

EVANGELINE PARISH SHERIFF'S OFFICE



INVESTIGATIVE AUDIT
APRIL 1, 2015

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LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

April 1, 2015

THE HONORABLE EDDIE S. SOILEAU, SHERIFF
EVANGELINE PARISH
Ville Platte, Louisiana

We have audited certain transactions of the Evangeline Parish Sheriff's Office. Our audit was conducted in accordance with Title 24 of the Louisiana Revised Statutes to determine the validity of allegations we received.

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 is a public report. Copies of this report have been delivered to the District Attorney for the 13th Judicial District of Louisiana and others as required by law.

Respectfully submitted,

Daryl G. Purpera, CPA, CFE
Legislative Auditor

DGP/aa

EPSO 2015

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EXECUTIVE SUMMARY

Former Chief Civil Deputy Diverted Public Funds for Personal Use

Rebecca Devillier, former chief civil deputy for the Evangeline Parish Sheriff's Office (EPSO), diverted EPSO funds totaling at least \$108,976 to herself and possibly to other EPSO employees for personal use from August 17, 2011, to September 30, 2014. Ms. Devillier issued unauthorized checks using Sheriff Eddie Soileau's signature stamp, failed to deposit cash collections, and falsified and destroyed accounting records to conceal her actions. By diverting EPSO funds for personal use and falsifying and destroying accounting records, Ms. Devillier may have violated state law.

Former Chief Civil Deputy Made Unauthorized Credit Card Purchases

EPSO records indicate that Ms. Devillier used the EPSO credit card to make unauthorized purchases totaling \$6,005 from November 22, 2013, to September 10, 2014. By using the EPSO credit card to make unauthorized purchases, Ms. Devillier may have violated state law.

BACKGROUND AND METHODOLOGY

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the Evangeline Parish Sheriff (Sheriff) serves a four-year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. As the ex-officio tax collector of the parish, the Sheriff is responsible for collecting and distributing ad valorem property taxes; parish occupational licenses; state revenue sharing funds; sporting licenses; and fines, costs, and bond forfeitures imposed by the district court. The Sheriff also administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, and serving subpoenas.

In September 2014, Sheriff Eddie Soileau was notified by his bank that Rebecca Devillier, chief civil deputy, deposited a large check from an Evangeline Parish Sheriff's Office (EPSO) bank account into her personal bank account. Ms. Devillier was terminated on September 30, 2014, for issuing herself an unauthorized check from an EPSO bank account. Sheriff Soileau immediately notified the Louisiana State Police (LSP) and his independent auditor of Ms. Devillier's actions. EPSO's independent auditor compiled a list of checks that may have been written without authorization. The independent auditor provided the list to LSP for further investigation. Ms. Devillier was subsequently arrested by LSP for issuing unauthorized checks to herself from EPSO accounts.

The LSP and EPSO's independent auditor notified the Louisiana Legislative Auditor (LLA) regarding the transactions made by Ms. Devillier. LSP requested LLA investigate additional transactions that Ms. Devillier processed during her employment with EPSO. The procedures performed during this audit included:

- (1) interviewing EPSO employees;
- (2) interviewing other persons as appropriate;
- (3) examining selected EPSO documents and records;
- (4) gathering and examining external parties' documents and records; and
- (5) reviewing applicable state laws and regulations.

During our audit, we received assistance from representatives of the LSP and EPSO's independent auditor. Their participation was instrumental to the completion of this audit.

FINDINGS AND RECOMMENDATIONS

Former Chief Civil Deputy Diverted Public Funds for Personal Use

Rebecca Devillier, former chief civil deputy for the Evangeline Parish Sheriff's Office (EPSO), diverted EPSO funds totaling at least \$108,976 to herself and possibly to other EPSO employees for personal use from August 17, 2011, to September 30, 2014. Ms. Devillier issued unauthorized checks using Sheriff Eddie Soileau's signature stamp, failed to deposit cash collections, and falsified and destroyed accounting records to conceal her actions. By diverting EPSO funds for personal use and falsifying and destroying accounting records, Ms. Devillier may have violated state law.^{1,2,3,4,5,6,7}

Ms. Devillier served as EPSO chief civil deputy from April 2009 to September 30, 2014. Ms. Devillier's primary job responsibility was overseeing the tax department, which is responsible for collecting and recording proceeds from ad valorem taxes, fines, bond fees, background checks, civil fees, and other services. Ms. Devillier was also responsible for writing checks to EPSO vendors. In September 2014, Sheriff Soileau was notified by the bank that Ms. Devillier deposited a large check from an EPSO bank account into her personal bank account. Ms. Devillier acknowledged issuing unauthorized checks to herself and was terminated on September 30, 2014.

Unauthorized Checks

EPSO records indicate that Ms. Devillier issued 23 unauthorized checks totaling \$57,965 and diverted the funds to herself and possibly to other EPSO employees for personal use from October 26, 2012, to September 29, 2014. These checks were comprised of the following:

- 17 checks totaling \$48,059^A made payable to Ms. Devillier. These checks were negotiated by Ms. Devillier and/or deposited into her personal bank account;
- 5 checks totaling \$8,706 that appear to have been cashed; and
- 1 check totaling \$1,200 issued for the benefit of another EPSO employee.

During our audit, we found that Sheriff Soileau's signature stamp was used to sign each of the unauthorized checks. Although the majority of these checks were issued to either Ms. Devillier or another EPSO bank account, the carbon copies maintained by EPSO were falsified to indicate that the checks had been issued to legitimate vendors. These carbon copies, which included false payees, were then recorded to the general ledger as legitimate expenses.

Ms. Devillier acknowledged issuing unauthorized checks to herself for personal use. She stated that she used Sheriff Soileau's signature stamp to sign the checks and that she falsified the

^A This amount includes check number 43047 issued in the amount of \$3,398.80 from the EPSO operating account on September 29, 2014. This check was initially deposited into Ms. Devillier's personal account; however, the bank returned the funds to EPSO on October 2, 2014.

carbon check copies to indicate that the checks were issued to vendors for legitimate expenses in order to conceal her actions. According to Ms. Devillier, false transactions were recorded to the general ledger based on the falsified carbon check copies.

Although a majority of the unauthorized checks were deposited directly into Ms. Devillier's personal bank account, five of these checks totaling \$8,706 appear to have been cashed. This amount included two checks totaling \$3,400 that appear to have been endorsed by Ms. Devillier, two checks totaling \$3,106 that appear to have been endorsed by Ms. Devillier and secondarily endorsed by an EPSO employee, and one check totaling \$2,200 endorsed by another EPSO employee. Although the check carbon copies for these checks indicate that they were issued for daily start-up money, petty cash, or "Drug Buy" funds, EPSO could not provide the documentation that is regularly maintained for such disbursements.

Ms. Devillier acknowledged that she cashed checks from EPSO accounts and stated that she split the proceeds of two checks totaling \$3,106 with the EPSO employee who cashed the checks. Ms. Devillier also stated that she issued a check in the amount of \$2,200 to another EPSO employee in order for that employee to pay personal expenses. Each of the two individuals that cashed these checks denied using any of the funds for personal purposes. One employee stated that he cashed checks at Ms. Devillier's request and returned the funds to Ms. Devillier. The second employee stated that he cashed a check to have money for drug buys and drug-related case matters.

In addition to issuing checks for her own personal use, Ms. Devillier informed us that she issued an unauthorized check to a third party for the personal benefit of another EPSO employee. EPSO records indicate that Ms. Devillier issued a check in the amount of \$1,200 to a local law firm on behalf of an EPSO employee and allowed the employee to repay EPSO through payroll deduction. As of the date of this report, the employee has repaid a total of \$850.

EPSO Checks Substituted for Cash Collections Not Deposited

Based on statements provided by Ms. Devillier and available documentation, it appears that Ms. Devillier failed to deposit cash collections and used checks drawn on EPSO bank accounts to replace the missing funds. During the period of our audit, EPSO had 21 bank accounts. From August 17, 2011, to June 16, 2014, Ms. Devillier issued at least 40 unauthorized checks from those bank accounts totaling \$42,471, which were subsequently deposited back into EPSO bank accounts. Although the unauthorized checks were made payable to EPSO vendors or an EPSO bank account, they appear to have been substituted for cash collections that were recorded but not deposited. For example, on June 20, 2012, Ms. Devillier issued a check made payable to a vendor for \$3,000 that was endorsed by and deposited into EPSO's operating account. The check was recorded as a legitimate EPSO disbursement, but there is no record of the check being deposited into the operating account as an operating receipt. Ms. Devillier acknowledged that she kept cash receipts for her personal use and substituted unauthorized checks for the cash collections that had been recorded on the ledger but had not been deposited.

Bond Fees Not Deposited

Ms. Devillier also informed us that she failed to deposit cash collections from bond fees and surety bond fees. Bond fees are collected when an individual is bonded out of jail. According to EPSO Prison Warden Wilfred Jack, bond fees could be waived by either Sheriff Soileau or the presiding judge. If a surety bond is used to bond an individual out of jail, the bondsman is required to pay a cash fee equal to 2% of the amount of the bond. Bond fees and surety bond fees are collected by EPSO jailers. The jailer issues a receipt, attaches the carbon copy receipt to the cash, and places the cash (and attached receipt) inside a locked box located behind Ms. Devillier's desk.

Ms. Devillier indicated that she would open the locked box, take the cash, and throw away the corresponding receipt. Ms. Devillier estimated that she took approximately \$12,000 in bond fee and surety bond fee collections. Because fees could be waived and Ms. Devillier discarded the receipts for cash collections that she failed to deposit, we attempted to obtain bond fee and surety bond fee receipts from local bail bondsmen. These bondsmen provided 92 receipts issued between January 15, 2013, and September 11, 2014. We reviewed EPSO ledgers and bank records to determine if these receipts were recorded and deposited into EPSO bank accounts. According to these records, 58 of the cash payments totaling \$8,540 were neither recorded nor deposited into EPSO bank accounts during this period.

From August 17, 2011, to September 30, 2014, Ms. Devillier diverted EPSO funds totaling at least \$108,976 to herself and possibly to other EPSO employees for personal use. Ms. Devillier issued unauthorized checks using Sheriff Soileau's signature stamp, failed to deposit cash collections, and falsified and destroyed accounting records to conceal her actions. By diverting EPSO funds for personal use and falsifying and destroying accounting records, Ms. Devillier may have violated state law.^{1,2,3,4,5,6,7}

Recommendations

We recommend that EPSO consult with legal counsel to determine the appropriate legal actions to be taken, including recovery of diverted funds and/or restitution. In addition, EPSO should implement policies and procedures to ensure that EPSO funds are not diverted for personal use. EPSO management should:

- (1) require that all checks are approved and signed by Sheriff Soileau or his approved designee;
- (2) ensure that all checks are appropriately documented and recorded;
- (3) require that the front and back of all check images are included with the monthly bank statements. These images should be reviewed monthly for improper and/or unusual endorsements;
- (4) ensure that checks issued to transfer funds are properly recorded, safeguarded, and immediately restrictively endorsed;

- (5) restrict access to the Sheriff's signature stamp. In addition, written policies and procedures should be implemented to determine when use of the signature stamp is necessary and how authorization should be documented;
- (6) require that all funds collected be adequately documented, accurately recorded, and deposited in accordance with state law;
- (7) review and compare the daily total deposits to the total receipts on a regular basis and immediately investigate any differences; and
- (8) ensure that employees are properly trained on cash handling policies.

Former Chief Civil Deputy Made Unauthorized Credit Card Purchases

EPSO records indicate that Ms. Devillier used the EPSO credit card to make unauthorized purchases totaling \$6,005 from November 22, 2013, to September 10, 2014. By using the EPSO credit card to make unauthorized purchases, Ms. Devillier may have violated state law.⁶

EPSO has one credit card, which is maintained in a filing cabinet inside the EPSO administrator's office. There are no written policies and procedures regarding the use of credit cards. Sarah Brown, EPSO administrator, stated that the credit card is typically used for travel and online purchases. According to EPSO records, Ms. Devillier incurred credit card charges totaling \$6,005 from November 22, 2013, to September 10, 2014. This amount included membership dues, a profile set-up fee, and an expert press release for the National Association of Professional Women (\$4,078), as well as membership dues for the Continental Who's Who Registry of National Business Leaders (\$1,927).

EPSO had no documentation to support the public purpose or management's approval of these charges. Ms. Devillier stated that Sheriff Soileau and Ms. Brown were aware that she used the credit card to join these organizations and pay membership dues. However, in discussing these charges with Sheriff Soileau and Ms. Brown, both stated that Ms. Devillier did not have authorization to incur these charges. Ms. Brown stated that she did not know how Ms. Devillier obtained the credit card from her office to make these purchases. By using the EPSO credit card to make unauthorized purchases, Ms. Devillier may have violated state law.⁶

Recommendations

We recommend that EPSO seek reimbursement for all unauthorized charges incurred by Ms. Devillier and implement detailed policies and purchasing procedures for the use of credit cards. These policies should provide guidance for the business use of credit cards and require that:

- (1) all credit card charges be reviewed on a monthly basis and any unauthorized charges be investigated immediately;

- (2) documentation indicating the business purpose of all charges should be maintained; and
- (3) the credit card be maintained in a secure location.

Louisiana Revised Statute 24:524 (C) requires the district attorney prosecuting crimes to seek restitution of audit or investigation costs incurred by the Legislative Auditor from the person responsible for the misappropriation. Our office respectfully requests that the district attorney seek restitution of the Legislative Auditor's audit/investigation costs that were incurred during this investigative audit.

LEGAL PROVISIONS

¹ **Louisiana Revised Statute (La. R.S.) 14:67 (A)** provides that “Theft is the misappropriation 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.”

² **La. R.S. 14:72 (A)** provides that “It shall be unlawful to forge, with intent to defraud, any signature to, or any part of, any writing purporting to have legal efficacy.”

³ **La. R.S. 14:132 (B)** provides that “Second-degree injuring public records is the intentional removal, mutilation, destruction, alteration, falsification, or concealment of any record, document, or other thing, defined as a public record pursuant to R.S. 44:1 et seq. and required to be preserved in any public office or by any person or public officer pursuant to R.S. 44:36.”

⁴ **La. R.S. 14:133 (A)** provides that “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.”

⁵ **La. R.S. 14:134 (A)** provides that “Malfeasance in office is committed when any public officer or public employee shall: (1) Intentionally refuse or fail to perform any duty lawfully required of him, as such officer or employee; or (2) Intentionally perform any such duty in an unlawful manner; or (3) Knowingly permit any other public officer or public employee, under his authority, to intentionally refuse or fail to perform any duty lawfully required of him, or to perform any such duty in an unlawful manner.”

⁶ **La. R.S. 42:1461 (A)** provides that “Officials, whether elected or appointed and whether compensated or not, and employees of any “public entity,” which, for purposes of this Section shall mean and include any department, division, office, board, agency, commission, or other organizational unit of any of the three branches of state government or of any parish, municipality, school board or district, court of limited jurisdiction, or other political subdivision or district, or the office of any sheriff, district attorney, coroner, or clerk of court, by the act of accepting such office or employment assume a personal obligation not to misappropriate, misapply, convert, misuse, or otherwise wrongfully take any funds, property, or other thing of value belonging to or under the custody or control of the public entity in which they hold office or are employed.”

⁷ **Louisiana Constitution Article VII, Section 14(A)** provides, in part, that “Prohibited Uses. 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.”

APPENDIX A

Management's Response



Service & Protection

EDDIE SOILEAU

Sheriff & Tax Collector

200 Court Street

Suite 100

VILLE PLATTE, LOUISIANA 70586

Ph. 337-363-2161

Fax 337-363-7390

March 18, 2015

To whom it may concern:

On September 30, 2014, it was brought to my attention there was a problem with a check that was clearing at the bank. An internal investigation was done and it was discovered that an employee was misappropriating funds. That employee was immediately terminated and the Louisiana State Police called. The investigation was then turned over to the State Police and the Louisiana Legislative Auditors Office. Since that time a new Chief Civil Deputy, with a background in bookkeeping, has been hired and the following changes have been implemented:

- Lock boxes are used for all monies collected
- All deposits are counted by two employees and initialed for confirmation
- Cash bond collections are recorded in 3 carbon copy receipt books
- All bank statements are received directly from the bank and copies of cancelled checks are included
- Beginning July 1, 2015 all transactions will be entered in to Quick Books Accounting Software and all manual ledgers will be discontinued.

I would like to extend my thanks to the Louisiana State Police and the State Legislator Auditors for their diligence and hard work.

Sincerely

Eddie Soileau
Sheriff
Evangeline Parish Sheriff Dept.



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