

EVANGELINE PARISH POLICE JURY



COMPLIANCE AUDIT  
ISSUED APRIL 6, 2011

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LOUISIANA LEGISLATIVE AUDITOR  
DARYL G. PURPERA, CPA, CFE

April 6, 2011

**HONORABLE ERIC SOILEAU, PRESIDENT,  
AND MEMBERS OF THE EVANGELINE  
PARISH POLICE JURY**  
Ville Platte, Louisiana

We have audited certain transactions of Evangeline Parish Police Jury. Our audit was conducted in accordance with Title 24 of the Louisiana Revised Statutes to determine the propriety of certain financial transactions.

Our audit consisted primarily of inquiries and the examination of selected financial records and other documentation. The scope of our audit was significantly less than that required by *Government Auditing Standards*.

The accompanying report presents our findings and recommendations as well as management's response. This correspondence is intended primarily for the information and use of management of the Evangeline Parish Police Jury. Copies of this report have been delivered to the District Attorney for the Thirteenth Judicial District of Louisiana and others as required by law.

Respectfully submitted,

Daryl G. Purpera, CPA, CFE  
Legislative Auditor

DGP:DD:dl/kg

EVGPJ 2011

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### **Employees Paid for Time Not Worked**

From January 2007 to December 2009, Evangeline Parish Police Jury (Police Jury) paid five employees \$41,049 in overtime payments during the employees' off days. Of the \$41,049, Region-A Supervisor Donald Ray Thomas submitted false payroll records to pay himself and four other employees \$16,420 for time they did not work, which may violate Louisiana law.<sup>1, 2</sup>

### **Failure to Apply Public Bid Law**

The Police Jury administration and Police Juror Davis Manuel may have violated Louisiana law<sup>5</sup> through its purchase of a tractor and cutter and tires and tire tubes. Although the Police Jury provided copies of two price quotations for the tractor and cutter, they may not be genuine and may violate Louisiana law.<sup>1</sup> In addition, Police Juror Davis Manuel may have violated Louisiana law<sup>6</sup> by signing another Police Jury employee's name to an invoice to document the receipt of the tractor and cutter to facilitate payment of the invoice by the Police Jury.

### **Lack of Proper Controls Over Tire Service**

During the period of January 3, 2006, to September 18, 2009, the Police Jury paid Gonzalez Tire Company \$108,969 to provide professional tire repair services. Although not required, the Police Jury did not have a written contract or agreed-upon prices. In addition, Mr. Javier Gonzalez, owner of Gonzalez Tire Company, stated that he provided discounts to Police Jury employees for work he performed on their personal property, which may have violated Louisiana law.<sup>8</sup>

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**Employees Paid for Time Not Worked**

From January 2007 to December 2009, Evangeline Parish Police Jury (Police Jury) paid five employees \$41,049 in overtime payments during the employees’ off days. Of the \$41,049, Region-A Supervisor Donald Ray Thomas submitted false payroll records to pay himself and four other employees \$16,420 for time they did not work, which may violate Louisiana law.<sup>1, 2</sup>

The following chart shows overtime paid to the five employees during their days off from January 2007 to December 2009.

**Payments for Overtime Recorded From 2007 to 2009**

<u>Region-A Employees</u>	Total Overtime Payments	Payments for Overtime Worked (60%)	Payments for Overtime Not Worked (40%)
Thomas, Donald	\$15,045	\$9,027	\$6,018
Fontenot, Donald	10,500	6,300	4,200
Thomas, Harrison	9,837	5,902	3,935
Fisette, James	4,583	2,750	1,833
Guillory, Emery	1,084	650	434
<b>Total</b>	<b>\$41,049</b>	<b>\$24,629</b>	<b>\$16,420</b>

Police Jury practice requires employees at its Region-A maintenance yard to work four 10-hour days between the hours of 6:30 a.m. and 5:00 p.m., with a half-hour lunch. According to Payroll Secretary Karen Rider, maintenance yard employees work Monday through Thursday and are off on Friday, Saturday, and Sunday. Employees who work overtime are paid at time and a half for hours worked in excess of 80 hours. Employees are required to sign their timecards, verifying they worked the hours recorded.

Mr. Donald Thomas stated that he approves timecards for all employees in Region-A. He kept employee timecards in his possession during the pay period. At the beginning of the workday, he recorded 10 hours for each employee that reported to work. Before he submitted the timecards to payroll, he adjusted the employee’s time during the pay period to reflect the actual time worked. However, when employees worked on their days off and completed the job within

<sup>1</sup> Louisiana Revised Statute (R.S.) 14§133 provides, “filing false public records is the filing or depositing for record in any public office or with any public official, or the maintaining as required by law, regulation, or rule, with knowledge of its falsity, of any of the following: (1) Any forged document. (2) Any wrongfully altered document. (3) Any document containing a false statement or false representation of a material fact.”

<sup>2</sup> R.S. 14§138(A)(1) states that “payroll fraud is committed when any public officer or employee shall knowingly receive any payment or compensation, or knowingly permit his name to be carried on any employment list or payroll for any payment or compensation from the state, for services not actually rendered by himself, or for services grossly inadequate for the payment or compensation received or to be received according to such employment list or payroll; cause to be carried, or permit to be carried, directly or indirectly, upon the employment list or payroll of his office, the name of any person as employee, or shall pay any employee, with knowledge that such employee is receiving payment or compensation for services not actually rendered by said employee or for services grossly inadequate for such payment or compensation.” R.S. 14§138(A)(2) states that “any public officer or public employee shall carry, cause to be carried, or permit to be carried, directly or indirectly, upon the employment list or payroll of his office, the name of any person as employee, or shall pay any employee, with knowledge that such employee is receiving payment or compensation for services not actually rendered by said employee or for services grossly inadequate for such payment or compensation.”

one to two hours, he recorded five hours of overtime on the employees' timecard. If the employees worked five to six hours to complete the job, he recorded 10 hours of overtime.

According to Mr. Thomas, employees do not make a lot of money and because they are good employees and are reliable, he records extra hours on their timecards to pay them extra. He also stated that he recorded overtime hours for himself in the same manner. By intentionally recording work time not actually worked and submitting false documents to payroll, Mr. Thomas may be in violation of Louisiana law.<sup>1, 2</sup>

Public Works Director Chester Granger stated that no employee should work overtime without prior approval from him or Secretary-Treasurer Doug DeVille. Supervisors are required to approve timecards of the employees they supervise and overtime should only be authorized during an emergency or for necessary road work, such as chip sealing projects. During a Police Jury external audit in 2008, Mr. Granger was informed by the auditors that he should be approving timecards of the maintenance yard supervisors. In January 2009, he began signing supervisors' timecards and monitoring overtime paid to employees. Mr. Granger stated that he was concerned over the number of overtime hours Mr. Thomas and members of his work crew were recording on their timecards. When he spoke with Mr. Thomas about the overtime, Mr. Thomas informed him that Police Juror Davis Manuel was approving his overtime, but was not signing his timecards. Mr. Granger informed Mr. DeVille of his conversation with Mr. Thomas and refused to sign Mr. Thomas' timecards.

We examined 78 timecards from January 2007 to March 2010 for each of the five employees. Mr. Thomas signed timecards of the four employees that reported to him, approving their overtime. However, Mr. Thomas submitted 78 personal timecards to payroll of which only 11 were approved by Mr. Granger or Mr. DeVille. The remaining 67 were not approved.

According to Mr. DeVille, through 2010, the payroll office did not verify that timecards had proper authorization before processing payroll. He further stated that he knew Mr. Granger refused to approve Mr. Thomas' overtime, but did not stop Mr. Thomas' overtime from being paid because the individual timecards were not presented to him for approval.

We examined the \$41,049 in overtime payments to the five employees for time charged during their off days. We found no records to indicate that this overtime was related to an emergency, necessary road work, such as chip sealing projects, or was approved by Mr. Granger or Mr. DeVille.

During interviews of the four employees that reported to Mr. Thomas, they all confirmed that it was Mr. Thomas' practice to pay them extra time when they worked on their days off. They stated that when they worked from one to three hours on their days off, Mr. Thomas paid them five hours of overtime. If they worked four to six hours, he paid them 10 hours of overtime. Mr. Thomas recorded the time they worked on their timecards during the pay period and submitted their timecards to payroll. They stated that they normally signed their timecards at the beginning of the pay period and did not see their timecards to verify time worked before they were submitted to payroll. Based on employee statements, the five employees were paid a total of \$16,420 for time they did not work, which may violate Louisiana law.<sup>2</sup>

Employees Performed Personal Work on Police Jury Time

Mr. Thomas explained that it was common for employees to work on their personal vehicles when it was slow at the maintenance yard and that Region-A employees used the maintenance yard facility because of the vehicle lift and access to tools. Mr. Thomas stated that he allowed them to do this work on the clock when there was no field work to be done. He added that this was the practice before he became supervisor.

Mr. Thomas further stated that, on occasion, he and employee Emery Guillory would work personal jobs while on Police Jury payroll. He recalled they cleared the personal property of Ms. Pam McGee, a local resident, during slow periods. In addition to his salary from the Police Jury, Mr. Thomas paid Mr. Guillory \$100 per day to clear the property. On one occasion, Mr. Guillory left work at the Police Jury to work for Ms. McGee. Since Mr. Guillory's timecard had already been submitted to payroll, Mr. Thomas did not adjust his time to reflect the actual time Mr. Guillory worked for the Police Jury.

According to Ms. McGee, she had a verbal agreement with Mr. Thomas to pay \$80 per dozer per hour to clear land on her personal property. She stated that Mr. Thomas and Mr. Guillory each operated a dozer. They began the land-clearing work around March 2007 and worked during the week and on weekends until December 2007. She stated that they would typically arrive at 9:30 a.m. and work until 2:00 or 2:30 p.m. Ms. McGee provided records that indicated she paid Mr. Thomas and Mr. Guillory a total of \$23,300 for 145.6 hours to clear land on her property. However, because her records were not specific to which days they worked, we could not compare her records to Police Jury payroll records to determine if they worked for Ms. McGee and the Police Jury simultaneously. Both Mr. Thomas and Mr. Guillory confirmed that they worked for Ms. McGee during Police Jury work hours, but they could not provide records to distinguish the amount of time they worked for Ms. McGee or the Police Jury. Since these two employees stated they performed private work while being paid by the Police Jury, they may have violated Louisiana law.<sup>2</sup>

Mr. Guillory stated that on two other occasions he did non-jury (personal) jobs for Mr. Thomas during Police Jury work hours. He assumed Mr. Thomas was adjusting his timecard. However, he further stated that when he examined his pay during these periods, he noticed that it had not been adjusted. Since Mr. Guillory stated he did not advise the payroll section of the error, he may have violated Louisiana law.<sup>2</sup>

Region-A employee Ronald West stated that in 2007, while on the clock for the Police Jury, Mr. Thomas allowed him and an inmate to replace the transmission in his (West) personal vehicle at the Region-A maintenance yard. He recalled it happened during a rainy day when there was no work to be done for the Police Jury. Mr. Thomas stated it is common for employees to work on their vehicles. He allowed this practice because there was no other work to be done. Based on their statements, Mr. Thomas and Mr. West may have violated Louisiana law.<sup>2</sup>

Mr. Donald Fontenot, team leader for Region-A District 1, stated that employee James Fisette changed a fuel pump on his (Fontenot) personal vehicle at the Region-A maintenance yard during the workday and that Police Jury funds were used to purchase the part. However, he could not provide the invoice or check from the purchase of the fuel pump he claimed was installed on his vehicle. If Police Jury funds and labor were used to purchase and install the fuel pump, Louisiana law<sup>2,3</sup> and the Louisiana Constitution<sup>4</sup> may have been violated. Mr. Fisette stated that Mr. Thomas instructed him to service several vehicles that were lined up with parts to be installed, including Mr. Fontenot's personal vehicle.

Based on Police Jury employees' statements, Mr. Thomas may have used Police Jury funds to pay employees, including himself, when they performed personal work during Police Jury work hours. As a result, Mr. Thomas may have violated Louisiana law<sup>2</sup> and the Louisiana Constitution.<sup>4</sup>

### **Failure to Apply Public Bid Law**

#### Bid Law - Equipment

The Police Jury administration and Police Juror Davis Manuel may have violated Louisiana law<sup>5</sup> in August 2010, through its purchase of a tractor and cutter. Although the Police Jury provided copies of two price quotations, they may not be genuine and may violate Louisiana law.<sup>1</sup> In addition, Police Juror Davis Manuel may have violated Louisiana law<sup>6</sup> by signing another Police Jury employee's name to an invoice to document the receipt of the tractor and cutter to facilitate payment of the invoice by the Police Jury.

On August 2, 2010, the Police Jury finance committee approved the purchase of a used tractor for use in maintaining cemeteries. Police Jury records include an invoice from Spectral, Inc., dated August 6, 2010, in the amount of \$18,500 for the purchase of a 1066 International Tractor and Woods 15 ft. Cutter. The invoice was signed "Ronald West" and dated "8-2-2010." The invoice was paid for by the Police Jury with a check dated September 14, 2010. Police Jury records also included two price quotations for a tractor and cutter:

#### **Price Quotation #1**

A quote from Farmer's Gas Company in Mamou, Louisiana, dated July 15, 2010, in the amount of \$20,000 for a John Deere Tractor and \$12,000 for a Bush Hog Cutter

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<sup>3</sup> R.S. 14§67 states that "theft is the misappropriation or taking of anything of value which belongs to another, either without the consent of the other to the misappropriation or taking, or by means of fraudulent conduct, practices, or representations. An intent to deprive the other permanently of whatever may be the subject of the misappropriation or taking is essential."

<sup>4</sup> Article 7, Section 14 of the Louisiana Constitution provides, in part, that "except as otherwise provided by this constitution, the funds, credit, property, or things of value of the state or of any political subdivision shall not be loaned, pledged, or donated to or for any person, association, or corporation, public or private."

<sup>5</sup> R.S. 38§2212.1 A.(1)(a) states that "all purchases of any materials or supplies exceeding the sum of thirty thousand dollars (twenty thousand dollars prior to June 30, 2009) to be paid out of public funds shall be advertised and let by contract to the lowest responsible bidder who has bid according to the specifications as advertised. (b) However, purchases of ten thousand dollars or more, but less than thirty thousand dollars, shall be made by obtaining not less than three telephone or facsimile quotations. A written confirmation of the accepted offer shall be obtained and made a part of the purchase file. If quotations lower than the accepted quotations are received, the reasons for their rejection shall be recorded in the purchase file."

<sup>6</sup> R.S. 14§72 provides that "forgery is the false making or altering, with intent to defraud, of any signature to, or any part of, any writing purporting to have legal efficacy."

**Price Quotation #2**

A quote from Quality Equipment in Opelousas, Louisiana, dated September 7, 2010, (over 30 days after Spectral's invoice date) in the amount of \$15,000 for a 1066 International Tractor and \$6,000 for a 1015 Bush Hog Cutter

According to Secretary-Treasurer Doug DeVille, during August 2010, Juror Manuel delivered a Spectral Inc. invoice for the tractor and cutter to the Police Jury office and requested payment. Mr. DeVille stated he informed Mr. Manuel that bids or price quotations were necessary for the purchase of equipment and that an employee must sign the invoice to document receipt of the equipment.

Mr. DeVille further stated that Mr. Manuel said he would personally obtain a quote and Director of Public Works Chester Granger would obtain another quote. Several days later, Mr. Manuel returned to the Police Jury office and provided Mr. DeVille with a price quotation from Farmer's Gas Company for a tractor and cutter, and another invoice from Spectral, Inc., signed "Ronald West" and dated "8-2-10." According to Mr. DeVille, Mr. West is an employee in Region-A, but he is not authorized to make purchases or receive equipment for the Police Jury. Mr. DeVille stated that Mr. Granger provided an additional quote from Quality Equipment Company.

The Police Jury did not maintain, as part of its purchase file, written specifications, quotations, and confirmation of accepted offers for the purchase of the tractor or cutter. Further examination of the two quotes provided as record of the purchase of the tractor and cutter, and interviews conducted indicated the following:

**Farmer's Gas Company** - Mr. Joey Hebert, owner, provided records that indicate the John Deere tractor listed in the quote to the Police Jury dated July 15, 2010, had been traded on June 4, 2009, to purchase a new tractor for Farmer's Gas Company. However, Mr. Manuel stated on September 24, 2010, that he examined the John Deere tractor on July 15, 2010, at Farmer's Gas Company and determined it to be in good condition. When presented with records from Farmer's Gas Company that shows the sale of the tractor in 2009, Mr. Manuel changed his statement and acknowledged the price quote from Farmer's Gas Company was falsified.

**Quality Equipment Company** - Mr. Shawn Dupuis, a salesman with Quality Equipment, stated that his store did not have a 1066 International Tractor for sale. He stated that he created a false quote to help Mr. Granger. Mr. Granger stated that Mr. Manuel and Mr. DeVille instructed him to obtain a quote (after the Police Jury had taken delivery of the tractor and cutter) so he asked Mr. Dupuis to create one.

Based on statements from Police Juror Davis Manuel, Police Jury employees, and Police Jury records, the price quotations may not be genuine; therefore, Mr. Manuel may have violated Louisiana law.<sup>1</sup> Our auditors solicited quotations from the Cajun Auction Company and researched the Internet for prices on used equipment. Mr. Ivan Fontenot, owner of Cajun Auction Company and a certified farm appraiser, estimated that a used 1066 International Tractor, in good condition, may sell for approximately \$3,500 to \$4,000. Also,

RockandDirt.com and TractorHouse.com offered for sale a used Woods BW180 Cutter similar to the one purchased by the Police Jury in the price range from \$2,750 to \$9,300. Based on the quotations cited above, a comparative price for the tractor and cutter was \$6,250 to \$13,300. Since the Police Jury's payment of \$18,500 exceeded the range of prices for similar equipment, the Police Jury may have violated the Louisiana Constitution.<sup>4</sup> Purchases with no valid business purpose, that are not necessary to the operations of the Parish, or that are made at an unreasonable price may be a violation of the Louisiana Constitution which prohibits the donation of public funds. The attorney general provides guidance with regard to the Louisiana Constitution in Opinion 09-0018, which states that "the public entity must have the legal authority to make the expenditure" and outlines a three-prong test for the expenditure of public funds as follows:

1. There must be a public purpose that comports with the governmental purpose of the public entity.
2. When taken as a whole, the expenditure does not appear to be gratuitous.
3. There must be evidence demonstrating that the public entity has a reasonable expectation of receiving a benefit or value at least equivalent to the amount expended or transferred.

According to Mr. West, the signature on Spectral's invoice was not his handwriting. However, he stated that during August 2010, he received a phone call from Mr. Manuel instructing him to pick up a tractor from a Police Jury equipment yard located in Chataignier, Louisiana. He stated the equipment was used to cut grass at cemeteries in District One before the rear tires went flat. After the rear tires were replaced, the turbo and fuel injectors failed, and the tractor was delivered to the Region-A maintenance yard for repairs.

Region-A Supervisor Donald Thomas stated that he was not involved in the purchase of the tractor and cutter. He had no knowledge of who purchased the equipment or where it came from, even though he usually initiates equipment purchases. He stated that Mr. West delivered the tractor to the Region-A yard around August 2010 and did not provide him any information on the tractor. He stated that the Police Jury replaced the two rear tires and turbo at a cost of \$1,408, but the tractor still did not run properly and needed repairs on the fuel injector. Mr. Thomas stated that, had he been involved in the purchase of the tractor, he would have advised the Policy Jury to not purchase it based on its condition. He also stated that there are three tractors available in Region-A that can be used to maintain the cemeteries in the district. No one discussed this with him before purchasing another tractor. Finally, he stated that the Police Jury's practice for purchasing equipment, such as a tractor, is to receive the initial request from a Region supervisor.

During an interview of Mr. Manuel, he stated the Police Jury's finance committee approved the purchase of a used tractor on August 2, 2010. After receiving a call from Mr. Aby Lavergne, a friend and owner of Spectral, Inc., regarding a used tractor in Basile, Louisiana, he examined the tractor and determined it was in good condition. He informed Mr. Lavergne that the Police Jury wanted to purchase the tractor. According to Mr. Manuel, in August 2010,

Mr. Lavergne delivered the tractor and cutter to the Police Jury yard in Chataigner, Louisiana. Mr. Lavergne provided a verbal 90-day warranty agreement for the tractor.

Mr. Manuel stated that the first time he saw Spectral’s invoice to the Police Jury was when Mr. DeVille gave him a copy and requested he get the signature of the person who received the equipment. According to Mr. Manuel, he took the invoice from Mr. Deville, signed Mr. West’s name, dated it, and returned it to the Police Jury office a few days later, which may violate Louisiana law.<sup>6</sup> The Police Jury sent Mr. Lavergne a payment dated September 14, 2010, in the amount of \$18,500 for both the tractor and cutter.

According to Mr. Lavergne, around July or August 2010, he received a phone call from Mr. Manuel inquiring about placing a bid to sell the Police Jury a tractor and a cutter. He stated that he owned a 1066 International Tractor and provided Mr. Manuel a verbal bid of \$9,000 for the tractor and \$9,500 for the cutter. A few days later, Mr. Manuel called and informed him he had won the bid and that the Police Jury wanted to purchase his tractor and cutter. He stated that he delivered the equipment to a Police Jury equipment yard at the corner of Hwy 95 and Hwy 29 around July or August 2010. Mr. Lavergne’s attorney provided a bill-of-sale for an International 1066 Tractor purchased by Mr. Lavergne, but the payment information was redacted and we could not determine the price paid by Mr. Lavergne, or if this was the tractor purchased by the Police Jury. In addition, the bill of sale is dated August 7, 2010, one day after Spectral had invoiced the Police Jury.

Bid Law - Tires

The Police Jury administration may have violated Louisiana law<sup>5</sup> (materials and supplies) through the purchase of tires and tire tubes from January 1, 2006, to December 31, 2008, as outlined below.

**Tires and Tire Tubes Purchased by Police Jury**

<u>Vendors</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>Total</u>
D&J Tires		\$4,786	\$3,345	\$8,131
Earl's Tires	\$9,243	29,222	28,793	67,258
Gonzalez Tire Company	4,716	4,320	3,970	13,006
Total Automotive Parts	4,511	9,576	1,716	15,803
Young's Tires	8,412	19,894	21,342	49,648
<b>Total</b>	<b>\$26,882</b>	<b>\$67,798</b>	<b>\$59,166</b>	<b>\$153,846</b>

In 2006, 2007, and 2008, the Police Jury purchased tires and tire tubes from various vendors totaling \$26,882; \$67,798; and \$59,166, respectively. State law required purchases of materials and supplies before June 30, 2009, to be publicly bid if exceeding \$20,000; however, the Police Jury could not provide any documentation to indicate that these purchases were let for bid in accordance with Louisiana law,<sup>5</sup> nor was there documentation to indicate that a competitive process was used. When considering if an item should be bid, the Police Jury

administration should aggregate estimates of similar items based on purchasing history for the Police Jury, as a whole,<sup>7</sup> at the beginning of the fiscal year and comply with the requirements in Louisiana law.<sup>5</sup>

According to Secretary-Treasurer Doug DeVille, the Police Jury did not have written purchasing procedures, but in October 2010, the Police Jury hired a purchasing agent to take responsibility for the purchasing function. During November 2010, the Police Jury approved written procedures for purchases. According to these procedures, purchases have to be approved by the Maintenance Yard (Region) Supervisor and the Public Works Director before the Purchasing Agent can issue the vendor a purchase order.

### **Lack of Proper Controls Over Tire Service**

We reviewed the invoices for work performed at the Police Jury's Region-A maintenance yard. During the period of January 3, 2006, to September 18, 2009, the Police Jury paid Gonzalez Tire Company a total of \$108,969 to provide professional tire repair service. Although not required, the Police Jury did not have a written contract or agreed-upon prices. In addition, Mr. Javier Gonzalez, owner of Gonzalez Tire Company, stated that he provided discounts to Police Jury employees for work he performed on their personal property, which may have violated Louisiana law.<sup>8</sup> The services to the Police Jury included on-the-spot tire repairs and replacements for damaged Police Jury vehicles and heavy equipment. Since this work is considered to be a service, it is not required to be publicly bid.

According to Mr. Gonzalez, any Police Jury employee with a tire problem could call him directly and request work be performed. Region-A employee Donald Fontenot stated that he and his supervisor, Donald Thomas, were the only employees at the Region-A maintenance yard authorized to approve invoices. Mr. Fontenot approved approximately 80% of the invoices from Gonzalez Tire Service, but since the requests for repairs were not sent through him and he did not take delivery of the items invoiced, he had no direct knowledge of any work performed or goods received. He further stated that he rarely picked up parts or tires purchased by the Police Jury and that vendors, including Gonzalez Tire Service, routinely held invoices open and that the parts had already been picked up before he signed the invoice. Since the Police Jury did not require receiving reports prior to payment, we could not determine if the Police Jury received all the tires and tire repairs it paid for.

Mr. Thomas stated that he was unaware of the Police Jury's spending for tires and tire services and that the Police Jury administration should have been monitoring tire expenses. He stated that he was never provided budget information or progress reports indicating that there was a problem with tire purchases in Region A.

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<sup>7</sup> **Attorney General Opinion No. 95-123** provides, in part, that ... "Since the District is created as one public entity which operates twenty-three fire stations, rather than twenty-three separate public entities, the District is required to aggregate its purchases from all stations to determine when public bid thresholds will be met."

<sup>8</sup> **R.S. 42§1115** provides, in part, that "no public servant shall solicit or accept, directly or indirectly, anything of economic value as a gift or gratuity from any person or employee of any person who has or is seeking to obtain contractual or other business or financial relationships with the public servant's agency."

During our fieldwork, we found three instances when the Police Jury may not have received tires and tire services it paid for as follows:

1. According to Police Jury records, the Police Jury paid a total of \$1,128 on March 12 and April 18, 2008, to purchase two sets of tires (eight tires) for parish vehicle number A162, a Ford 2002 F150 truck. However, on July 20, 2009, Machine Operator Dennis Allison stated that he has driven this vehicle since February 2008 and has not received any new tires since he was assigned this vehicle.
2. Police Jury records show \$505 was paid to purchase two size R16 tires, one size R24.5, and a tire tube size R20 for vehicle A156. Region-A employee John Winston Vidrine stated that he has driven vehicle A156, a 2001 Dodge 4x4 truck, since February 16, 2007, and has not received new tires for his vehicle during that period.
3. From December 3, 2007 to March 9, 2008 (approximately three and one-half months), Police Jury records show funds totaling \$10,046 were used to purchase 29 tires (\$8,006) and 39 tire repairs (\$2,040) for Police Jury vehicle number P-38 (an International 18-Wheeler). The Police Jury does not have a permanently assigned driver to this vehicle and does not keep mileage records, so we could not determine if the tires and tire repairs purchased were received by the Police Jury or were reasonable. However, the volume of tires purchased and tire repairs seem excessive.

Mr. Gonzalez stated that he has done personal tire service work for Police Jury employees Mr. Donald Thomas and Mr. Donald Fontenot at a discount and sometimes at no charge. He stated that he has given Mr. Fontenot discounts on tire repair service when repairing his personal farm equipment. Mr. Thomas confirmed that Mr. Gonzalez has done personal tire repair service for him at a discount or for free. Mr. Gonzalez also stated he performed personal tire service work for Police Juror Bob Manuel and that he rented a house from Mr. Manuel. Mr. Manuel confirmed that Mr. Gonzalez did rent a house from him for \$350 per month and he did work for his business and paid him by check. By accepting something of economic value from Mr. Gonzalez, a vendor with a business relationship with the Police Jury, Mr. Thomas and Mr. Fontenot may have violated Louisiana law.<sup>8</sup> In addition, by receiving rental fees from Mr. Gonzalez, Mr. Manuel may have violated Louisiana law.<sup>9</sup>

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<sup>9</sup> R.S. 42§1111 C(2)(d) states, in part, that “no public servant and no legal entity in which the public servant exercises control or owns an interest in excess of twenty-five percent, shall receive anything of economic value for or in consideration of services rendered, or to be rendered, to or for any person during his public service unless such services are:...neither performed for nor compensated by any person from whom such public servant would be prohibited by R.S. 42:1115(A)(1) or (B) from receiving a gift.”

We recommend that the Police Jury develop and implement comprehensive written policies and procedures pertaining to the following areas:

1. Payroll
  - a. require timecards to reflect the actual time worked;
  - b. enforce the policy requiring pre-approval of overtime and supervisor approval of timecards,
  - c. require employees and supervisors to sign and verify timecards at the end of each time period; and
  - d. prohibit employees from working on personal vehicles at Police Jury facilities or performing other non-Police Jury work during the workday.
2. Purchases of materials and supplies to conform to Louisiana Public Bid Law
  - a. require that purchase orders are obtained for purchases of materials and supplies prior to employees taking delivery of the materials and supplies;
  - b. require employees receiving materials and supplies to verify all quantities received;
  - c. prohibit use of open purchase orders or invoices;
  - d. limit the number of employees authorized to order goods and services; and
  - e. require accounts payable clerks to verify pricing on invoices and to review invoices for compliance with policy and applicable Louisiana laws.
3. Services (such as tire repairs)
  - a. require employees to verify that services are received and appropriately billed;
  - b. prohibit employees from requesting services directly from vendor;
  - c. require employees to maintain a record of services provided to each vehicle or equipment to include mileage and/or hours to justify the service provided; and
  - d. require that tire repair services be contractual to include agreed-upon price per service and warranties.
4. Develop expenditure reports for supervisors to monitor their budgets
5. Seek legal advice regarding the purchase of the tractor and cutter and payroll overpayments to employees to determine if the Police Jury can recover any funds

The Evangeline Parish Police Jury (Police Jury) is the governing authority for Evangeline Parish and is a political subdivision of the State of Louisiana. The Police Jury is governed by nine jurors representing the various districts within the parish. The jurors serve four-year terms.

The Legislative Auditor received a request from the District Attorney for the Thirteenth Judicial District of Louisiana to provide assistance in conducting an audit of the Police Jury relating to improprieties with parish employees and purchases. This audit was performed to determine the propriety of the allegation.

The procedures performed during this audit consisted of

- (1) interviewing employees and officials of the Police Jury;
- (2) interviewing other persons as appropriate;
- (3) examining selected documents and records of the Police Jury; and
- (4) reviewing applicable state laws and regulations.

We have included our findings and recommendations in this report.

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## Management's Response



On January 21, 2011, we met with Doug Deville, Secretary Treasurer, Eric Soileau, Police Jury President, and Bryan Vidrine, Police Jury Vice-President to discuss this report. During that meeting, Mr. Soileau and Mr. Vidrine indicated that Mr. Deville would provide the management's response for the police jury as a whole. Mr. Deville's response is attached.

EVANGELINE PARISH POLICE JURY  
200 COURT STREET, SUITE 207  
VILLE PLATTE, LA 70586  
PHONE: (337) 363-5651  
FAX: (337) 363-5652

**FAX COVER SHEET**

DATE: 2/3/11

TO: CALVIN MOORE / KEVIN KELLEY

FROM: DOUG DEVILLE

RE: RESPONSE TO RECOMMENDATIONS

FAX #: 225 - 339 - 3987

#PAGES (INCLUDING COVER) - 8 -

COMMENTS:

January 28, 2011

Following is the response to the recommendations on the investigative report on the Evangeline Parish Police Jury (EPPJ).

**1. PAYROLL**

All time cards must be signed by the region employee (4 regions in Evangeline Parish) and hours of time worked verified by the region supervisor and then approved and signed by the supervisor. Each region supervisor's time card will be reviewed and verified and signed by the public works director. If the time card indicates overtime this must have been pre-approved by either the public works director or the secretary-treasurer and the person who approved the overtime shall sign the time sheet.

The payroll check register and all time sheets will be obtained from the payroll clerk by the secretary-treasurer. The first check number on the check register will be traced back to the prior check register to insure that the previous check was the last check on the prior payroll check register. Any discrepancies will be investigated and properly documented on the check register with an explanation for this discrepancy.

Each check on the register will be traced to the appropriate time sheet. The name on the check will be verified with the time sheet and the secretary-treasurer will make sure that all time sheets are signed by the employee and approved by the correct supervisor. (implemented in July, 2010)

If any overtime hours are paid, the secretary-treasurer will ensure that the reason for the overtime is documented on the time sheet and will verify with the public works director.

No work on personal vehicles will be allowed on EPPJ time or property.

Enforcement of this is being done by the public works director and/or the secretary-treasurer by performing random checks on each of the region facilities.

GPS units have also been installed on Police Jury vehicles and can be monitored by computer by public works director and secretary-treasurer.

2. PURCHASES OF MATERIALS AND SUPPLIES TO CONFORM TO LOUISIANA PUBLIC BID LAW.

In order to closely monitor purchases and purchasing procedure the Evangeline Parish Police Jury (EPPJ) has hired a full time purchaser agent. In each region there are only two people who will be authorized to purchase materials, the supervisor and the assistant supervisor. A list of these authorized personnel has been distributed to all parish vendors.

Before a purchase, all employees will call the supervisor or assistant supervisor of each region to request the purchase. The supervisor or assistant supervisor will then call the Public Works Director to request for P.O. the Public Works Director will call the purchasing agent and will inform her of the purchase. If the purchase is less than \$500.00 (Five Hundred Dollars) the purchasing agent will issue purchase order number to vendor when the call is received. If the purchase is \$500.00 (Five hundred dollars) or over, the purchasing agent will acquire three quotes for product or equipment and purchase with lowest bid and issue purchase order number.

The Purchasing agent will issue purchase order numbers only with the verbal approval of the Public Works Director. The purchasing agent will code the purchase order with the correct fund/account numbers and then give to Public Works Director for approval signature. The Public Works Director will give the purchase orders back to the purchasing agent to be entered into pro comm. Software system.

Any invoice with no purchase order number will not be paid. Purchase orders will be pre numbered and printed with triplicate copies.

The region supervisor or assistant supervisor must sign the invoice and it is imperative that he take delivery of the material. Under no circumstances will open purchase orders be allowed.

In the event that the Public Works Director is not available, the Secretary Treasurer will approve purchases. In the event that the Public Works Director and the Secretary Treasurer are not available, then the Assistant Secretary Treasurer will approve purchase. The Secretary Treasure and Assistant Secretary Treasurer will follow the same procedures in getting the purchase order number issued. The Secretary Treasurer will no longer need to approve purchase orders but will approve all invoices for payment. (Implemented September 2010).

The Evangeline Parish Police Jury is in the process of bidding commodity products such as tires, filters, and other parts for equipment.

**3. SERVICES (SUCH AS TIRE REPAIRS)**

**Under the Police Jury purchasing policy and with the aid of the purchasing agent, all services will be verified, received and properly billed. It is against Police Jury policy for any employee to request services from a vendor. All requests of this nature should be approved by the Public Works Director or Secretary-Treasurer and said requests performed by either if this service is warranted.**

**Each vehicle (truck, tractor, dozer, etc.) has its own equipment number and its own fuel card. On this fuel card, the employee must log the odometer reading, amount of fuel received and any other services performed on the vehicle (again, all services must be approved). Fuel cards are completed when fuel is being delivered or received. If a vehicle gets fuel at the region yard, he must first get the supervisor or assistant supervisor to unlock the pump. On the fuel card, the employee must put the amount of fuel (taken from the meter reading) on the fuel card, indicate meter cumulative reading and show the odometer reading. If transporting fuel to a vehicle (tractor, grader, etc.) the transporter of the fuel and the receiver of the fuel must each fill out fuel cards. All fuel cards are turned in at the end of the month and the Public Works Director performs his calculations from these cards to monitor distance traveled versus gas consumption. (Implemented October, 2010)**

**Any vendor performing tire repairs or services must have a contractual agreement as to the costs the Police Jury will incur. For example, if a vehicle has a flat and the tire is damaged beyond repair or the tire is too large, the vendor's service should include travel, replacement parts, labor as an all-inclusive price. The Public Works Director and the vendor will set these contractual prices.**

**4. Develop expenditure reports for supervisors to monitor their budgets.**

The Evangeline Parish Police Jury has implemented a document for each region showing not only parts and supplies for each piece of equipment but the costs per month. There is also another document which shows for each region the amount of fuel purchased, by month, gallons used per fuel card, gallons used per truck reading and the difference from fuel cards to tank readings. These reports are given to the supervisors to assist them in monitoring their budget. These reports are also given to each Police Juror.

**5. The Evangeline Parish Police Jury is taking all available avenues to recover funds that were illegally overpaid to employees.**

Mr. Lavergne with Spectral was contacted and he agreed, per his warranty, to pay for all parts that need replacement on the tractor and the cutter. He stated that he warranty did not cover labor.

RECEIVED  
LEGISLATIVE AUDITOR  
2011 FEB 15 AM 8:45

## BOB'S ELECTRICAL

1004 Theophile Rd.  
Ville Platte, La. 70586  
337-363-6366

To; Mr. Calvin Moore  
La. Legislative Auditor  
P.O. Box 94397  
Baton Rouge, La. 70804-9397

February 10, 2011

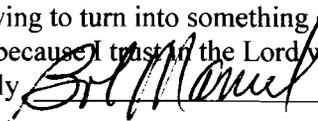
Mr. Moore, in response to the letter dated January 13, 2011, in reference to my position on the Evangeline Parish Police Jury, I hereby present my response to your accusation that I may have violated Louisiana Law.

You reference "R.S.42s1115, which refers to accepting anything of economic value, such as a gift or gratuity from a vendor". To clarify, ON ABSOLUTELY NO OCCASION DID I EVER SOLICIT OR ACCEPT, DIRECTLY OR INDIRECTLY, ANYTHING OF ECONOMIC VALUE FROM MR. GONZALEZ OR ANY OTHER VENDOR OF THE POLICE JURY. Transactions dealing with Mr. Gonzalez were strictly business dealings with my company and never of a personal nature as you stated. My business owns several rental units; one located at 315 N. Thompson, and has for several years. This property currently is rented at the monthly rate of \$360.00 per month and according to FEDERAL LAW it is a FEDERAL VIOLATION to discriminate against anyone with regard to who may rent my units. I strictly adhere to the Federal Fair housing practice, and therefore when Mr. Javier Gonzales, a Hispanic, approached us about renting this home which had just come available, we agreed to rent it to him for the fair market price of \$350.00 per month, and we never asked or received additional funds of any kind which may be construed as a gift or gratuity. My wife collects the rent and he was given a receipt. He moved in about April of 2008 and stayed slightly over a year. He advised that he was moving in with someone and did not need the home any more. This was strictly a business transaction from my rental business.

Also Mr. Gonzales is in the tire repair business, and on occasion we hired his company to repair flats and change tires primarily on my wife's school bus. About 95% of our tire business is done through other tire dealers in the Ville Platte area, and on occasion his company would repair a tractor tire or large truck tire for my company equipment. He was always paid full price for work by company check and we never asked or received a discount of any kind which might be construed as a gift or gratuity. These other dealers also have a business relationship with the Evangeline Parish Police Jury, and I am certain that The Police Jury deals with every single tire dealer, hardware store, supply house, parts house and office supply in this Parish, and further that The Police Jury has dealing and accounts with hundreds of businesses locally and state wide.

You made the assumption that I received something of economic value from Mr. Gonzales, then; every normal business transaction would fall under that assumption. It would seem that some have chosen to single me out; even though we all have normal, legal, daily dealings with Police Jury vendors and would be almost impossible avoid. If you feel a need to discuss any of this please feel free to call me at anytime on my cell at 337-831-2007. In closing, your reference to "R.S.42s1115, does not apply to these transactions as stated above. My business dealings with Mr. Gonzalez were above board and in compliance with Federal and State law. All my business dealings with Mr. Gonzalez were well documented and business deals afforded every other member of the general public. This was simply a legal, above board business transaction that some are trying to turn into something else. Thanks for your consideration and I know the truth will prevail because I trust in the Lord who is above all.

Respectfully

  
\_\_\_\_\_

March 11, 2011

**Calvin Moore**

Senior Compliance Auditor

LA Legislative Auditor

I would like to correct one portion of the report. Mr. Thomas & Mr. Guillory **never completed** the work on my property. They advised the land could be cleared for \$10,000.00. Eventually we told them not to come back as they were over budget. They cleared barely half the land.

Pam McGee

Director Main Street Program

City of Ville Platte, LA

337-831-4354