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## Report Highlights

### City of Bogalusa

Audit Control # 50150045  
Investigative Audit Services • June 2016

#### Why We Conducted This Audit

On February 29, 2016, the Louisiana Legislative Auditor (LLA) received a misappropriation notice from the City of Bogalusa (City) regarding a possible theft of public funds. The notice indicated that on five occasions from September 16, 2015 to January 26, 2016, City employees discovered cash shortages in the City's utility collections totaling \$1,526. As a result, two City employees were placed on paid administrative leave pending the City's investigation into this matter. During this investigation, City officials discovered that several ad valorem property tax payments appeared to have been received but not deposited. The City Police Department later turned the investigation over to the Louisiana State Police, who requested LLA to review the City's utility and ad valorem property tax records to determine if cash payments were received but not deposited.

#### What We Found

##### Cash Payments Not Deposited

City records indicate that from September 16, 2015 to February 12, 2016, cash payments for ad valorem (property) taxes and utility services totaling \$5,612 were received but not deposited into the City's bank accounts. Although three City employees were responsible for collecting payments during this period, former Water Clerk Jodi Herrington was primarily responsible for receiving, recording, and processing 89% (\$5,006) of the missing funds. These records further indicate that Ms. Herrington altered City records to conceal property tax payments collected but not deposited. By failing to deposit all property tax funds collected and by altering City records to conceal property tax amounts not deposited, Ms. Herrington may have violated state law.