



DATE: 03/11/2026

TIME: 9:45 a.m.

LOCATION: Carrollton Plant Auditorium Rm E202

COMMITTEE MEMBERS: H. Davis Cole, Chair | Tyler Antrup, Vice Chair | Ariane Greenidge

Audit Committee Meeting Agenda

PUBLIC MEETING

All meetings are open to the public, and we encourage your attendance.
Those interested can join in person or virtually.

Join In-Person: Executive Board Room, Second Floor
625 St. Joseph St., New Orleans, LA 70165

Join Virtually: <https://www.swbno.org/BoardMeetings>

E-Public comments will be accepted via <https://www.swbno.org/BoardMeetings>.
All e-public comments must be received at least 2 hours prior to the meeting. Comments
will be read verbatim into the record.

I. Roll Call

II. Presentation Item

- A. 1st Quarter Audit Department Update – Ed Sutherland, Chief Audit Executive, SWBNO

III. Action Item

- A. Resolution (R-031-2026) Authorizing Performance of Internal Audit Plan

IV. Public Comment

V. Adjournment



Audit Plan 2026 — SWBNO Internal Audit

- **LT Training & Response Succession**
 - **Warehousing Follow-Up**
 - **Timeclocks Review (Overtime Pay)**
 - **Meter Shop**
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Internal Audit Department Update



Internal Audit Department Update

Service Connections & Inspections —> *Background*

- Report: Issued December 8, 2025; Management Response to all Findings received.
- Review Objective: Evaluate the adequacy and effectiveness of any internal controls surrounding customers' connections to the municipal system.
- Review Scope: Any current, in-force controls and any associated efforts to implement and/or perform them between 8/1/23 and 7/31/24.
- Volume: 30,924 Work Orders occurred during the scope of review; 331 were coded as being Construction / Inspection.





Internal Audit Department Update

Service Connections & Inspections —> Findings

- Nine Findings Identified:
 - I. Policies & Procedures for Service Cuts & Inspections
 - II. Application Intake
 - III. Contractor Admin Fees
 - IV. Account Creation Chronology
 - V. Work Order Production System
 - VI. SWBNO Permitting
 - VII. Utility Contractor Licensing
 - VIII. Construction QA/QC
 - IX. Shared Mailbox Access and Usage





Internal Audit Department Update

Service Connections & Inspections —> Findings

I. Policies & Procedures for Service Cuts & Inspections —>

SWBNO does not have formal policies and procedures in place directing the involved departments through service cuts and inspections.

Recommendation 1 — Develop and Implement Formalized P&P (Accepted by GSO)

- SOP's for Inspectors
- Rotation of Inspectors
- Customer Interaction
- Special Category Work Orders



Internal Audit Department Update

Service Connections & Inspections Audit —> Findings

II. Application Intake

2a — *Some documentation required for service cut applications was found to be either incomplete or nonexistent.*

**Recommendation 2a — Retain Redundant Copies of Application Packets
(Accepted by GSO)**

2b — *Service connection requests are not recorded in an intake log upon receipt.*

**Recommendation 2b — Formally Log and Track Connection Requests
(Accepted by GSO)**

2c — *Publicly promulgated directives regarding service connections require some updates and revision.*

**Recommendation 2c — Update Web Directives and Streamline Intake
(Accepted by GSO)**



Internal Audit Department Update

Service Connections & Inspections Audit —> Findings

III. Contractor Admin Fees

Internal Audit identified Utility Contractor Administrative Fees being received at the House Connections Department.

**Recommendation 3 — Direct All Contractor Payments to Cashiering
(Accepted by GSO & CCSO)**

IV. Account Creation Chronology

The current account creation process exposes SWBNO to risk of apparent water losses.

**Recommendation 4 — Perform Account Setup Prior to Meter Drop
(Accepted by GSO & CCSO)**



Internal Audit Department Update

Service Connections & Inspections Audit —> Findings

V. Work Order Production System

5a — Internal Audit noted multiple system vulnerabilities associated with the Cassworks system

Recommendation 5a — Update Work Order / Production System
(Accepted by CIO)

5b — Internal Audit identified multiple user accounts within Cassworks that should either be removed or relegated to read-only

Recommendation 5b — Cull Accounts with Unnecessary Write Access
(Accepted by CIO)



Internal Audit Department Update

Service Connections & Inspections Audit —> Findings

VI. SWBNO Permitting

SWBNO does not currently have the appropriate permitting to perform street cuts.

**Recommendation 6 — Obtain Required Permitting
(Accepted by GSO)**

VII. Utility Contractor Licensing

Some service connections lacked evidence of licensure for the respective Utility Contractor.

**Recommendation 7 — Retain Copies of Licenses and Verify Online
(Accepted by GSO)**



Internal Audit Department Update

Service Connections & Inspections Audit —> Findings

VIII. Construction Quality Assurance / Quality Control

8a — Evidence of construction monitoring is not being retained consistently within the inspection files.

**Recommendation 8a — Retain Evidence of Monitoring and Inspections
(Accepted by GSO)**

8b — Final inspection reports do not require management review or sign-off.

**Recommendation 8b — Require Management Sign-Off of Inspections
(Accepted by GSO)**



Internal Audit Department Update

Service Connections & Inspections —> Findings

IX. Shared Mailbox Access & Usage

Internal Audit identified multiple shared mailboxes in use by service connection departments with excessive employee access.

**Recommendation 9 — Review Shared Mailbox Usage Access Regularly
(Accepted by GSO)**



Internal Audit Department Update

Ongoing Efforts & Priorities

- Staffing is Top Priority
- Rollout of New Technology
- Act 393 Compliance
- Use of Vehicle Rentals / Leasing





Audit Plan 2026 — SWBNO Internal Audit

- **LT Training & Response Succession**
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**RESOLUTION AUTHORIZING PERFORMANCE
OF INTERNAL AUDIT PLAN**

WHEREAS, the Audit Committee of the Sewerage and Water Board of New Orleans reviewed the 2026 Audit Plan presented by the Chief Audit Executive in accordance with the established Charters of the Audit Committee and the Internal Audit Department; and

WHEREAS, the Audit Committee recommends implementation and performance of the Audit Plan presented at the Audit Committee's March 11, 2026, meeting; and

NOW, THEREFORE, BE IT RESOLVED that the Sewerage and Water Board of New Orleans hereby adopts the 2026 Audit Plan approved at the March 11, 2026, meeting of the Audit Committee of the Sewerage and Water Board of New Orleans.

I, Randy E. Hayman, Esq., Executive Director,
Sewerage and Water Board of New Orleans, do hereby
certify that the above and foregoing is a true and
correct copy of a Resolution adopted at the Regular
Monthly Meeting of said Board, duly called and held,
according to law on
March 18, 2026

Randy E. Hayman, Esq.
EXECUTIVE DIRECTOR
SEWERAGE AND WATER BOARD OF NEW ORLEANS