



LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

September 22, 2014

BEAUREGARD PARISH WATERWORKS DISTRICT NUMBER 3

A total of \$1,315 in cash was stolen from the offices of Beauregard Parish Waterworks District Number 3 during 2013, and the offending employee was fired, according to an audit report released Monday by Legislative Auditor Daryl Purpera.

The audit was performed by John A. Windham, CPA, of DeRidder.

The clerk was responsible for collecting money for new water service. Instead of depositing the money immediately into the bank, the clerk allegedly “would take the cash and then wait for new cash to come in” to cover what had been previously taken, according to the report done for the state auditor.

The report said the theft was discovered when a new water customer called about not having service after opening an account. The clerk who allegedly took the funds was out sick, and another clerk in the office followed up on the customer complaint. The second clerk went through her colleague’s “new service folder looking for the customer’s application and found other receipts marked ‘cash.’ However, no cash was attached to the (complaining customer’s) receipt as it should have been,” the report said.

Neither clerk was identified in the report. A CPA was hired to investigate the theft and determined that \$1,315 had been taken.

The auditor said that the clerk who allegedly took the money has repaid it, and the incident has been turned over to the parish sheriff and district attorney’s office.

The auditor said that when an application for water service is received from a new customer a receipt is put into the file and the cash, check or a money order received is attached to the receipt. The report said that the district’s old computer system “did not immediately assign a new service account number,” and the cash may remain in the folder for several days before the new account is assigned and the money deposited in a bank.

“The fact that the money remained in the new service folder several days and each employee had responsibility for his or her folder lead to cash being misappropriated,” the report said. It added that “a lack of monitoring of new service folders by management added to the problem.”



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The report recommended that cash should be deposited daily “and not kept overnight in folders in employees’ desks. New service folders where cash may be temporarily stored should be monitored and inspected by the finance director on a regular basis.”

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On Twitter: Employee stole more than \$1,300 from Beauregard Parish water district.