrative secretary stated that if she brought the issue (lack of policy) to the Board, it would instruct her to draft a policy, which she does not have the time to do. The Levee Board has never taken action to write a policy and procedures manual.

With reference to "Recommendations:" in the report. When finalized, this report will be presented to the Board of Commissioners for the Fifth Louisiana Levee District and each item addressed individually. In the meantime, I have asked the administrative assistant/secretary to initiate work on a written policy and procedures manual for the Levee District. I will also request an opinion from the Board of Ethics regarding the foreman's agricultural lease with a property owner to harvest hay from Levee District right-of-way.

If you have other questions or comments, please feel free to direct them to me or to the Levee District business office.

Yours truly,



Reynold S. Minsky, President
Fifth Louisiana Levee Board

RM/nw