



LOUISIANA LEGISLATIVE AUDITOR  
DARYL G. PURPERA, CPA, CFE

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## NORTH LOUISIANA AREA HEALTH EDUCATION CENTER FOUNDATION

A Bossier Parish nonprofit health education organization's lack of sufficient internal controls resulted in an overpayment of an employee's fringe benefits, according to a report released Monday by Legislative Auditor Daryl Purpera's office. In addition, the organization made garnishment payments for a worker who should have had the garnishments deducted from their paycheck.

The audit of the North Louisiana Area Health Education Center (NLAHEC) Foundation, conducted by independent auditors Allen, Green and Williamson LLP of Monroe, contained 12 findings or shortcomings, down from 14 the year before. The report covered the fiscal year ending September 30, 2012, and contained many of the same findings as the 2011 audit.

The audit said an employee – who was not named – “was paid for amounts that should have been withheld as a garnishment,” and the foundation “made garnishment payments in behalf of the employee.” In another instance, an employee appeared to inflate a salary total to receive greater fringe benefits; as a result those fringe benefits were overpaid.

The organization, founded in 1989 to provide education in healthcare matters to rural north Louisiana, also reported overspending of more than \$300,000 in the audit. Officials of the foundation said they will look at restructuring or reducing benefits, revamping or eliminating programs and increasing fundraising.

Some of the other findings included:

- The organization requested reimbursements of \$12,712 more than it should have for a children's immunization and vaccination grant.
- Some checks in excess of \$2,500 did not have the required two signatures as the organization's policy required.
- Financial records were not current and accurate. Of 30 receipts examined, 22 were not deposited within three days of being received or timeliness could not be determined because of a lack of supporting documentation; two of the 30 lacked supporting documents.



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- Eleven disbursements out of a sample of 48 checks and 60 electronic funds transfers did not have proper prior approval, three disbursements were for incorrect amounts, seven were charged to the wrong accounts and six lacked proper supporting documents.
- Thirteen of 26 travel reimbursements sampled had incorrect mileage calculations.
- The organization's vacation policy limits the number of unused vacation hours that can be carried forward to the next year. NLAHEC ignored its own policy limits.

Officials of the organization said they are working to improve internal controls and record-keeping.

The Legislative Auditor's office earlier this year issued an investigative audit that alleged Susan Moreland, the center's executive director, may have violated state ethics laws by allegedly overstating vacation leave by 512 hours and incurring improper or undocumented travel expenses of more than \$3,000 on the organization's credit card.

**For more information, contact:**

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