



LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

November 4, 2013

JEFFERSON PARISH COUNCIL, THOMPSON THIBODEAUX COMMUNITY DEVELOPMENT CORP. AND THE REVEREND MANSFIELD THOMPSON EDUCATIONAL FOUNDATION, INC.

Two related Jefferson Parish not-for-profit organizations appear to have misspent or misappropriated \$717,485 of \$1.51 million (47.5 percent) received in state and parish grants, according to an investigative audit released Monday by Legislative Auditor Daryl Purpera.

One of the non-profits, Thompson Thibodeaux Community Development Corp., was supposed to perform painting and minor home repair services to low- and moderate-income homeowners and provide mentoring services to at-risk youth. The other non-profit, the Reverend Mansfield Thompson Educational Foundation, Inc., which operates Faith Academy, a private school in Marrero, also was supposed to mentor youth.

Painting and Minor Home Repair Program

The audit said the Jefferson Parish Council failed to properly monitor \$1.375 million in federally-funded grants awarded for painting and repair programs between 2004 and 2011.

The audit said the parish retained \$275,000 for monitoring the programs and allocated \$1.1 million to Thompson Thibodeaux to operate the painting and minor home repair program. Auditors said the non-profit expended \$805,973 of the \$1.1 million on the programs. However, the fair market value of the work performed on the homes totaled only \$190,394, based on New Orleans area market rates, according to the audit.

“Because the parish did not adequately monitor Thompson Thibodeaux’s selection of paint contractors, Thompson Thibodeaux was able to establish and pay apparently inflated rates for paint services that appear to have been performed” mostly by unqualified contractors, and many with ties to the organization’s board, its employees or Jefferson Parish employees, according to the audit.

Instead of performing painting services and repairs to the agreed upon minimum of 130 homes, the organization provided services to only 96 homes. The audit further stated that Thompson Thibodeaux’s applicant files lacked the documentation required to determine applicants’ eligibility for 61 of the 96 program recipients.



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In addition, based on information gathered by auditors, it appears that 36 of the 96 program recipients were not eligible for the painting or repair services they received.

Mentorship Program Funds Misspent

The audit also said that \$242,000 of a total of \$360,000 in grants from the state and Jefferson Parish that flowed through Thompson Thibodeaux for mentorship programs for at-risk youth were either misspent or misappropriated between 2005 and 2010. “It appears that Thompson Thibodeaux provided no mentorship services for \$241,988 (67 percent) of the \$360,000 received from state and parish agencies,” the audit said.

Thompson Thibodeaux’s funds were comingled with funds from Faith Academy. The audit said that \$56,500 was paid to the stepmother of ex-Sen. Derrick Shepherd. As a state lawmaker, Shepherd helped get the state grants.

Another \$6,000 went to pay for “campaign services” for Shepherd’s 2005 Senate race, according to Mr. Louis Birdlow, one of four individuals identified in the audit as receiving a check for campaign work.

The audit said \$92,326 in fake expenses were created by Eddie Williams, a board member of Thompson Thibodeaux and the executive director of Faith Academy. Williams acknowledged that he forged checks to help replace cash that he had taken from Faith Academy and its parent church, St. Mary’s Baptist Church.

Faith Academy Programs

The audit said that between 2005 and 2010, Jefferson Parish and state agencies turned over \$344,124 to Faith Academy to help fund educational programs or provide temporary jobs to workers displaced by Hurricane Katrina, but almost \$240,000 appears to have been improperly used by Faith Academy.

The report said that much of the money went to pay expenses at the school or paid for expenses created by Williams to replace cash he had taken from the church and school for his own use.

Assistant Parish Attorney Performing Private Work in Violation of Policy

The audit said that from February 5, 2007 through June 10, 2011, and prior to his election to the Jefferson Parish Council, Mark Spears worked as an assistant parish attorney and at the same time, also did private legal work for Thompson Thibodeaux. The report said that Spears was required to report any outside legal services he performed to Jefferson Parish, but did not do so.



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In addition, Spears performed private legal work for others during a time that parish policy barred him from doing so. The audit said that an examination of Spears' parish computer revealed that, while working as an assistant parish attorney, Spears placed private legal documents on his parish computer and accessed them on 143 different workdays, in violation of the Jefferson Parish policy.

The audit has been forwarded to the United States Attorney's Office in New Orleans, the District Attorney's Office for the 24th Judicial District in Jefferson Parish and the state Board of Ethics.

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On Twitter: Two Jefferson Parish not-for-profits misspent, misappropriated grant money