



LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

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SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM DEPARTMENT OF CHILDREN AND FAMILY SERVICES

BATON ROUGE -- Eighty-four convicted drug felons were allowed to receive benefits under the Supplemental Nutrition Assistance Program and another 1,761 individuals kept their benefits while serving time in prison, according to a report on the food spending program released Monday by Legislative Auditor Daryl Purpera.

The performance audit of the program, administered by the state Department of Children and Family Services and largely financed by the federal Department of Agriculture, said that the convicted drug felons spent a total of \$107,864 in benefits “they were not eligible to receive” in fiscal years 2011 and 2012.

Guidelines spelled out by the state agency prohibit a convicted drug felon from being eligible for SNAP benefits “until after one year from their release date. However, these 84 drug felons received SNAP benefits before one year had passed from their date of release from prison.”

The SNAP program used to be known as the federal “food stamps” program. DCFS administers the program based on the federal guidelines.

More than \$1.1 million in SNAP benefits was spent by 1,761 individuals who were imprisoned.

“We found that \$1,107,740 in benefits was used by 1,761 persons who were incarcerated during fiscal years 2011 and 2012,” the audit said. “These persons were not a part of a household and therefore should not have used benefits during this timeframe... This constitutes an intentional program violation and these individuals should repay the benefits used while incarcerated.”

To develop that information, auditors compared prison data, such as individual’s entry and exit dates, with names in DCFS’s data on SNAP participants.

The audit recommended that the state agency should work to assure that its process “for verification of prison information is reliable, consistent and timely.”

Overall, in the four-year period from 2008 to 2012, Louisiana’s average monthly SNAP enrollment increased from 631,376 participants to 866,335. Benefits also increased in that same period from approximately \$783 million to \$1.4 billion.



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About 19 percent of the state's population received benefits in 2012 compared to 15 percent in 2008, largely because of changes in the federal program rules; benefits paid in the aftermath of Hurricanes Ike and Gustav in 2008; and a Louisiana jobless rate that went from 3.8 percent in 2007 to 7.5 percent in June 2012.

The average SNAP benefit for a household in Louisiana in fiscal year 2012 was \$312.32 a month.

A total of 1,573 SNAP recipients received "duplicate benefits in Louisiana and other states" for three consecutive months between March 2010 and March 2011, according to a January 2012 report issued by the Office of Inspector General for the U.S. Agriculture Department.

DCFS officials "identified 1,157 cases involving \$841,615" in overpayments due to "agency errors" in 2010 and 2011.

Other findings in the report include:

- A total of 3,060 SNAP recipients who were certified in Louisiana spent all of their \$2.06 million in benefits in another state during fiscal year 2012. This "may indicate that these individuals do not live in Louisiana and are potentially receiving benefits in another state," the audit said. Although SNAP participants are allowed to spend their benefits anywhere in the United States, participants are not allowed to receive benefits in more than one state.
- A total of 312 recipients spent all of their benefits at a single retail outlet in fiscal year 2012, making 7,322 purchases at 154 small stores totaling almost \$196,000. Auditors said spending all of the benefits at a single retailer, while not against program rules, may be a sign of SNAP recipients buying ineligible items – like tobacco products or liquor – or selling benefits at a discount to a retailer.
- There were 698,745 even-dollar transactions at stores in fiscal year 2012, another possible indicator that SNAP recipients may be fraudulently "receiving cash instead of allowable food items."

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