

CALDWELL PARISH SHERIFF



INVESTIGATIVE AUDIT  
ISSUED JUNE 1, 2022

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LOUISIANA LEGISLATIVE AUDITOR  
MICHAEL J. "MIKE" WAGUESPACK, CPA

June 1, 2022

**THE HONORABLE CLAY BENNETT, SHERIFF**  
**CALDWELL PARISH**  
Columbia, Louisiana

We are providing this report for your information and use. This investigative audit was performed in accordance with Louisiana Revised Statutes 24:513, *et seq.* to determine the validity of complaints we received.

The procedures we performed primarily consisted of making inquiries and examining selected financial records and other documents and do not constitute an examination or review in accordance with generally accepted auditing or attestation standards. Consequently, we provide no opinion, attestation or other form of assurance with respect to the information upon which our work was based.

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 37<sup>th</sup> Judicial District of Louisiana and others as required by law.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Mike Waguespack", is written over a circular stamp or mark.

Michael J. "Mike" Waguespack, CPA  
Legislative Auditor

MJW/aa

CALDWELLPARISHSHERIFF



# TABLE OF CONTENTS

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	Page
Executive Summary .....	2
Background and Methodology.....	3
Finding and Recommendations:	
Revenues Not Deposited .....	4
Legal Provisions.....	8
Management’s Response .....	Appendix A



## EXECUTIVE SUMMARY

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### **Revenues Not Deposited**

The Caldwell Parish Sheriff's Office (CPSO) received \$586,811 more in taxes and fines and fees than was deposited from July 1, 2017 to June 30, 2021. The Chief Civil Deputy at the time, Deborah Dollar, said she took cash collected by CPSO and deposited it into her and/or her daughters' bank accounts. Ms. Dollar's and her daughters' bank records show \$167,398 of cash was deposited into Ms. Dollar's bank account, and \$9,489 of cash was deposited into her daughters' bank accounts from January 1, 2017 to September 14, 2021. By taking CPSO funds and using them for her and her daughters' personal benefit, Ms. Dollar may have violated state law.





## BACKGROUND AND METHODOLOGY

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Article V, Section 27 of the Louisiana Constitution provides that the Caldwell Parish Sheriff (Sheriff) serves a four-year term, is the chief law enforcement officer of Caldwell Parish, executes court orders and process, and is the collector of state and parish ad valorem taxes and such other taxes and license fees as provided by law. Louisiana Revised Statute (La. R.S.) 13:5539<sup>1</sup> requires the Sheriff to be ex officio collector of state and parish taxes; attend every court that is held in his parish; execute all writs, orders, and process of the court or judge thereof directed to him; be keeper of the public jail of his parish; preserve the peace; and apprehend public offenders.

As the ex-officio tax collector of Caldwell Parish, the Sheriff collects and distributes ad valorem property taxes; state revenue sharing funds; sporting licenses; and fines, court costs, bonds, and bond forfeitures imposed by the district court.

We initiated this audit after receiving a misappropriation notice from the Sheriff due to an investigation by the Louisiana State Police.

The procedures performed during this audit included:

- (1) interviewing employees of the Caldwell Parish Sheriff and other persons, as appropriate;
- (2) examining select documents and records of the Caldwell Parish Sheriff's Office;
- (3) gathering and examining external parties' documents and records; and
- (4) reviewing applicable state laws and regulations.



## FINDING AND RECOMMENDATIONS

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### Revenues Not Deposited

**The Caldwell Parish Sheriff's Office (CPSO) received \$586,811 more in taxes and fines and fees than was deposited from July 1, 2017 to June 30, 2021. The Chief Civil Deputy at the time, Deborah Dollar, said she took cash collected by CPSO and deposited it into her and/or her daughters' bank accounts. Ms. Dollar's and her daughters' bank records show \$167,398 of cash was deposited into Ms. Dollar's bank account, and \$9,489 of cash was deposited into her daughters' bank accounts from January 1, 2017 to September 14, 2021. By taking CPSO funds and using them for her and her daughters' personal benefit, Ms. Dollar may have violated state law.<sup>2</sup>**

Ms. Deborah Dollar was employed by CPSO from May 1985 to September 14, 2021. She served as the Chief Civil Deputy from 1992 until her retirement in 2021. Ms. Dollar stated that she was responsible for preparing deposits and payroll; accounts payable; running the office; and collecting payments such as property taxes and fines and fees.

As ex-officio tax collector of Caldwell Parish, CPSO collects and distributes ad valorem property taxes; state revenue sharing funds; sporting licenses; and fines, costs, and bond forfeitures imposed by the district court. CPSO collected these payments through the mail, online, and in person, and accepted cash, check, money order, or credit card. As payments are received, CPSO employees input the amount collected to computer software for property taxes and/or fines and fees.

#### *Property Tax Collections*

CPSO uses computer software to keep records of assessed property taxes and to record annual payments made by property owners. CPSO receives assessment data from the tax assessor and updates the software to generate the annual property tax bills, which are then mailed to property owners.

Property owners can pay their property tax bills by: (1) mailing a check, cash, or money order; (2) paying in person with a check, cash, money order, or credit card; or (3) using a credit card to pay through CPSO's website. CPSO employees stamp "PAID" on property tax bills and/or issue receipts printed from the property tax software for in-person payments, but typically not for payments received by mail or through the website.<sup>A</sup> Collected payments are stored in an unlocked cash register in the Sheriff's Office at the parish courthouse. All payments received are manually posted to the property tax software as paid by the employee who received the payment and includes the payment type.

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<sup>A</sup> CPSO will mail a receipt if one is requested.

### *Fines and Fees Collections*

CPSO uses computer software to keep records of fines and fees collected. However, CPSO does not have a record of fines and fees that are owed. Fines and fees can be paid in the same manner as property taxes, except fines and fees may not be paid online. CPSO employees issue pre-numbered, hand-written receipts for in-person payments, but typically not for payments received by mail.<sup>B</sup> The payments collected by all employees are stored with the property tax collections in an unlocked cash register at the Sheriff's Office in the parish courthouse. All payments received are manually posted as paid to the fines and fees software by the employee that received the payment. The fines and fees software does not allow payment type to be selected.

### *Deposits of Funds*

All collections of property taxes and fines and fees by CPSO employees on a particular day were placed into the same cash register located in the Sheriff's Office. In addition, all CPSO employees used the same login ID to update the property tax and fines and fees software. According to Ms. Dollar, collection reports were printed daily from both the property tax and fines and fees software and reconciled to collections. Ms. Dollar added that she prepared the reconciliations and made daily deposits when possible, but sometimes was too busy and could not make deposits until the next day.<sup>C</sup> State law<sup>3</sup> requires daily deposits.

Although CPSO has 10 bank accounts for different types of revenue, all collections of property taxes and fines and fees ultimately were deposited into the property tax account. Partial payments<sup>D</sup> of fines and fees were deposited in CPSO's fine and fees bank account, then transferred to the property tax account once the fine was paid in full.

### *Disbursement of Funds*

Ms. Dollar told us she made monthly disbursements for property taxes and fines and fees to the appropriate agencies from the property tax account based on disbursement reports from the property tax and fines and fees software.

### *Revenues not Deposited*

We compared CPSO collection records from the property tax and fines and fees software and bank statements and found \$586,811 was recorded as collected, but not deposited, from July 1, 2017 to June 30, 2021. Since CPSO did not write receipts for all collections and did not always specify the payment type or the reason for payment, we could not rely on CPSO's receipt records to determine the amount of funds and/or cash collected. In addition, CPSO allowed all employees to use the same cash drawer, cash personal checks, and did not record the amount of cash and checks provided to Ms. Dollar each day for deposit. CPSO's accounting practices were

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<sup>B</sup> CPSO will mail a receipt if one is requested.

<sup>C</sup> CPSO tax account bank records show between one and eight deposits per month from July 2017 to June 2021.

<sup>D</sup> Partial payments were agreed upon by the court for certain offenses.

insufficient to allow us to establish an adequate chain of custody of the amounts collected each day by each employee that were provided to Ms. Dollar.

According to Ms. Dollar, she started taking cash collections from CPSO in 2017. She stated that she only took cash and deposited it into her or her daughters' bank accounts. Ms. Dollar's bank records show cash deposits of \$167,398 from January 1, 2017 to September 14, 2021. Her daughters' bank accounts show an additional \$9,489 of cash deposits from January 1, 2017 to September 14, 2021. She further said that her mother gave her money on a regular basis, usually \$300, through a check or cash and that she deposited those funds to her personal bank account. We found 37 cash deposits of \$300 totaling \$11,100 and 9 checks from her mother totaling \$2,350 that were deposited to her personal bank account.

Ms. Dollar also told us "everyone got paid" despite the cash she took. She said she transferred funds from the general fund accounts to the property tax and fines and fees bank accounts to ensure there was enough money to cover required disbursements of property taxes and fines and fees to other agencies.

CPSO bank records show there were 93 transfers totaling \$147,309 from CPSO and Caldwell Correctional Center's (CCC) general fund bank accounts to CPSO property tax bank account from July 1, 2017 to June 30, 2021. Additionally, there were 23 transfers totaling 53,575 from CPSO and CCC's general fund bank accounts to the fines and fees bank account from July 1, 2017 to June 30, 2021.

Ms. Dollar told us she attempted to pay back the cash she took, but fell behind. CPSO bank records show 31 checks totaling \$8,940<sup>E</sup> payable to CPSO or to cash from Ms. Dollar's personal account were deposited in the property tax bank account. Ms. Dollar added that she and other CPSO employees cashed personal checks using cash from the cash box. Therefore, it was not clear if she was repaying money she took, cashing checks, or a combination of both.

Ms. Dollar deposited \$176,887 of public funds into her personal bank account or her daughters' accounts from July 2017 to June 2021. Ms. Dollar was responsible for preparing deposits and told us she took cash collected by CPSO and used it for her personal benefit including the benefit of her children. By taking CPSO funds for her personal use, Ms. Dollar may have violated state law.<sup>2</sup>

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<sup>E</sup> The check amounts were between \$19 and \$1,000. Thirteen of the 31 checks were less than \$100.

### Recommendations

We recommend the Sheriff consult with legal counsel to determine the appropriate actions to take, including recovery of improper payments. In addition, the Sheriff should:

- (1) stop accepting cash payments;
- (2) prohibit employees from cashing personal checks;
- (3) provide a lockable, separate cash register for each employee that collects payments;
- (4) require a complete record of each payment collected, to include the method and reason for the payment;
- (5) assign separate login IDs to each employee who uses the electronic collection software;
- (6) require each employee who collects payments to count and record their collections by payment type at the end of the day;
- (7) assign an employee that does not collect payments to receive and deposit collections from cashiers daily and reconcile deposits to receipts and amounts posted as collected; and
- (8) deposits funds to separate bank accounts based on the reason the payment was made.

## LEGAL PROVISIONS

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<sup>1</sup> **Louisiana Revised Statute (La. R.S.) 13:5539** states, “Sheriffs; duties A. Except in the parish of Orleans, the sheriff shall be ex officio collector of state and parish taxes. B. Each sheriff or deputy shall attend every court that is held in his parish, and shall execute all writs, orders, and process of the court or judge thereof directed to him. C. Each sheriff shall be keeper of the public jail of his parish and shall preserve the peace and apprehend public offenders.

<sup>2</sup> **La. R.S. 14:67(A)** states, “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.”

**La. R.S. 14:134(A)** states, in part, “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...”

**La. R.S. 14:230(B)** states, “It is unlawful for any person knowingly to do any of the following: (1) Conduct, supervise, or facilitate a financial transaction involving proceeds known to be derived from criminal activity, when the transaction is designed in whole or in part to conceal or disguise the nature, location, source, ownership, or the control of the proceeds known to be derived from such violation or to avoid a transaction reporting requirement under state or federal law. (2) Give, sell, transfer, trade, invest, conceal, transport, maintain an interest in, or otherwise make available anything of value known to be for the purpose of committing or furthering the commission of any criminal activity. (3) Direct, plan, organize, initiate, finance, manage, supervise, or facilitate the transportation or transfer of proceeds known to be derived from any violation of criminal activity. (4) Receive or acquire proceeds derived from any violation of criminal activity, or knowingly or intentionally engage in any transaction that the person knows involves proceeds from any such violations. (5) Acquire or maintain an interest in, receive, conceal, possess, transfer, or transport the proceeds of criminal activity. (6) Invest, expend, or receive, or offer to invest, expend, or receive, the proceeds of criminal activity.”

**La. R.S. 42:1461(A)** states, “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.”

<sup>3</sup> **La. R.S. 39:1212** states, in part, “...all funds of local depositing authorities shall be deposited daily whenever practicable...”





## APPENDIX A

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### Management's Response





CLAY BENNETT  
CALDWELL PARISH SHERIFF



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Michael J. "Mike" Waguespack, CPA  
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May 24, 2022

re: Written Response to the Investigative Audit report draft dated May 12, 2022

Dear Mike,

Thank you for meeting with me recently and presenting the findings of your investigative audit in person. Your knowledge of sheriff's operations and your suggestions have been very helpful to my team during this trying time. We have also appreciated the professionalism exhibited by your staff during their visits to our office. We have learned so much from this experience.

As you are aware, Deborah Dollar is no longer employed by our office, and is making restitution of the stolen funds as identified in your report. Although Deborah was singularly responsible for most of our deposit and collection process, we have made sweeping improvements to our internal controls in this area. We have implemented and are implementing your recommendation to halt accepting cash as a form of payment, but this process has been slowed by some our citizens who only use cash as a form of payment. We have prohibited employees from cashing personal checks from the cash drawers per your recommendation. We have provided locking, separate cash drawers that are under 24 hour camera surveillance for received payments. Our current staff has been retrained regarding the importance of recording their respective collections by payment type at the end of each day. One staff member that is not involved in accepting payments has been tasked with reconciling the physical receipts to the amounts posted to the general ledger periodically. We have also retrained staff to utilize separate bank accounts which are designated for each respective fund.

This has been an immensely trying time for me and my staff. We are thankful for the guidance you have provided during this time.

Sincerely, 

Clay Bennett  
Sheriff