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Report Highlights

Village of Clarence

Audit Control # 50180034
Investigative Audit Services • June 2019

Why We Conducted This Audit

In January 2019, Billy Joe Harrington, District Attorney for the 10th Judicial District of Louisiana, contacted the Louisiana Legislative Auditor (LLA) concerning complaints he received about the Village of Clarence's (Village) operations. This audit was initiated to determine the validity of those complaints. In addition, the Village has not submitted the annual review of its financial statements to the LLA for the fiscal year ended June 30, 2017, and was recommended for fiscal administration on January 7, 2019.

What We Found

Former Clerk Received Excess Compensation

On December 24, 2018, former Village Clerk Jacquetta Grayson received and negotiated a \$5,000 check she apparently was not entitled to receive. Although the Village had no documentation to support this payment, former Mayor Tommy Evans told us that Ms. Grayson was paid \$5,000 for severance pay and unused leave. However, state law does not provide for severance payments, and although Ms. Grayson was paid a full-time salary from May 2018 to December 2018, her time cards showed that she did not record enough hours to accrue leave. By receiving compensation she was not entitled to receive, Ms. Grayson may have violated state law. Further, by authorizing this payment, Mr. Evans may have violated state law.

Former Mayor Failed to Return Village Equipment

It appears that former Mayor Evans took possession of the Village's trailer prior to his resignation on December 24, 2018, and failed to return the trailer. We located the trailer at Mr. Evans' property in Winn Parish, Louisiana on February 14, 2019. By retaining Village equipment after his resignation, Mr. Evans may have violated state law.

Prohibited Contractual Agreements

In May 2018, the Village contracted with Ms. Grayson within two years of her termination of employment in possible violation of the state's ethics law. In addition, from March 2018 to November 2018, the Village paid former Mayor Evans' brother \$375 for picking up and delivering commodities. By contracting with an immediate family member, Mr. Evans may have violated state ethics law.

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What We Found (Cont.)

Improper Use of Customer Deposits

From September 2018 to November 2018, the Village improperly used \$10,658 from its customer deposit account to pay outstanding obligations. Customer deposits received by the Village are held as security for the utility services and are to be refunded to the customer upon termination of services. As such, these funds are restricted from use by the Village to pay its outstanding obligations. By using customer deposit funds to pay outstanding obligations, Village management may have violated state law.

Village Failed to Hold Regular Meetings of the Board of Aldermen

State law requires the mayor and board of aldermen to hold not less than one regular meeting in each month on a date and at a place and hour to be fixed by ordinance. Records show that the Village held 14 total meetings for the 30 months from July 2016 to December 2018. According to interim Mayor Tamala Chatman, former Mayor Evans would cancel the scheduled meetings without notice. Former Mayor Evans stated that he tried to hold regular meetings; however, the meetings would turn chaotic and he feared for everyone's safety. By failing to hold regular monthly meetings, Village management may have violated state law.

Village Failed to Report Wages to the Louisiana Workforce Commission

The Louisiana Workforce Commission (LWC) requires employers to file quarterly wage reports in order to administer the state unemployment insurance program. According to LWC, the Village has not reported wages since the first quarter of 2016.