



LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

January 26, 2015

ST. BERNARD CULTURAL CENTER, INC.

The St. Bernard Cultural Center, Inc. received \$86,864 in cash between 2012 and 2014 that was never deposited, the same time period during which almost \$60,000 in cash deposits were made to then-manager Stephanie Bachemin's personal bank account in excess of her normal wages, a report by Legislative Auditor Daryl Purpera's office said Monday.

The investigative audit said Bachemin, who resigned in February of 2014 after working at the Frederick J. Sigur Civic Center since January 2012, may have violated state and federal laws dealing with theft and money-laundering.

Based on cultural center records, auditors said \$165,402 in cash from "rentals, concession stands and alcohol sales should have been deposited" in the facility's bank account during the 25 months Bachemin was manager. However, Cultural Center Inc.'s bank records show that only \$78,538 in cash was deposited, leaving \$86,864 in cash not deposited.

"Since Ms. Bachemin resigned in February 2014, cash deposits have increased from \$3,021 per month to \$14,621 per month."

The report from the state auditor also found that Bachemin paid her daughters \$3,188 to work events at the civic center, a possible violation of state ethics laws. It also cited the cultural center for not getting "the required audit of its financial records for the 2012 and 2013 fiscal years," another possible violation of state law.

Although auditors found \$59,998 in cash was deposited to Bachemin's personal bank account "in excess of her paycheck" during the 25-month period, the possible whereabouts of the remaining \$26,000 that should have been deposited to the cultural center's account were not given in the report.

The report has been forwarded to District Attorney's office for the 34th Judicial District, the U.S. Attorney's office for the Eastern District of Louisiana and the state Board of Ethics.

The audit said that when St. Bernard Cultural Center, Inc., the non-profit agency that manages the arena, did not submit financial reports to parish officials "for several months," St. Bernard Parish officials began reconciling Cultural Center Inc.'s bank accounts. "In doing so," the report said, "the parish noticed discrepancies in what was collected" and contacted the Legislative Auditor's Office.



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Laurie Gioia, Bachemin's former assistant, said that money collected from concession and alcohol stands was stored in a drawer in Bachemin's office until deposited. Both women had keys, the report said, but the drawer was never locked, and a safe in Bachemin's office was not used. "They would sometimes go for months without depositing cash from the concession stands, then make a large deposit, which could be as much as \$10,000," auditors wrote.

"Ms. Gioia stated that the start-up money for the concession stands generally came out of the cash that was kept in the drawer in Bachemin's office" from previous concession stand sales, the report said. The report pointed out that 21 checks for \$24,850 were written to "cash" for start-up money by Bachemin.

The report said Bachemin refused to answer auditors' questions about the missing cash and cash deposits to her personal bank account and referred them to her attorney. "Ms. Bachemin's attorney refused our request to interview her," auditors said in the report. "A draft copy of the report was provided Ms. Bachemin's attorney, but he did not submit a response."

The report pointed out that Bachemin authorized 23 of the 24 payments of \$3,188 for her daughters' work at the civic center. Bachemin also declined to discuss those payments with auditors.

State law requires recipients of at least \$200,000 in public funds to be audited or have their accounting records reviewed and a report filed with the Legislative Auditor. According to bank records, the cultural center deposited more than \$401,000 in 2012 and more than \$501,000 in 2013, the report said, but it "did not obtain the required audit" and failed to comply with state law.

In addition, a cooperative endeavor agreement between the Cultural Center Inc. and the St. Bernard Parish Government required Cultural Center Inc. to receive an annual independent audit.

The report said the cultural center could not provide any accounting records for 2012 and 2013; had accounting software "but did not use it;" and required all checks of \$500 or more to have two signatures. The report said Bachemin "routinely wrote several checks less than \$500 to the same vendor on the same day" to circumvent the requirement.

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On Twitter: Former cultural center manager deposited nearly \$60,000 in center funds into her own bank account.