



LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

December 9, 2013

O'BRIEN HOUSE OF BATON ROUGE

A Baton Rouge substance abuse rehabilitation center lost approximately \$3,000 when an employee used the facility's bank debit card without authorization, according to a report released Monday by Legislative Auditor Daryl Purpera's office.

The 2012 report, done for the state auditor by the certified public accounting firm of L.A. Champagne and Co. of Baton Rouge, said that a "lack of attention to proper controls resulted in the misappropriation and loss of approximately \$3,000 in improper and unauthorized purchases" by an employee of O'Brien House who misused the facility's bank debit card.

The employee has been fired and charges have been filed but no restitution has been made yet, the report said.

The incident occurred as O'Brien House officials were winding down one of its programs, Plant It Forward, which was designed to train clients for jobs. The program ended in 2012. "Controls over cash and the company debit card were disregarded," according to the audit report.

As a result of the incident, the report said, O'Brien House management "inappropriately held receipts for several months in an attempt to prevent access to funds held in the bank account" that funded the debit card.

Auditors recommended that the organization maintain control over all cash funds and access cards "and institute a policy that all receipts be deposited immediately."

The audit report also cited the rehabilitation facility for five instances when it was paid for client overnight stays that were not supported by the temporary resident's sign-in sheet. "In addition, one client was incorrectly coded as attending an alcohol program," the report said.

It said O'Brien House may have been paid \$260 for services not supported by documentation required under the terms of a federal grant administered by the state Department of Health and Hospitals.



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The audit report also said the organization did not review or reconcile client savings and receivables on a timely basis. Auditors said as a result, account balances are insufficient to “clearly identify the individuals and the amounts due them” or O’Brien House. “Client savings, escrow and receivable accounts should be reviewed and reconciled on a monthly basis,” the report recommended.

For more information, contact:

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On Twitter: Rehab center employee misappropriated and lost approximately \$3,000 in improper and unauthorized purchases.