



LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

December 8, 2014

ST. TAMMANY PARISH RECREATION DISTRICT NO. 4

The Lacombe-based St. Tammany Parish Recreation District No. 4 paid relatives of children who attended its after-school program to supervise them and hired a relative of a district employee to work in its “art studio” program, according to a report released Monday by Legislative Auditor Daryl Purpera.

The review engagement was performed for the state auditor by the Mandeville certified public accounting firm of Griffin and Co., LLC. The report contained 13 findings covering the fiscal year that ended December 31, 2013, an increase of 11 from the previous year.

“The district provides an after-school program that employs various family members whose relatives are participants in the program,” the report said. “The program expenses exceeded revenues by approximately \$15,000.” The art program that “employs a family member of a district employee” had expenses that exceeded revenues by \$8,000.

In a separate finding, assets of the district were not tagged and labeled “and some computer equipment cannot be located,” the report for the state auditor said. “We were informed by the district that former employees were using lawn maintenance equipment for personal use.”

Auditors said that on June 17, 2014, district officials filed a police report with the St. Tammany Parish Sheriff’s Office alleging “that a former member of management had sold district computer equipment and retained the funds for personal gain.” The amount of the loss has not been determined and the investigation is still under way, according to the report.

The report also said that the district does not have “a current job description for the director and other employees.” The district paid the director a salary, but it also paid a trainer an “additional \$35,000 to possibly perform some of the duties of the director.”

Some of the other findings included:

- District employees who worked at the gates or concession stands of events “were paid out of the cash collected.” District officials have not “provided a record of who was paid and how much.”



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- There were no written policies and procedures at the district, according to information from a former administrative employee.
- “Several vendors” apparently did not receive 1099 tax forms indicating how much they were paid “when they should have,” and the district treated some employees as both salaried workers and contract employees without withholding taxes “on the amounts treated as contract labor.”
- The district failed to submit its report to the Legislative Auditor by June 30, 2014, the six-month deadline after the end of the fiscal year on December 31, 2013.
- The district paid an insurance premium of \$9,824 to an insurance company for coverage from August 2011 to August 2012, but the commercial and general liability coverage was not provided, meaning “the district was uninsured during this period.”
- Actual expenditures exceeded budgeted expenditures by more than \$84,000, about 22 percent. Concession income was \$6,222, or 57 percent, less than budgeted, and registration fees were almost \$7,000 less than budgeted, or about 35 percent off.

For more information, contact:

Daryl G. Purpera, CPA, CFE
Legislative Auditor
225-339-3800

On Twitter: St. Tammany rec district paid relatives of children who attended its after-school program to supervise them.