

DRAFT



The Parish of Caddo

Internal Audit of Animal Services

SEPTEMBER 11, 2024

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Objective and Scope


An internal audit of the Caddo Parish Animal Services (CPAS) Department was conducted to assess compliance with internal policies and procedures and evaluate the underlying processes and applicable internal controls. The following areas were included in the scope:

- ❑ Invoice processes, specific to receipt and review prior to payment
- ❑ Complaint and incident reporting
- ❑ Drug security

Overview of Procedures

 Obtained policies and procedures (P&P) and other CPAS related documentation, as applicable.

 Performed interviews and process walkthroughs in June 2024 with CPAS Department personnel.

 Performed testing, on a sample basis, to determine the following:

- If the invoice process was followed as described in interviews, and
- If the complaint/incident reporting process was followed as described in the *Parish of Caddo Animal Services and Mosquito Control Policies and Procedures*.

In addition, performed testing to determine if individuals with access to the drug room were an active Certified Animal Euthanasia Technician (CAET), per the Louisiana Board of Veterinary Medicine.

The scope period included in the audit was June 2023 – May 2024

Key Phases of Internal Audit



Executive Summary

Based on the procedures performed, five observations were identified. High, moderate, and low priority risk ratings¹ were assigned. Additional details including associated risk, root cause, recommendations, responsible party and management response are included in the Results section of this report.

❖ One observation was assigned a priority risk rating of high as explained below:

Summary of Observations

Risk Ranking: High

Area: Volunteers

1) Based on discussions with personnel, volunteers had unrestricted access to all areas of the animal shelter and the ability to gain unauthorized access to the animal database system, PetPoint.

❖ Three observations were assigned a priority risk rating of moderate as explained below:

Summary of Observations

Risk Ranking: Moderate

Area: Invoices

2) There was no formalized or consistent process to reconcile invoices received for veterinary services, such as spays and neuters, to the animal shelter's internal records prior to submitting the invoice to Finance for payment.

Area: Drug Security

3) While CPAS maintained a Memorandum for Certified Animal Euthanasia Technicians to document procedures for safeguarding the drug room, the document was not consistently signed by personnel with access and contained inaccurate information regarding authorized access. Further, there were no formal policies and procedures to communicate the necessary procedures to safeguard controlled substances to the entire department.

4) One employee was responsible for all activities related to the safeguarding of drugs.



Executive Summary

❖ One observation was assigned a priority risk rating of low as explained below:

Summary of Observations

Risk Ranking: Low

Area: Complaint and Incident Reporting

5) Complaint and incident cases were not always consistently responded to in a timely manner.

Overall Recommendations Summary

Specific recommendations have been included within this report; however, the following presents overall recommendations across in-scope areas.

- Management should evaluate the areas of the animal shelter that should be restricted to employees only and communicate this information to all employees and volunteers.
- Management should implement a formal process to reconcile and review invoices prior to submitting to Finance for payment.
- Management should consider adding another employee to drug safeguarding processes to ensure that critical activities are segregated.
- Management should evaluate current staffing levels to determine if the number of staff is sustainable to respond to cases in a timely manner.
- Management should consider creating and implementing policies and procedures for the following areas:
 - Restricted areas of the animal shelter,
 - Password security,
 - Receipt of invoices, including the reconciliation of invoices, and
 - Safeguarding of drugs.



Results

#	Observation	Risk	Root Cause	Recommendation	Responsible Party & Management Response
Risk Ranking: High					
Area: Volunteers					
1	<p>While it was explained that volunteer roles, responsibilities, and restrictions were included in volunteer training and orientation, volunteers from rescue organizations often had unrestricted access to areas of the animal shelter, including the euthanasia room, vet room, and the PetPoint system. It was explained that volunteers accessed PetPoint using employee's credentials to identify animals needing immediate care and rescue. Further, volunteer roles and responsibilities were not documented in the <i>Animal Services Operational Policies and Procedures</i> for employee reference.</p>	<p>Allowing volunteers to enter the euthanasia room and vet room could present safety concerns to the volunteers and animals.</p> <p>Volunteers being present in restricted areas of the animal shelter could interfere with employee job duties.</p> <p>If volunteers can access PetPoint, they could have access to personal information of dog owners and complainants/citizens.</p> <p>Unauthorized access to PetPoint could result in the manipulation of data, including the deletion of data or animal status changes.</p>	<p>Lack of policies and procedures for volunteer roles/restrictions.</p> <p>Lack of consequences for volunteers that do not adhere to boundaries/restrictions set by the animal shelter.</p>	<p>Management should re-evaluate the areas of the animal shelter that should be restricted to employees only. Once identified, management should consider posting signs as a reminder of the restricted areas. In addition, animal shelter employees should be trained on which areas are restricted and should be given the authority to escalate and report any instances of witnessed inappropriate access. Restricted areas and the employee's responsibility to report unauthorized access should be formally documented in policies and procedures. Further, volunteer training should be reviewed to determine if restrictions are clearly defined and acknowledged by volunteers; updates should be made, if deemed necessary.</p> <p>In addition, management should consider creating and implementing a password policy for any systems that contain personal information, such as PetPoint, for inclusion in the <i>Animal Services Operational Policies and Procedures</i>. This policy should incorporate elements including, but not limited to, requirements to change passwords on a pre-determined schedule (password expiration), restrictions on sharing login information, and restrictions on saving passwords.</p>	<p>ASMC Director ASMC Assistant Director</p> <p><i>Management Response:</i> The CPAS Volunteer Manual was re-evaluated. Updates were made to define specific areas that volunteers had no access to and areas that they could access. These changes will go for review and an addendum will be created for our department policies and procedures for all employees. In addition, signs have been posted to identify restricted areas. Staff will be briefed on reporting inappropriate access to management.</p> <p>Further, password resets are a function of PetPoint. Each employee was instructed to initiate a password reset with PetPoint; we are waiting for a response from PetPoint, but will hopefully hear back by the first week in September 2024 and will be able to reset all employees' passwords. A memorandum pertaining to the security of credentials was issued to each employee, pertaining to safeguarding passwords and credentials. Employees were briefed and signed the acknowledgement to safeguard their log in credentials and not share this information with anyone for the security of the system.</p> <p><i>Estimated Completion Date:</i> September 2024</p>



Results

#	Observation	Risk	Root Cause	Recommendation	Responsible Party & Management Response
Risk Ranking: Moderate					
Area: Invoices					
2	<p>There was no formalized or consistent process to reconcile invoices with the services performed, particularly those related to veterinary services such as spays and neuters. It was explained that while invoices were reviewed for reasonableness and that random line items were reconciled with PetPoint, entire invoices were not compared to PetPoint to ensure that the animals receiving services were animals in the care of Caddo Parish Animal Services. However, based on testing of 20 sampled invoices, there were no instances in which the Parish paid for veterinary services for animals that were not in CPAS's care.</p> <p>While all animals that received veterinary services were under CPAS's care, there was one sampled invoice, which included 87 transactions, where we were unable to verify that the spay surgery paid by CPAS was performed for one animal. Management explained that this was a clerical error.</p> <p><i>Additional details regarding the invoice were provided to management.</i></p>	<p>The Parish may erroneously pay for animals that are not in the care of CPAS.</p> <p>The Parish may overpay for services that were not actually performed.</p>	<p>Time constraints of management.</p> <p>Reliance on historical processes.</p> <p>Lack of policies and procedures detailing the Departmental responsibilities for receiving and reconciling invoices.</p>	<p>Management should consider implementing a reconciliation process to review invoices with veterinarian procedures, to confirm that the charges were for animals under the animal shelter's care and that the procedure was performed. This process should designate an individual responsible for the reconciliation. Further, to ensure timely reconciliation and comprehensive record-keeping, management should evaluate the feasibility of capturing service dates and details in PetPoint at the time of service.</p> <p>In addition, management should consider documenting this process for inclusion in the <i>Animal Services Operational Policies and Procedures</i>.</p>	<p>ASMC Director ASMC Assistant Director</p> <p><i>Management Response:</i> CPAS has implemented a reconciliation process with the Operations Supervisor. A memorandum as well as a training was acknowledged and signed. This memorandum identified the person responsible for the reconciliation, as well as the process for performing the reconciliation. If any inconsistencies are identified during the reconciliation, the offsite Veterinarian office should be contacted immediately to remedy any inconsistencies prior to the invoice being signed and processed for payment.</p> <p>As this process is not handled by all staff members and the process is documented in a memorandum, this reconciliation process does not need to be implemented into the standard Policies and Procedure Manual. In the first week of September 2024 all employees will be briefed on the new process when it comes to reviewing and processing invoices.</p> <p><i>Estimated Completion Date:</i> September 2024</p>



Results

#	Observation	Risk	Root Cause	Recommendation	Responsible Party & Management Response
Risk Ranking: Moderate					
Area: Drug Security					
3	<p>Caddo Parish Animal Services (CPAS) did not have a policy and procedure manual that documented the protocols and expectations for access to controlled substances and the drug storage room. While CPAS had a <i>Memorandum for Certified Animal Euthanasia Technicians</i>, which functioned as the policy for the drug storage room, the following was identified:</p> <ul style="list-style-type: none"> • While the Memorandum was circulated for signature and acknowledgement during on-site procedures, it was explained that the Memorandum had not been consistently signed for the last few years. • The Memorandum stated that only CAETS were allowed in the drug storage area. However, it was explained that the drug storage room also contained the shelter's servers, and therefore, it was acceptable for IT personnel to access the drug room under the supervision of authorized personnel. In addition, upon inspection of the drug storage room badge access listing, it was observed that one individual, who was not a CAET, had access to the drug storage room. It was explained that this access was appropriate due to management responsibilities. 	<p>The lack of an available drug policy may lead to inconsistent practices of drug storage.</p> <p>The absence of a drug security policy may result in the inability to enforce drug security measures.</p> <p>Unauthorized access to controlled substances may occur if policies do not define authorized drug access.</p>	<p>Inconsistent understanding of the drug security process and current practices.</p> <p>Inconsistent understanding of access requirements.</p>	<p>Management should consider creating a drug security policy for inclusion in the <i>Animal Services Operational Policies and Procedures</i> to ensure that all employees have information regarding drug security practices. This policy should cover topics including, but not limited to, placing drug orders, receipt of drugs, record keeping, inventory practices, safeguarding of drugs, and drug disposal.</p> <p>In addition to implementing a drug security policy, management should consider updating the <i>Memorandum for Certified Animal Euthanasia Technicians</i> to accurately reflect authorized personnel who can enter the drug storage room. Before proceeding with updates, management should consider any regulatory restrictions that may impact access to the drug storage room and update personnel badge access, as needed. Further, management should review the document for accuracy each year and require employee signatures/acknowledgments on an annual basis to ensure that individuals with direct involvement with drugs are aware of restrictions.</p>	<p>ASMC Director ASMC Director ASMC Operations Supervisor</p> <p><i>Management Response:</i> CPAS has updated the <i>Certified Animal Euthanasia Technician Memorandum</i> to state that only authorized personnel have access to the drug storage room via I.D. Badge and that employees with access to the drug storage room will not allow unauthorized personnel into the storage area. This memorandum has been signed/acknowledged by pertinent staff and will be circulated for review on an annual basis.</p> <p>CPAS has one Lead CAET that orders DEA monitored drugs and is responsible for ordering/processing those drugs. This process is not handled by all staff members and only handled by the Lead CAET and does not need to be implemented into the standard Policies and Procedure Manual as all staff do not participate in this process. All staff members will be briefed in the September 2024 staff meeting with the new regulations going forward.</p> <p><i>Estimated Completion Date:</i> September 2024</p>



Results

#	Observation	Risk	Root Cause	Recommendation	Responsible Party & Management Response
Risk Ranking: Moderate					
Area: Drug Security					
4	Although CPAS implemented several safeguards for drug security, only one employee was responsible for multiple safekeeping tasks. It was the responsibility of one employee to order drugs, receive drug deliveries, review drug deliveries for accuracy, perform inventory counts, manage storage, and safekeeping of the safe combination. These tasks were often performed independently and without supervision.	<p>If only one person is responsible for drug access and storage activities, the risk of errors, theft or misuse of drugs increases.</p> <p>Dependency on one employee may result in disruption to operations if the employee is absent or separates from CPAS.</p>	<p>Reliance on historical processes.</p> <p>Trust in current staff responsible for drug-related activities.</p>	<p>Management should consider adding another employee to segregate the responsibilities of drug-related activities. A separate employee should be responsible for receiving and reviewing deliveries for accuracy, including checking the quantity and fullness of vials. In addition, inventory counts should be reviewed, and the drug safe combination should be maintained by more than one employee. Any newly implemented policies and procedures should define the individuals responsible for these activities.</p>	<p>ASMC Director ASMC Director ASMC Operations Supervisor</p> <p><i>Management Response:</i> CPAS has a drug inventory with the Louisiana Board of Pharmacy and remains in good standing. The Lead CAET also conducts regular inventories or the monitored drugs to ensure efficiency. The recommendation for a secondary person to be utilized for safe access will be discussed in detail with the DEA Representative which should occur prior to December 2024. We will follow the guidance from the DEA and their Representatives and update our process with training and a staff briefing.</p> <p><i>Estimated Completion Date:</i> December 2024</p>



Results

#	Observation	Risk	Root Cause	Recommendation	Responsible Party & Management Response
Risk Ranking: Low					
Area: Complaint and Incident Reporting					
5	<p><i>Animal Services Operational Policies and Procedures</i> detailed complaint/incident priorities and associated response time protocols. However, of the 20 sampled complaints and incidents reported to Caddo Parish Animal Services, the following was identified related to the timeliness of complaint/ incident response time:</p> <ul style="list-style-type: none"> Two cases were not responded to within the expected timelines. This included one complaint/incident that was responded to one business day over the expected response time and another complaint/incident that was responded to four business days over the expected response time. One wildlife trap request case was not dispatched or assigned to a case officer in over 79 days. At the time of testing, this case still had no response. <p><i>Additional details regarding these complaints/incidents were provided to management.</i></p>	<p>If cases are not responded to in a timely manner, it could result in a risk to public safety and animal safety.</p> <p>Failure to respond to cases in a timely manner may lead to reputational risk with the public.</p>	<p>CPAS continued to receive higher priority cases, causing older and lower priority cases to be continuously delayed.</p> <p>The Parish did not have enough wildlife traps to keep up with unexpected demand.</p> <p>Staff availability to respond to cases was inconsistent due to turnover, unexpected absenteeism, and other job responsibilities (such as training periods, court appearances, etc.).</p>	<p>Management should evaluate current staffing levels to determine if the number of staff is sustainable to respond to cases in a timely manner, given the volume of cases received and the other job responsibilities of field officers. In addition, management should continue their efforts to fill vacant job openings to alleviate current staffing strains.</p> <p>Further, management should continue their efforts to purchase additional wildlife traps to ensure timely fulfillment of citizens' requests.</p>	<p>ASMC Director ASMC Assistant Director</p> <p><i>Management Response:</i> We have been short manned in dispatch for close to a year. We have since then hired new employees that will receive detailed training on case processes, timelines of cases, and daily case follow-ups. The field operations department will be briefed in person for understanding going forward.</p> <p>Additional traps have been ordered to correct the deficit of accessible/functioning traps to respond to requests regarding the trapping of nuisance animals.</p> <p><i>Related to best practice on the following page:</i></p> <p>CPAS has reviewed the priority listing for incident reporting and made updates to the listing. In addition, the updated listing will be updated in the ASMC 2025 Policy and Procedures.</p>



Other Observations

During the internal audit, the following recommendation was identified as an opportunity to enhance the Complaint and Incident Reporting process. Although the item below was not associated with a risk, management is encouraged to consider implementation of the following best practice to enhance the effectiveness of current processes.

Observation	Recommendation
Complaint/Incidents were assigned a priority to define a response given based on the case type. While the <i>Animal Services Operational Policies and Procedures</i> defined the response time of each priority for each case type, the case type per the policy did not align with the case types available for assignment in PetPoint, potentially leading to misclassification of cases.	Management should consider updating the complaint and incident categories/case types defined in the <i>Animal Services Operational Policies and Procedures</i> and/or in PetPoint to be consistent to ensure dispatchers are accurately assigning priority assignments.



Appendices

Appendix A: Priority Rating Definitions

Appendix B: Assumptions and Limiting Conditions

Appendix C: Transmittal Letter

Appendix A: Priority Rating Definitions

Risk Rating	Definition
High	A serious weakness which exposes Caddo Parish to risks in achieving its objectives or may otherwise impair the Parish's reputation. Generally, a high priority observation can include any of the following: non-compliance with a regulation or internal policy or procedure; or an operational inefficiency, resulting in a material expenditure.
Moderate	A control weakness, which can undermine the system of internal control and/or operational efficiency and should, therefore, be addressed.
Low	A weakness which does not seriously detract from the system of internal control and/or operational effectiveness/efficiency but which should nevertheless be addressed by management.



Appendix B: Assumptions and Limiting Conditions

Our procedures were not designed to detect fraud, to constitute a financial statement audit, review, compilation, or to provide assurance on the internal controls or information provided. Accordingly, we will not express an opinion or conclusion, nor provide any other form of assurance on the completeness and accuracy of the information. Additionally, the projection of any conclusions, based on our findings, to past or future periods is subject to the risk that changes may have occurred during the passage of time that may alter the validity of such conclusions. Furthermore, the projection of any conclusions, based on our findings, to the whole population is subject to the risk that the samples selected may not accurately reflect the population as a whole.

This engagement was conducted in accordance with the American Institute of Certified Public Accountants' Statement on Standards for Consulting Services (SSCS).



Appendix C: Transmittal Letter

September 11, 2024

Caddo Parish Commission
505 Travis St #110
Shreveport, LA 71101

Ms. Erica Bryant, Parish Administrator and CEO
The Parish of Caddo
P.O. Box 1127
Shreveport, LA 71163-1127

Ms. Bryant and Caddo Parish Commission,

As presented in this enclosed report, EisnerAmper has completed our evaluation regarding Animal Services policies, procedures, and processes related to invoices, complaint/incident reporting, and drug security. On the pages above, this report provides: 1) a risk rating of observations, 2) a summary of the observations noted during our engagement, and 3) recommended actions for you to consider related to our observations.

These recommendations are only for your consideration and are not intended to be implemented without management's thorough understanding and acceptance.

EisnerAmper appreciates the cooperation and assistance provided by your personnel during this engagement. We sincerely appreciate this opportunity to be of service to you. Please do not hesitate to contact us if you have any questions related to this report or any other matters.

Sincerely,

EAG Gulf Coast, LLC





This publication is intended to provide general information to our clients and friends. It does not constitute accounting, tax, or legal advice; nor is it intended to convey a thorough treatment of the subject matter.

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