



## **Sewerage & Water Board OF NEW ORLEANS**

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May 17, 2021

The Audit Committee meeting met on Monday, May 17, 2021 via Microsoft Teams. The meeting was called to order at 9:00 A.M

### **PRESENT:**

Dr. Tamika Duplessis, Chair  
Director Robin Barnes  
Director Maurice Sholas  
Director Alejandra Guzman

### **ABSENT:**

Director Joseph Peychaud

### **ALSO, IN ATTENDANCE:**

Ghassan Korban, Executive Director, SWBNO  
Yolanda Y. Grinstead, Special Counsel, SWBNO  
E. Grey Lewis, Chief Financial Officer, SWBNO

### **MEETING NOTES:**

This was a follow-up meeting to the Audit Committee's November 10, 2020 wherein LaPorte, CPA and Business Advisors were engaged to perform Risk Assessment regarding SWBNO 2019 CAFR audit finding relative to the Accounts Payable/ Disbursement Department determined by external auditors of the P&N firm. Chante Bivens, Chief Auditor for SWBNO introduced Ryan Kelly of LaPorte. Also present on the call were Jaclyn Broussard and Frank Auberle both of LaPorte and Business Advisors.

### **PRESENTATION ITEMS**

#### **Risk Assessment Findings – Ryan Kelley with LaPorte CPAs and Business Advisors**

Ryan Kelly, CPA LaPorte explained that they were tasked with identifying

- (1) Risk related to cash disbursement processes
- (2) Controls responsive to risk identified
- (3) Weaknesses in controls or potentially missing controls
- (4) Potential inefficiencies in the process

He further discussed how the COSO methodology listed below was utilized to obtain the findings and how it relates to deliverables and proposed corrective actions.

- Committee of Sponsoring Organizations of the Treadway Commission (COSO)
  - o COSO's framework is used to evaluate the internal control process of publicly traded organizations. Internal Control is pertinent to an entity's board of directors, management, and other personnel; designed to provide reasonable assurance regarding the achievement of objectives relating to operations, reporting and compliance.

- COSO Framework
  - Control Environment
  - Risk Assessment
  - Control Activities
  - Information and Communication
  - Monitoring Activities

Ryan stated the deliverables that were ascertained through the Risk Assessment of the Accounts Payable/ Disbursement Department were as follows:

- (1) Identify risks to achievement of objectives
- (2) Consider the potential for fraud
- (3) Identify changes that could significantly impact the system of internal control
- (4) Develop general control activities over technology
- (5) Develop control activities through policies and procedures.

Next steps regarding report is for Leadership Team to digest the findings. Then,

- (1) Communicate information to those who are responsible for enacting controls.
- (2) Develop internal audit plan and schedule reporting to audit committee.
- (3) Consider risk assessment and controls for other financial departments.

#### **ACTION ITEMS**

N/A

#### **ADJOURNMENT:**

The meeting adjourned at approximately 9:32 A.M. with a motion by Director Sholas; seconded by Director Barnes.