

Plaquemines Parish Government

Parish President
Keith Hinkley

Randy A Duke
CPA, CIA, CIGA
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INTERNAL AUDIT

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Council Members

District 1 - Tyronne Edwards
District 2 - Brian Champagne
District 3 - Christopher "Chris" Schulz
District 4 - Dr. Stuart J Guey, Jr.
District 5 - Patricia L. "Patty" McCarty
District 6 - Lloyd "Ronnie" Newsom, Jr.
District 7 - Carlton M LaFrance Sr.
District 8 - Mitch Jurisich, Jr.
District 9 - Mark "Hobbo" Cognevich

MEMORANDUM

To: Council Member Mr. Christopher "Chris" Schulz
Chair - Audit Committee Member

Date: June 20, 2024

Council Member Mr. Lloyd "Ronnie" Newsom, Jr.
Audit Committee Member

Council Member Mr. Mitch Jurisich, Jr.
Audit Committee Member

From: Randy A. Duke, C.P.A., CIA, CIGA
Chief Internal Auditor

Re: Plaquemines Port Harbor & Terminal District ("Port")
Internal Audit of the Port's Purchasing and Travel Card Usage
Internal Audit Project No. 2024-03

Attached is the internal audit report on the Port's Purchasing and Travel Card Usage. This internal audit report details the internal audit objectives, scope, methodology, audit analysis and information and provides the internal auditor's findings, observations, recommendations, and conclusions.

I would like to express our appreciation for the expert audit assistance and cooperation received from Mr. Charles Tillotson, Port Executive Director, Ms. Melissa M. Folse JD, MPE, Deputy Port Director and Mr. Tommy Serpas, Consultant.

cc: Mr. Keith Hinkley, Parish President, Mr. Charles Tillotson, Port Executive Director, Ms. Melissa M. Folse JD, MPE, Deputy Port Director and Mr. Tommy Serpas, Consultant.

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Plaquemines Port Harbor & Terminal District Purchasing and Travel Card Usage

Internal Audit Report
Internal Audit Project No. 2024-03

Randy A. Duke, CPA, CIA, CIGA
Chief Internal Auditor
Internal Audit Department

PLAQUEMINES PORT HARBOR & TERMINAL DISTRICT

PURCHASING AND TRAVEL CARD USAGE

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EXECUTIVE SUMMARY

This executive summary represents the results of our internal audit work on the Port’s Purchasing and Travel Card Usage.

Our objectives were as follows:

Objectives
➤ To verify that the Port’s Purchasing and Travel Card expenses are supported by sufficient documentation;
➤ To verify that the Port’s Purchasing and Travel Cards are safeguarded;
➤ To verify compliance with the Port’s Purchasing and Travel Card Policies and Procedures;
➤ Consider compliance with Louisiana State Credit and Travel guidelines and LLA Best Practice;
➤ To address the risk level for fraud, waste, and abuse; and
➤ To make recommendations to improve the internal controls.

Internal Audit Conclusions

During this Internal Audit it was concluded the Ports overall internal controls over Purchasing and Travel Credit Card Usage are good. The auditor concludes that there is a low risk of fraud waste and abuse within this process.

Observations

Observation # 1: Port's Purchasing and Travel Policies and Procedures

Condition: During the auditor's review of the Port's Purchasing and Travel Card Policies, it was noted that the Port has good controls in place¹. **Attachment I.**

Responsibility for Action: Mr. Charles Tillotson, Port Executive Director.

Recommendation: However, to improve the Port's Travel Policies and Procedures the Port may want to consider the LLA Best Practice that states - For those entities that require a comprehensive travel policy, the LLA suggest that they adopt a detailed travel policy using the State of Louisiana travel policies as a guide.

Management Response: **The Port concurs with this recommendation and will comply.**

Observation # 2: Port's Purchasing and Travel Expense Compliance Review

Conditions: During the examination of the Ports Purchasing and Travel expense transactions the auditor noted no differences².

Recommendations: None

Responsibility for Action: Mr. Charles Tillotson, Port Executive Director.

Management Response:

¹ The Plaquemines Port Harbor and Terminal District Accounting Policies and Procedures Manual regarding Purchasing and Travel Card Usage can be provided upon request.

² Audit Information and Analysis Section V. Tables #s 2-6.

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INTERNAL AUDIT REPORT

I. Audit Initiation

In accordance with the Plaquemines Parish Government Audit Charter and the approved Internal Audit Department’s annual audit plan for 2024, I have performed the following Internal Audit of the Port’s Purchasing and Travel Card Usage.

II. Audit Background

Table # 1 The Port is using the following Purchasing and Travel Cards:

Plaquemines Port, Harbor, and Terminal District Purchasing and Travel Card Listing			
		In Possession	
Card #	Card Description	Employee	Position
1403	Home Depot	Shawna Williams	Purchasing Agent
0627	³ Ghost Card – Amazon Account	-----	-----
6883	Purchasing Card – General	Shawna Williams	Purchasing Agent
4200	Travel Card – General	Harolynn Sherman	Assistant Port Manager
9618	Travel Card – Melissa	Melissa Folse	Deputy Director – Executive Counsel
0098	Travel Card – Charles	Charles Tillotson	Executive Director

³ The Ghost Card is secured in the Port’s office safe. The Director of Administration is responsible for securing credit cards under lock. Plaquemines Port Harbor & Terminal District Accounting Policies and Procedures Manual, Page 23 can be provided upon request.

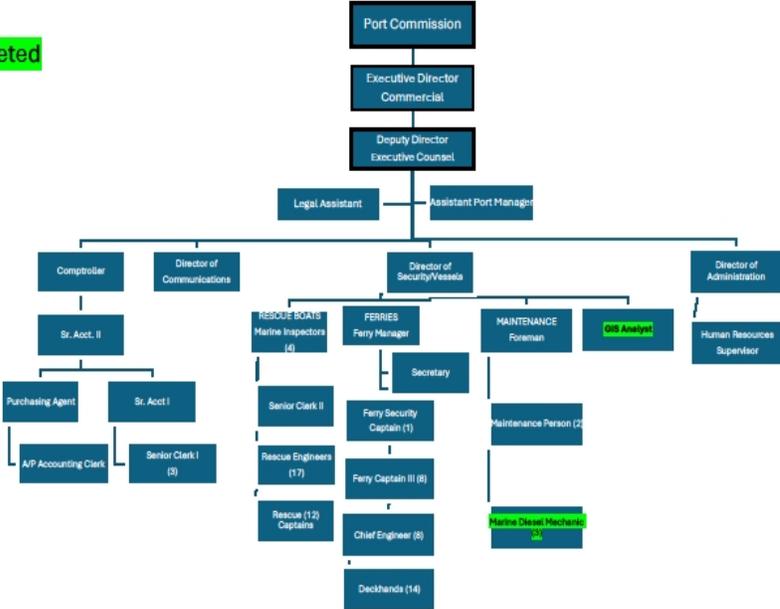
The Port’s Organizational Chart shows the following:

CHART 1

Plaquemines Port Harbor & Terminal District
2024 Organization Chart



Approved & Budgeted



III. Audit Planning

Planning
➤ Determine the audit objectives, scope, and methodology.
➤ Obtain the Port’s Purchasing and Travel Card policies and procedures.
➤ Obtain a list of all Port’s Purchasing and Travel Cards and their locations.
➤ Brainstorm the possible Port’s Purchasing and Travel Card risks. (What can go wrong)
➤ Obtain the Ports Trial Balance, Transaction Reports, monthly credit, and travel card statements and supporting documentation for the period of January 1, through December 31, 2023.
➤ Obtain the Louisiana Legislative Auditor Purchasing and Travel Card best practices.
➤ Obtain the Louisiana State Purchasing and Travel Card guidelines.
➤ Interview the Port’s Executive Director; and

- Interview Port’s Consultant.

IV. Audit Objectives, Scope, and Methodology

Our objectives were as follows:

Objectives
➤ To verify that the Port’s Purchasing and Travel Card expenses are supported by sufficient documentation;
➤ To verify that the Port’s Purchasing and Travel Cards are safeguarded;
➤ To verify compliance with the Port’s Purchasing and Travel Card Policies and Procedures;
➤ Consider compliance with Louisiana State Credit and Travel guidelines and LLA Best Practice;
➤ To address the risk level for fraud, waste, and abuse; and
➤ To make recommendations to improve the internal controls.

Scope
➤ The internal audit period was from January 1, 2023 through December 31, 2023. The auditor reviewed a two (2) month random sample of the Port’s Purchasing and Travel Card transactions and supporting documents for 2023.
➤ In addition, the scope of the internal audit included the consideration of systems, records, personnel, physical properties, and other information necessary to achieve the internal audit objectives. During the planning of this internal audit, I reviewed the possibility of fraud, waste, and abuse of public funds.

Methodology
➤ Examined a two (2) month random sample of the Port’s Purchasing and Travel Card transactions and supporting documentation for 2023;
➤ Verify that the Port’s Purchasing and Travel Cards are safeguarded;
➤ Verify compliance with the Port’s Purchasing and Travel Card Policy and Procedures;
➤ Check compliance with the Louisiana State Credit and Travel guidelines and LLA Best Practice for Purchasing and Travel Card Usage;
➤ Determine the level of fraud, waste, and abuse; and
➤ Recommend internal control improvements.

Documents Reviewed

- Port's Purchasing and Travel Card Policies and Procedures;
- Port's Purchasing and Travel Card expenses and supporting documents;
- Ports listing of Purchasing and Travel Cards and their locations; and
- Louisiana State Purchasing and Travel Card guidelines and LLA Best Practice.

V. Audit Information and Analysis

Louisiana Legislative Auditor ("LLA") Best Practices for Credit Card Purchases and Travel

Credit Cards

- ❖ Whenever credit cards are used, they usually involve abuse and/or lack of adequate documentation to support the charges. Therefore, using credit cards is a risk factor that could provide opportunities for management or employees to misappropriate assets.
- ❖ **The credit card statement alone is not adequate documentation** as it does not provide enough detail to support the propriety of the charges.

For charges other than for gasoline, **the credit card charge tickets are not adequate documentation as they do not provide enough detail to support the charge.**
- ❖ For example, credit card charge tickets for meals do not allow for verification of the number of meals purchased and the propriety of the charges. Therefore, the **detailed meal receipt should be submitted for supporting documentation.**
- ❖ Does the entity use credit cards? If so, is there a written policy for using credit cards?
- ❖ Does management exercise adequate controls over credit card usage?
- ❖ **Are there itemized/detailed receipts and other appropriate documentation for all credit card charges appearing on the monthly statement?**
- ❖ **Is the business purpose clearly documented for all charges appearing on the credit card statements, including names of persons participating?**

Travel Cards

❖ **The travel policy should be adequate to meet the needs of the entity. It should provide specific guidance as to what is allowable relating to business, conference, and seminar travel.**

❖ For example, a one or two-page policy that is very general (does not include reimbursement rates for lodging or meals, etc.) would not be adequate.

❖ For those entities that require a comprehensive travel policy, we suggest that they adopt a detailed travel policy using the State of Louisiana travel policies as a guide.

❖ **Travel should be reasonable and done only when necessary and when such travel benefits the entity.**

❖ Is there a travel policy?

❖ Is the travel policy adequate to meet the needs of the entity's employees, including containing specific guidance as to what is allowable relating to travel for business and conferences?

❖ **Are standardized expense reports for reimbursement prepared and do they include all appropriate documentation (itemized receipts, registration forms, conference brochures, mileage logs, et cetera) supporting the business nature of the expenditures?**

Review of the Port's Purchasing and Travel Card Policies and Procedures

During the review of the Port's Purchasing and Travel Policies, it was noted that there are good, detailed written policies and procedures in place.⁴

⁴ Plaquemines Port Harbor & Terminal District Accounting Policies and Procedures Manual Pages 23 & 40 can be provided upon request.

The Port's Purchasing and Travel Credit Card Transactions were reviewed for compliance with the Port's Accounting Policies. The results of this review are noted in **Tables # 2-6.**

**Table # 2 - Visa Account
January 2023
Compliance Review**

Sel #	Date	Description	Amount	Sufficient Supporting Documentation	Compliance with Port Policies and Procedures	Approved
1	1/2/23	Monthly Card Fee	\$50.00	Yes	Yes	Yes
2	1/2/23	Inland Water Subscription	195.00	Yes	Yes	Yes
3	1/10/23	Email Monthly Charge	90.47	Yes	Yes	Yes
4	1/10/23	Email Monthly Charge	531.13	Yes	Yes	Yes
5	1/12/23	eFax Monthly Charge	37.98	Yes	Yes	Yes
6	1/12/23	AT&T (Phone & Internet)	828.68	Yes	Yes	Yes
7	1/16/23	Working Lunch/Staff Meeting – Subway	8.22	Yes	Yes	Yes
8	1/16/23	Captain Larrys Working Lunch/Staff Meeting	73.28	Yes	Yes	Yes
9	1/18/23	Monthly Charge – Software	-10.45	Yes	Yes	No
10	1/19/23	Monthly Charge – Software	264.17	Yes	Yes	Yes
11	1/30/23	Standing Desk	934.50	Yes	Yes	Yes
12	1/12/23	Office Supplies	<u>114.08</u>	Yes	Yes	Yes
	Total		\$3,117.06			
13	1/9/23	PAL Board Meeting	\$8.00	Yes	Yes	Yes
14	1/13/23	Lunch with Hartley Crunk	2.00	Yes	Yes	Yes
15	1/13/23	Lunch with Charles	6.00	Yes	Yes	Yes

16	1/16/23	Louisiana Yps Engange	107.72	Yes	Yes	Yes
17	1/20/23	GNO Luncheon	19.84	Yes	Yes	Yes
18	1/2/23	Transportation Committee Luncheon	<u>50.00</u>	Yes	Yes	Yes
	Total		\$193.56			
19	1/1/23	Unallowable – Help Uber	10.90	Yes.	Yes	Yes
20	1/2/23	Unallowable – Help Uber	11.92	Yes	Yes	Yes
21	1/5/23	Meeting with Melissa	40.73	Yes	Yes	Yes
22	1/23/23	Meeting with Renee Lapeyroterie	55.69	Yes	Yes	Yes
23	1/25/23	Lunch with Brian Harold, Steve Tyndal and Sam Kaiser	36.97	Yes	Yes	Yes
24	1/27/23	Transportation Committee Luncheon	50.00	Yes	Yes	Yes
25	1/30/23	Unallowable – Help Uber	10.96	Yes	Yes	Yes
26	1/30/23	Unallowable – Help Uber	<u>10.98</u>	Yes.	Yes	Yes
	Total		\$228.15			

Table # 3 - Visa Account December 2023 Compliance Review						
Sel #	Date	Description	Amount	Sufficient Supporting Documentation	Compliance with Port Policies and Procedures	Approved
1	12/1/23	Office Supplies	\$34.53	Yes	Yes	Yes
2	12/4/23	Office Supplies	<u>19.76</u>	Yes	Yes	Yes
	Total		54.29			
3	12/1/23	Domain Monthly Subscription	58.11	Yes	Yes	Yes
4	12/1/23	Community Donation to Local Schools	176.25	Yes	Yes	Yes

5	12/7/23	Monthly Subscription Charges	6.00	Yes	Yes	Yes
6	12/7/23	Monthly Subscription Charges	144.00	Yes	Yes	Yes
7	12/7/23	Monthly Subscription Charges	558.37	Yes	Yes	Yes
8	12/12/23	eFax Monthly Charge	37.98	Yes	Yes	Yes
9	12/18/23	Acrepre Card Subscription	<u>428.12</u>	Yes	Yes	Yes
		Total	\$1,408.83			
11	12/1/23	Monthly Fee	\$50.00	Yes	Yes	Yes
		Total	<u>\$50.00</u>			
12	12/1/23	Southwest Personal – Charged to wrong card	\$145.29	Yes	Yes	Yes
13	12/13/23	Meeting with Diane Jackson	125.37	Yes	Yes	Yes
14	12/14/23	DC Mardi Gras	1,610.14	Yes	Yes	Yes
15	12/14/23	DC Mardi Gras – Hotel Service Fee	15.99	Yes	Yes	Yes
16	12/19/23	Meeting with Venture Global in UK - Uber	13.68	Yes	Yes	Yes
17	12/20/23	Personal – Charged to wrong card – Uber	11.83	Yes.	Yes	Yes
18	12/26/23	Personal – Charged to wrong card – Supercenter	45.00	Yes	Yes	Yes
19	12/27/23	Online Continuing Education	40.00	Yes	Yes	Yes
20	12/29/23	Baton Rouge Bar Association	<u>40.00</u>	Yes	Yes	Yes
		Total	\$2,047.30			
21	12/1/23	NOGC Meeting	\$256.31	Yes	Yes	Yes
22	12/1/23	Meeting with Westwego Mayor – Peters Rd Discussion	92.98	Yes	Yes	Yes

23	12/13/23	DC Mardi Gras	391.81	Yes	Yes	Yes
24	12/13/23	DC Mardi Gras	26.45	Yes	Yes	Yes
25	12/14/23	AAPA Powers Summit	108.90	Yes	Yes	Yes
26	12/14/23	DC Mardi Gras	603.80	Yes	Yes	Yes
27	12/14/23	DC Mardi Gras	-2,415.21	Yes	Yes	Yes
28	12/26/23	Personal – Charged to wrong card- Uber	41.53	Yes	Yes	Yes
29	12/26/23	Personal – Charged to wrong card	<u>49.52</u>	Yes	Yes	Yes
	Total		-\$843.91			

Table # 4 – Home Depot Compliance Review

Sel #	Date	Description	Amount	Sufficient Supporting Documentation	Compliance with Port Policies and Procedures	Approved
1	2/28/23	Water pumps	\$539.87	Yes	Yes	Yes
2	2/28/23	Rescue Boats	448.00	Yes	Yes	Yes
3	3/2/23	Parts and Supplies	456.72	Yes	Yes	Yes
4	3/2/23	Parts and Supplies	720.42	Yes	Yes	Yes
5	6/6/23	Parts and Supplies	360.21	Yes	Yes	Yes
6	6/6/23	Parts and Supplies	456.72	Yes	Yes	Yes
7	6/5/23	Parts and Supplies	35.94	Yes	Yes	Yes
8	6/5/23	Parts and Supplies	700.55	Yes	Yes	Yes
9	6/11/23	Parts and Supplies	59.80	Yes	Yes	Yes
10	11/7/23	Tools	52.62	Yes	Yes	Yes
11	11/7/23	Tools	339.88	Yes	Yes	Yes
12	11/7/23	Tools	143.82	Yes	Yes	Yes
13	10/26/23	Replace bad light fixture	840.49	Yes	Yes	Yes
14	10/26/23	Replace bad light fixture	94.99	Yes	Yes	Yes

15		Replace bad light fixture	<u>149.99</u>	Yes-	Yes	Yes
	Totals		\$5,400.02			

Table # 5 – Specials Meals Compliance Review

Sel #	Date	Description	Amount	Sufficient Supporting Documentation	Compliance with Port Policies and Procedures	Approved
1	11/29/23	Peters Road Bypass Update	\$256.31	Yes	Yes	Yes
2	11/30/23	Peters Road Bypass Discussions	<u>92.98</u>	Yes	Yes	Yes
	Total		\$349.29			

Table # 6 – Unallowable Expense Report Compliance Review

Sel #	Date	Description	Amount	Sufficient Supporting Documentation	Approved
1	12/23/23	Uber	\$41.53	Yes	Yes
2	12/23/23	Uber	49.52	Yes	Yes
3	12/1/23	Southwest	145.29	Yes	Yes
4	11/29/23	Uber	11.83	Yes	Yes
5	12/24/23	Supercenter	<u>45.00</u>	No	Yes
	Total		\$303.17		

VI. Internal Audit Professional Standards

The audit was conducted in accordance with the Institute of Internal Auditor’s Standards for the Professional Practice of Internal Auditing, (the Red Book).

Attachments

Attachment I - Port's Purchasing and Travel Card Policies and Procedures ⁵

Credit Card Purchases

1. Credit card accounts require Executive Director approval and are only for the official business of the Port.
2. Credit cards must be placed under strict control and be available for use in limited cases as set forth by Port policies/procedures. Credit cards are not to be used for purchases that are subject to the requirements of the Louisiana Public Bid Law.

Purchasing Cards

Security

1. The Director of Administration is to maintain a listing of all credit cards, including the card numbers, and the telephone numbers of the credit card companies.
2. The Director of Administration is responsible for securing credit cards under lock.
3. Employees must immediately notify the Director of Administration if a credit card is missing (lost or stolen). The Director of Administration is responsible for notifying the Executive Director and immediately canceling the card. If a card is stolen, the Executive Director or Director of Administration is to notify law enforcement.

Issuance

1. The issuance of a credit card must be authorized by a department head or the Executive Director and be documented in writing using the Credit Card Issuance Log.
2. The Director of Administration maintains a written log for each credit card to account for the "check-out" and return of credit cards. The log will contain the (1) business purpose for using the card; (2) the purchase order number; (3) the department head's or the Executive Director's signature approving the issuance of the card; (4) dates and times of issue and return; and (5) signatures of both the Director of Administration and the employee upon issuance and return of the card.

Usage

1. Any personal use of the Port's credit card is prohibited.

⁵ Plaquemines Port Harbor & Terminal District Accounting Policies and Procedures Manual Pages 23 & 40.

2. All purchases must be approved in accordance with the Port's purchasing policies and procedures prior to the transaction. The approved purchase order is to be submitted to the Director of Administration
3. The following purchases are not allowed:
 - Cash advances on credit cards.
 - Alcoholic beverages.
 - Tobacco products.
 - Prescriptions and drugs.
 - Capital equipment and upgrades over \$3,000.
4. Purchases made by credit card must not circumvent the Port's purchasing, policies/procedures or the Louisiana Public Bid Law (e.g., splitting purchases).
5. Employees are responsible for obtaining receipts/documentation as proof of purchase and for documenting the business purpose on the receipts or the Business Purpose log with proper coding. Receipts for any meals and entertainment expenditure also must contain documentation of the names of all persons participating and the business discussed. See the special meal policy if applicable. Failure to provide itemized receipts may necessitate reimbursement to the Port for the expenses not properly documented.
6. The card and the receipts/documentation are to be returned to the Director of Administration upon completion of the transaction.
7. An employee is responsible for all use of the credit card until it is returned to the Director of Administration.
8. The Executive Director is responsible for notifying the district attorney and the Legislative Auditor of any misappropriation of funds or assets of the municipality.

Recordkeeping

1. The Director of Administration is responsible for reviewing the receipts and documentation for propriety (authorization to purchase, documentation of business purpose, etc.) upon the return of the card.
2. At the end of each month, the Director of Administration compares the card issuance log, purchase documentation, and purchase orders to the monthly card statement. During this review, the Director of Administration is to ensure that: (1) all card purchases were documented on the issuance log (checking for card usage approval); (2) all purchases are supported by documentation (checking for inappropriate purchases and completeness of purchase documentation); and (3) all purchases were supported by an approved purchase order (checking for proper approval for the purchases). The Director of Administration is to approve the monthly statement and forward to Accounts Payable for payment and recording.
3. Any purchase/charge without appropriate supporting documentation requires a detailed explanation and description and the written approval of the Executive Director.

4. Un-reimbursable use of a credit card will result in the reimbursement of the unauthorized expenditure to the Port. An un-allowable expense report is to be submitted to the Employees Department Director for review and may result in disciplinary actions up to and including termination of employment.
5. The Director of Administration will attach the receipts and documentation (including monthly log) to the accounting department for payment of statement.
6. Credit card statements must be paid in full monthly. Charges without proper documentation must be paid for by the employee making the purchase.

Emergency P.O

1. Emergency P.O (verbal) will authorize a credit card purchase in the event conditions do not allow a System Generated purchase order to be produced. Refer to Purchasing Policy (Emergency P.O) for procedures leading to a verbal purchase order.

Travel Cards

Security

The employee assigned to the card is responsible for the security and all charges made on the issued credit card.

The employee assigned to the card must notify the Director of Administration if the credit card is missing (lost or stolen). The Director of Administration is responsible for notifying the bank and immediately canceling the card. If a card is stolen, the Executive Director or Director of Administration is to notify law enforcement.

Issuance

The issuance of a credit card must be authorized by a department head or the Executive Director and be documented in writing using the Credit Card Issuance Log.

Usage

All personal use is prohibited. The employee assigned to the card shall be entitled to the use of a Port Credit Card which shall be used for airline tickets, hotel accommodations, other means of transportation, breakfast, lunch, and dinner. All other expenses shall be paid by the employee and reimbursed through the employee expense process. Special meals required for marketing and promotion are allowed and must follow the reimbursement policy for special meals. Port Credit Card shall not be used for the purchasing of personal items or corporate and/or personal gifts.

Employees are responsible for obtaining receipts/documentation as proof of purchase and for documenting the business purpose on the receipts or a business purpose log. Receipts for any meals and entertainment expenditure also must contain documentation of the names of all persons

participating and the business discussed. Failure to provide itemized receipts may necessitate reimbursement to the Port for the expenses not properly documented.

Credit card payments are automatically drafted from port account monthly on the 15th. All receipts and documentation must be received, reviewed, and reconciled prior to posting the payments to the general ledger.

Card Misuse

Cardholders, program users, or supervisors/approving officials, auditors or anyone associated with the program who knowingly, or through willful neglect, fail to comply with the requirements may be subject to suspension or termination of account privileges or other disciplinary action, up to and including termination of employment and criminal prosecution to the fullest extent of the law.

Fraud Purchases

Any use of Port credit cards which is determined to be an intentional attempt to defraud the port for personal gain or for the personal is prohibited. An employee suspected of having misused Port Credit Cards with the intent to defraud the Port will be subjected to an investigation by the Director of Administration. Should the investigation result in findings which show that the actions of the employee have caused impairment to the port service, and should those findings be enough to support such action, the employee will be subject to disciplinary action. The nature of the disciplinary action will be at the discretion of the Executive Director or Chair and will be based on the investigation findings and the record of the employee. Any such investigation and ensuing action shall be reported to the Port Board.

Any recognized or suspected misuse of the Port Credit Card Program should be immediately reported to the Director of Administration and may be anonymously, reported to the State of Louisiana Inspector General's Fraud and Abuse Hotline at 1-866-801-2549.

Non-Approved Purchases

A purchase made by a Port authorized cardholder for which payment by the Port is not allowed per the policy the purchase is a non-approved purchase. A non-approved purchase differs from a fraud purchase in that it is an unintentional misuse of the Port Visa Card with no intent to deceive the agency for personal gain or for the personal gain of others.

A non-approved purchase is the result of a miscommunication between a supervisor and the cardholder. A non-approved purchase could occur when the cardholder mistakenly uses the credit card rather than a personal card.

The consequences for either type of purchase mentioned above must be clearly documented in the agency policy and fully executed when applicable.

Non-approved use or unauthorized use of a credit card will result in the reimbursement of the unauthorized expenditure to the Port. Non-approved purchases with the travel card will be reported in a quarterly non-approved purchases report. The report is to be submitted to the Port Chair or appropriate supervisor for review and may result in disciplinary actions up to and including termination of employment.

Non-approved purchases for the purchasing card must be reported to the appropriate director at the close of the statement and may result in disciplinary actions up to and including termination of employment.

Unauthorized charges or charges without proper documentation must be deducted from the employee's payroll following the reconciliation completion date.

The following purchases are not allowed:

- Cash advances on credit cards.
- Alcoholic beverages.
- Tobacco products.
- Prescriptions and drugs.
- Capital equipment and upgrades over \$3,000.
- Purchases made by credit card must not circumvent the Port's purchasing policies/procedures or the Louisiana Public Bid Law (e.g., splitting purchases).

Disputes

In the event cardholder finds items on the monthly billing statement that do not correlate with retained receipts and supporting documentation, transactions not made by the cardholder, incorrect transaction amounts, or if there is an issue with service or quality, the cardholder's first recourse is to contact the merchant to try to resolve the problem.

If the merchant agrees an error has been made, they will credit the cardholder's account. The credit should appear on the next monthly billing statement. Cardholders should check the next statement for credit.

If the problem with the vendor is not resolved, the finance department must file a dispute claim with Region Bank.

Recordkeeping

The receipts/documentation is to be returned to the Comptroller monthly to be reconciled to

monthly bank statements. Upon completion of the reconciliation, the statement is approved by the Director of Administration for payment.

Credit card statements must be paid in full monthly. Charges without proper documentation must be paid by the employee making the charge within 15 days following the close of statement.

Comptroller is responsible for maintaining visa card file and all supporting documentation, report and required logs pertaining to card charges.

Reimbursement Policy

Advances:

Advances for hotel/motel expenses, or for other travel expenses are very time consuming and should be rarely requested. If for some reason you require an advance, it is your responsibility to turn in an expense report with adequate documentation as soon as your trip is completed. Adequate documentation must include a description of the **business purpose** of the trip and **itemized** receipts which show the **details** of all charges. A credit card receipt that is not itemized or a receipt from a hotel/motel that shows they received your check is **not** adequate documentation. Your receipts must be **itemized** receipts that show the **detail** of your charges.

Non-travel Expenditures (Goods/Materials, Licenses)

1. All expenses submitted should be submitted using the Plaquemines Port, Harbor & Terminal District Employee Expense Reimbursement form.
2. Original receipts for expenditures must be attached and of sufficient detail, indicating date of purchase, description of items and the reason for the purchase. **Credit card receipts indicating total amounts are not acceptable, and it is the employee's responsibility to obtain and provide the proper documentation.**
3. Training/license acquisition will be reimbursed by the Port, provided that a copy of the necessary Certificate of Completion and/or Copy of the License is attached to the Expense Form, as well as a receipt from the Company performing the training. The Port will reimburse for the cost of physical exams required to obtain new or renewal certificates with proper documentation of the expense. However, the Port will not reimburse for extraordinary medical certifications which may be required at the request of the licensing agency. These expenses shall be borne by the employee.
4. It shall be Policy to reimburse Port employees for the expense of the acquisition of the Transportation Workers Identification Credential; however, the Port assumes no liability in maintaining the validity of an employee's TWIC card. It is the responsibility of the employee to keep their card current as per Federal Policy.

Travel Expenses Overnight Lodging

1. All requests for travel shall be approved by the Executive Director or the Deputy Port Director prior to the travel date unless in the case of Council Members/Port Board Members.
2. All expenses submitted should be submitted using the Plaquemines Port, Harbor & Terminal District Employee Expense Reimbursement form.
3. Travel within 100 miles of the District office will be considered local and shall not be reimbursed with regards to overnight travel for a one-day event. Events of 100 miles or

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more are allowed if multiple nights are needed. Employees are expected to commute when the function is located within a reasonable drive time of the District. Reimbursements for overnight travel may be granted with the approval of the Executive Director or Deputy Director **prior** to the travel.

4. The Employee Expense Reimbursement Form must include the date and time of departure, a description of the business purpose of the trip. Supporting documentation should be provided and attached, such as the confirmation of registration for the event attended, agenda, and/or itinerary if the event was a Seminar, Conference or other similar event requiring registration. Travel for other purposes (parking, etc.) should clearly be indicated on the form and the nature of the business noted on the back of the receipt.

5. The Port strongly encourages purchasing the lowest logical room rate. Therefore, once all rates are received, the traveler must compare the cost & options to determine which rate would be the “best value” for their trip. Original receipts for travel lodging should be properly documented with detailed receipts. The Port will reimburse for the cost of the room, however, extraordinary items such as movie rental or courtesy bar items are not reimbursable and should be lined out on the attached receipts and the request adjusted accordingly. When traveling in Louisiana, keep in mind that the Port is exempt from payment of sales & use taxes levied by the State of Louisiana or its political subdivisions. When staying at a motel/hotel in Louisiana, please obtain a Sales Tax Exemption Form from the Port office. **Credit card receipts indicating total amounts are not acceptable, and it is the employee’s responsibility to obtain and provide the proper itemized documentation. No room upgrades: Room upgrades are not the expense of the Port and are not permitted.**

6. In the event proper documentation for lodging is not provided the travel will be reimbursed based on tiers listed below with prior approval from department head.

Meals

Single Day Travel:

Meals are not eligible for reimbursements on single day travel. This means that when an authorized traveler for the Port is in travel status when no overnight stay is required no meals are eligible for reimbursement. However, in cases where the employee is in travel status for 12 or more hours, reimbursement may be granted by department Director and/or Deputy Director.

Travel with Over Night Stay: (minimum of 12 hours in travel status)

Travelers may be reimbursed for meals according to the following schedule:

Breakfast: When travel begins at/or before 6am on the first day of travel or extends at or beyond 9am on the last day of travel, and for any intervening days.

Lunch: When travel begins at/or before 10am on the first day of travel or extends at or beyond 2pm on the last day of travel, and for any intervening days.

Dinner: When travel begins at/or before 4pm on the first day of travel or extends beyond 8pm on the last day of travel, and for any intervening days.

1. If a meal is included in a conference schedule, it is part of the registration fee, therefore, an employee cannot request/receive additional reimbursement for that meal.
2. Alcohol: reimbursement for alcohol is PROHIBITED.

Tiers

1. It shall be Port policy to follow whenever practicable the guidelines regarding usual and customary lodging rates for various Tier Cities as listed. Lodging rates which exceed these amounts may be approved by the Executive Director on a case-by-case basis for reimbursement.

Tier I

Breakfast \$9

Lunch \$13

Dinner \$29

\$51

LODGING: Routine Lodging

In-State Cities (except as listed) \$91

Alexandria/Leesville/Natchitoches \$97

Baton Rouge – EBR \$97

Covington/Slidell – St. Tammany \$91

Lafayette \$91

Lake Charles – Calcasieu \$91

Tier II

Breakfast	\$10
Lunch	\$19
Dinner	<u>\$30</u>
	\$59

LODGING: Routine Lodging

New Orleans, Orleans, St. Bernard, Jefferson,

and Plaquemines Parishes **\$156**

Out-of-State (Except Cities listed in Tier III & IV) **\$91**

Tier III

Breakfast	\$12
Lunch	\$17
Dinner	<u>\$32</u>
	\$61

LODGING: Routine Lodging

Atlanta, Austin, Cleveland, Dallas/Fort Worth **\$134**

Denver, CO, Fort Lauderdale, Hartford, Houston, Kansas City, Las Vegas, Los Angeles, Miami, Minneapolis/ST. Paul, Nashville, Oakland. CA., Orlando, Philadelphia, Phoenix, Pittsburgh, Portland, OR., Sacramento, San Antonio, San Diego, Sedona, St. Louis, Tampa, Wilmington, DE, Puerto Rico, Virgin Islands, all of Alaska and Hawaii, Guam, American Samoa, Saipan

Tier IV

Breakfast	\$13
Lunch	\$19
Dinner	<u>\$36</u>
	\$68

LODGING: Routine Lodging Baltimore MD, Seattle,

WA, San Francisco, CA \$212

Alexandria, VA, Arlington, VA,

New York City, Washington, DC \$225

Chicago, IL, Boston, MA, International Cities \$200

Air Fare

1. The Port will reimburse for Air Fare when it is determined that it is the most Cost-effective mode of transportation, as approved by the Executive Director and/or Deputy Port Director.
2. All expenses should be submitted using the Plaquemines Port, Harbor & Terminal District Employee Expense Reimbursement form with proper receipts and documentation attached, including the reason for the expenditure.
3. The Port strongly encourages purchasing the lowest logical airfare. Therefore, once all rates are received, the traveler must compare the cost & options to determine which fare would be the “best value” for their trip. To make the determination, the traveler must ask the question: Is there a likelihood my itinerary could change or be cancelled?” Depending on the response, the traveler must determine if the costs associated with changing to a non-refundable ticket would be the best value. **The difference between coach/economy class rates and first class or business class rates will be paid by the traveler. Upgrades are not the expense of the Port, and are NOT permitted. Seat changes made for the comfort/convince of the traveler are the expense of the traveler.**
4. Unused tickets will not be reimbursed due to changes in the itinerary not the fault of the Port. Changes in flight schedules which incur additional charges may be approved on a case-by-case basis by the Executive Director or Deputy Director.
5. Tickets which are unused by a traveler should always be monitored by the traveler and the agency. Traveler should ensure that any unused ticket is considered when planning future travel arrangements. Some airlines have a policy which would allow for a name change to another employee within the agency.

It is the traveler’s responsibility to determine, upon initial notification of an unused ticket and then every 30 days thereafter if traveler will be utilizing the unused ticket. If it is determined that the ticket will not be utilized prior to expiration and there is a possibility to

transfer the ticket, the traveler must immediately advise the agency travel administrator that the ticket is available for use by another employee. The travel administrator should then act accordingly.

In addition, the Department Head, prior to expiration, must review all unused airfare to determine, based on the traveler's justification, if reimbursement from the traveler must be made to the agency for the unused ticket. All files must be properly documented.

International Travel:

1. International travel must be approved by the Executive Director prior to departure, unless specific authority for approval has been delegated to a department head. Requests for approval must be accompanied by a detailed account of expected expenditures (such as room rate/date, meals, local transportation, etc.), and an assessment of the adequacy of this source to meet such expenditures without curtailing subsequent travel plans.
2. International travelers will be reimbursed the Tier IV area rates for meals and lodging unless U.S. State Department rates are requested and authorized by the Executive Director prior to departure. Itemized receipts are required for reimbursement of meals and lodging claimed.
3. It is the agency's decision, if justification is given, to allow port employees to be reimbursed for a VISA and/or Immunizations when the traveler is traveling on behalf of the port business. However, it is not considered best practice for the Port to reimburse for a Passport, therefore, Passport reimbursements must be submitted to the Department Head for approval along with detailed justification as to why this reimbursement is being requested/approved.
4. When an international flight segment is more than 10 hours in duration, the Port will allow the business class rate not to exceed **20%** percent of the coach rate. The traveler's itinerary provided by the travel agency must document the flight segment as more than ten hours and must be attached to the travel voucher.

Special Meals:

1. Reimbursement designed for those occasions when, as a matter of extraordinary courtesy or necessity, it is appropriate and in the best interest of the port to use public funds for provision of a meal to a person who is not otherwise eligible for such reimbursement and where reimbursement is not available from another source. Requests should be within reason and may include tax and tips. Itemized receipts are required.
2. Visiting dignitaries or executive-level persons from other governmental units, and persons providing identified gratuity services to the port this explicitly does not include normal visits, meetings, reviews, etc., by local representatives.
3. Extraordinary situations are when Port employees are required by their supervisor to work more than a twelve-hour weekday or six hours on a weekend (when such are not normal working hours to meet crucial deadlines or to manage emergencies).
4. A department head may authorize a special meal within allowable rates listed under Meals Tier 1, to be served in conjunction with a working meeting of departmental staff and/ or mandatory training.
5. Refreshment allowance: Cost for break allowances for meeting, conference or convention are to be within the following rates:
 - Refreshments shall not exceed **\$10.00 per person**, per morning and/or afternoon sessions. A mandated gratuity may be added if refreshments are being catered.
6. Tips are allowed if meals are ordered from an outside vendor. Tip should never exceed 20%.
7. In such cases, the Port will report on a quarterly basis to the Chair and/or Vice Chair all special meal reimbursements made during the previous three months. These reports must include, for each special meal, the name and title of the person receiving reimbursement, the name and title of each recipient, the cost of each meal and an explanation as to why the meal was in the best interest of the Port.

Automobile Reimbursement / Mileage/ Parking

1. The Port will not normally reimburse for personal automobile usage as there are sufficient Port vehicles available for employee travel. If a Port vehicle is not available, a mileage allowance shall be authorized for travelers approved to use personally owned vehicles while conducting official Port business. Mileage may be reimbursable based on

no more than \$.54.5 cents per mile in accordance with the State of Louisiana Travel Guide.

2. Parking –Reimbursements are granted with itemized receipt. Up to \$5.00 can be reimbursed without receipt.
3. Rental Car- Rental cars are permitted when conducting Port business in travel status. Receipts are required. Port vehicles should be used when available.

Gasoline (Receipt Required)

Reimbursements require an original receipt; regular unleaded gasoline should be used or diesel when applicable. This applies for both port owned vehicles and rental vehicles, as mid-grade, super, plus, or premium gasoline are typically not necessary.

Reimbursements for Other Expenses

(These charges are while in travel status only)

1. Telephone

Official Port Business:

All business communication costs may be reimbursed, receipts required.

2. Personal Calls:

Domestic Overnight Travel: up to \$3.00 for personal calls upon arrival at each destination and up to \$3.00 for personal calls every second night after the first night if the travel extends several days.

International Travel: up to \$10 for personal calls upon arrival at each destination and up to \$10 for personal calls every second night after the first night if the travel extends several days.

3. Internet Access charges for official Port business from hotels or other travel locations are treated the same as business telephone charges.

4. BAGGAGE TIPS:
 - a. Hotel Allowances – Up to \$3 tip per hotel check-in and \$3 tip per hotel checkout, if applicable.
 - b. Airport Allowances – Up to \$3 tip for airport outbound departure trip and \$3 tip for inbound departure trip.

5. LUGGAGE ALLOWANCE: (Receipt Required)

A Department Head or his designee may approve reimbursement to a traveler for airline charges for first checked bag for a business trip of 5 days or less and for the second checked bag for a 6 – 10-day business trip and/or any additional baggage which business is related and required by the department.

6. PUBLIC GROUND TRANSPORTATION

The cost of public ground transportation such as buses, subways, airport shuttle/limousines, and taxis are reimbursable where a receipt is available. If receipt is not available reimbursement is limited to \$15 per day.

Funds for Travel Expenses

People traveling on official business will provide themselves with enough funds for all routine travel expenses not covered by the travel card policy.

Professional Development

Reimbursements regarding professional development will follow the reimbursement policy unless prior approval by the Director is provided. Please refer to the Professional Development Policy for additional guidance regarding educational reimbursements.

Approval Levels

Director of Administration & Director of Port Security & Vessels: \$4,999.99 for expenditures not incurred by the personnel in these positions.

Deputy Port Director: \$14,999.99 for expenditures not incurred by the individual in this position

Executive Director: Budget limit for expenditures not incurred by the Executive Director

Waiver:

The Executive Director may waive in writing any provision in the Port's Reimbursement Policy when the best interest of the Port is served. Documentation supporting the best interest of the Port must be provided.

Attachment II – Port’s Division of Duties Within the Accounting Department

Division of Duties

The following is a list of personnel who have responsibilities within the accounting department:

Executive Director:

1. Reviews and approves all financial reports.
2. Reviews and approves annual budget to be presented to board for approval via ordinance.
3. Reviews all vouchers and invoices for those checks which require his or her signature.
4. Reviews and approves all contracts for goods and services that will exceed \$14,999 over the year.

Deputy Director:

1. Approves vouchers, invoices and checks.
2. With the Comptroller, and input from the Executive Director and Organization’s Directors, develops the annual budget.
3. Reviews and approves all financial reports.
4. Reviews and approves list of pending check disbursements.
5. Reviews all vouchers and invoices for those checks which require his or her signature.
6. Authorizes all inter-fund transfers.
7. Manages the assets accounts.

Directors:

1. Approves vouchers, invoices and checks.
2. Acts as second signatory on checks in the absence of Executive Director or Deputy Director.
3. Reviews all vouchers and invoices for those checks which require his or her signature.
4. Approves all reimbursements when applicable.
5. Develops first draft of department budgets and works with the Deputy Director and Executive Director to finalize.
6. Accountability to approved departmental budgets in purchasing decisions and in preparing check request vouchers with the proper account code.
7. Manage and monitor all credit card usage.

Designated Board Members (Currently the Chair and Vice Chair)

1. Authorizes expenditures more than adopted budget amount by appropriating funds via ordinance.

