



LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

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RED RIVER PARISH GOHSEP COMPLIANCE AUDIT

The state should seek to recover more than \$95,300 from Red River Parish for improperly spending or not documenting emergency money given to it for shelter operations during Hurricane Katrina in 2005 and Hurricane Gustav in 2008, according to an audit released Monday by Legislative Auditor Daryl Purpera.

The report from the state auditor's Recovery Assistance Services section recommended that the Governor's Office of Homeland Security and Emergency Preparedness recoup the money that FEMA granted to the parish to help it shelter evacuees after the two hurricanes. The report said that of the \$145,610 for Katrina assistance, \$58,891 "was used to pay expenses that are not eligible." It also said that Red River Parish officials could not document the use of another \$21,915" under the Public Assistance grant program.

Red River Parish also received \$26,131 for Gustav assistance. The state auditor said in his report that \$14,515 should be returned because \$6,661 was spent on pay for "volunteers" and a parish official, and more than \$7,800 remains unspent - some in the Parish General Fund.

The report will be sent to the Red River Parish District Attorney, the state Board of Ethics and the U.S. Department of Homeland Security's Office of Inspector General.

Auditors said that \$40,780 of the questioned Katrina expenses went to pay 18 shelter volunteers through Red River Relief, a non-profit organization started by Russell Adams, the part-time, mostly unpaid director of the Red River Parish Office of Emergency Preparedness.

The parish paid Adams, the founder of the non-profit, \$7,215, and 18 volunteers \$33,565 through Red River Relief. "Mr. Adams did not resign from his position as the parish OHSEP (Office of Homeland Security and Emergency Preparedness) director prior to contracting with the parish on behalf of Red River Relief," the report said.

It also said that FEMA considers volunteer labor to be "donated resources" and not eligible for reimbursement. The report said auditors spoke to several volunteers who worked the shelter who said they "had no expectation of being paid for their services." Auditors said that Adams should have been paid through the parish, not by the non-profit he set up.

The last elements of the questionable costs from Katrina include \$111 in ineligible items and \$18,000 for the rental of two vacant parish-owned buildings and related expenses for food and supply storage. To be eligible for reimbursement under the PA program, certain conditions must be met. The report



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said that those conditions were not met and that the expenses are ineligible for reimbursement. The report said Davis created the invoice for the parish buildings.

“Though it has been eight years since GOHSEP advanced \$145,610 in PA (Public Assistance) funds to the parish, the parish has not provided adequate documentation to support \$21,195,” auditors wrote. “Of that amount, the parish did not submit invoices or canceled checks for \$2,162. In addition, the parish submitted duplicate invoices for electrical service, telephone service and material purchases totaling \$495.”

Although the parish provided invoices to support the remaining \$19,258, it could not provide canceled checks indicating the invoices have been paid,” the report said.

It said that then-Parish President/Parish Manager Jessie Davis drafted a contract between Red River Parish and Red River Housing, which administered the parish housing program, for more than \$14,200 for additional hours he worked as Parish Manager.

Auditors said Davis “created two invoices” for \$14,202 so the parish would get reimbursed for the overtime hours he worked. “Since FEMA regulations allow reimbursement for overtime hours, it is unclear why Mr. Davis created and executed a questionable contract,” the report said. “It is equally unclear why Mr. Davis created Red River Housing invoices for his parish overtime and then submitted them” in support of the funds the parish already received.

Of the remaining \$19,258, auditors said, Red River Parish officials failed to supply mileage details to support a claim of \$2,428 in mileage; another \$2,628 consists of vendor invoices the parish cannot prove have been paid.

Auditors said that after Hurricane Gustav in 2008, Adams and Davis “once again created questionable contracts and invoiced the parish as Red River Relief and Red River Housing.” Of the \$14,515 that should be recovered, auditors said, \$4,903 went to 11 volunteers, most of whom stated they did not expect to be paid for the time they worked; and \$1,758 went to Adams. Another \$3,147 remains unused in the Parish General Fund and \$4,707 is in the Red River Relief account.

“Mr. Davis and Mr. Adam’s contracting and invoicing practices after Hurricane Gustav mirror the actions taken after Hurricane Katrina,” the report said. “Therefore, the parish should return the \$14,515 related to Hurricane Gustav small projects.”

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