

# STATE OF LOUISIANA LEGISLATIVE AUDITOR

**Richland Parish Police Jury**  
Rayville, Louisiana

May 26, 1999



**Investigative Audit**

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**Daniel G. Kyle, Ph.D., CPA, CFE**  
**Legislative Auditor**

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**Daniel G. Kyle, Ph.D., CPA, CFE**

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# **Richland Parish Police Jury**

**May 26, 1999**



**Investigative Audit  
Office of the Legislative Auditor  
State of Louisiana**

**Daniel G. Kyle, Ph.D., CPA, CFE  
Legislative Auditor**

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DANIEL G. KYLE, PH.D., CPA, CFE  
LEGISLATIVE AUDITOR

OFFICE OF  
**LEGISLATIVE AUDITOR**  
STATE OF LOUISIANA  
BATON ROUGE, LOUISIANA 70804-9397

1600 NORTH THIRD STREET  
POST OFFICE BOX 94397  
TELEPHONE: (225) 339-3800  
FACSIMILE: (225) 339-3870

May 26, 1999

**HONORABLE ERNEST GREER, JR.,  
PRESIDENT, AND MEMBERS OF THE  
RICHLAND PARISH POLICE JURY**  
Rayville, Louisiana

Transmitted herewith is our investigative report on the Richland Parish Police Jury. Our examination was conducted in accordance with Title 24 of the Louisiana Revised Statutes and was performed to determine the propriety of certain allegations received by this office.

This report presents our findings and recommendations, as well as your response. Copies of this report have been delivered to the Honorable William R. Coenen, Jr., District Attorney for the Fifth Judicial District of Louisiana, as well as others required by state law.

Respectfully submitted,

Daniel G. Kyle, CPA, CFE  
Legislative Auditor

SED:DGP:AFB:dl

{RCH-PJ}

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# Executive Summary

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## Investigative Audit Report Richland Parish Police Jury

The following summarizes the findings and recommendations as well as management's response that resulted from this investigation. Detailed information relating to the findings and recommendations may be found at the page number indicated. Management's response may be found at Attachment I.

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### Parish Manager Used Public Funds for Personal Repairs and Accessories

(Page 1)

**Finding:**

The police jury authorized Mr. Tommy Burgess, parish manager, to receive a mileage allowance to cover the cost of using his personal vehicle for official business of the police jury. However, from February 28, 1996, through April 17, 1998, Mr. Burgess used \$3,759 of parish funds for repairs and accessories for his personal vehicles without obtaining the approval of the police jury. During this period, Mr. Burgess received \$22,788 for traveling 78,581 miles while also charging repairs and accessories for his personal vehicles directly to the police jury.

**Recommendation:**

We recommend that the police jury develop procedures to ensure that all purchases are properly reviewed by members of the police jury or by a finance committee before making payment. In addition, individuals preparing purchase requisitions should be required to identify the purpose of each purchase. When parts are purchased for specific vehicles, the individual preparing the requisition should always identify the specific vehicle on the purchase requisition. We also recommend that the District Attorney for the Fifth Judicial District of Louisiana review this matter and take appropriate legal action, to include seeking restitution.

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**Mileage Reimbursements Were Not Properly Supported****(Page 3)**

**Finding:** Mr. Tommy Burgess, parish manager, received \$22,788 in mileage reimbursement although he did not consistently report his odometer readings, did not identify the dates and specific times of his travel, and it appears that he claimed personal miles for reimbursement.

**Recommendation:** We recommend that the police jury develop written policies establishing the situations and circumstances under which its employees may be reimbursed for the use of their personal vehicles. These policies should require the employee to report the date and specific time of such use, the destination and purpose of the travel, and the beginning and ending odometer readings. Furthermore, requests for reimbursement should be properly reviewed by a supervisor or the police jury before payment.

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**Auto Parts Purchased Cannot Be Accounted for****(Page 3)**

**Finding:** Police jury records indicate that from June 1997 through April 1998, Mr. Tommy Burgess, parish manager, purchased \$583 in auto parts that either did not fit or may not have been installed on parish vehicles and cannot be accounted for. In addition, when making the purchases, Mr. Burgess either did not identify the parish vehicle or recorded the wrong parish vehicle for which the parts were intended.

**Recommendation:** We recommend that the police jury implement policies and procedures to ensure that auto parts purchased can be traced to the vehicle for which they were intended. These procedures should include always identifying on the purchase requisition, purchase order, and invoice the vehicle being repaired and maintaining maintenance logs for each vehicle specifying the work performed and parts used.

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**Retirement Contributions Improperly Received****(Page 4)**

**Finding:** Ms. Kathy Burns, secretary-treasurer; Mr. Tommy Burgess, parish manager; and Ms. Janice D. Isaac, an employee of the Office of the District Attorney, Fifth Judicial District; improperly received retirement contribution refunds totaling \$29,644.76. To receive their refunds, these employees with the



assistance of Ms. Bonnie Payne, former secretary-treasurer, filed documents containing false information with the Parochial Employees' Retirement System of Louisiana (PERS).

**Recommendation:**

We recommend that the police jury establish policies and procedures to ensure compliance with Louisiana law as it relates to PERS. Furthermore, we recommend that the District Attorney of the Fifth Judicial District of Louisiana review this information for possible violations of state law and take appropriate legal action.

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**Management's Response:**

Management provided two responses, one on behalf of the police jury as a whole and another on behalf of two individual police jurors as follows:

**Police Jury's Response:**

The Richland Parish Police Jury takes these matters very seriously and will look further into the information provided. Once the final report of findings is provided to us, the Richland Parish Police Jury will take appropriate action. The Police Jury is also planning to adopt appropriate procedures to prevent the situation from occurring in the future.

**Jurors Ronnie Gilley  
and Jessie Washington:**

We agree with the Legislative Auditor's Office investigative report on the Richland Parish Police Jury. We also agree with your recommendations on each of the findings. We further recommend the suspension of Mr. Tommy Burgess without pay pending action by District Attorney William Coenen. With regard to Ms. Burns and Ms. Isaac, we recommend District Attorney Coenen take equal and appropriate action.

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# Background and Methodology

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The Richland Parish Police Jury is the governing authority for Richland Parish and is a political subdivision of the state of Louisiana. The police jury is made up of nine members, each elected from districts within the parish. The jurors serve four-year terms that will expire on December 31, 1999. The police jury's major responsibility is the construction and maintenance of roads, bridges, and drainage systems.

The Office of the Legislative Auditor received information alleging that various employees of the police jury were improperly using public assets. This investigation was performed to determine the propriety of these allegations.

Our procedures consisted of (1) interviewing employees and officials of the parish; (2) interviewing other persons as appropriate; (3) examining selected documents and records of the parish; (4) performing tests and other procedures as deemed necessary; and (5) reviewing applicable Louisiana laws.



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# Findings and Recommendations

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## **PARISH MANAGER USED PUBLIC FUNDS FOR PERSONAL REPAIRS AND ACCESSORIES**

The police jury authorized Mr. Tommy Burgess, parish manager, to receive a mileage allowance to cover the cost of using his personal vehicle for official business of the police jury. However, from February 28, 1996, through April 17, 1998, Mr. Burgess used \$3,759 of parish funds for repairs and accessories for his personal vehicles without obtaining the approval of the police jury. During this period, Mr. Burgess received \$22,788 for traveling 78,581 miles while also charging repairs and accessories for his personal vehicles directly to the police jury.

The police jury authorized Mr. Burgess to receive reimbursement for business use of his personal vehicle. On September 5, 1995, the police jury passed a motion stating that Mr. Tommy Burgess was to provide his own vehicle for parish use and be reimbursed 29 cents per mile. An audiotape of the meeting revealed that Mr. Burgess requested to be reimbursed in this manner and stated the 29 cents per mile would pay for everything including tires, oil, and fuel. Mr. Burgess explained further that this is all the police jury would have to pay. From February 1996 through April 1998, Mr. Burgess received \$22,788 for 78,581 business miles traveled. In addition, the police jury provided insurance for Mr. Burgess' 1996 Chevrolet pickup at a cost of \$3,005.

### **1996 Chevrolet Pickup**

Mr. Burgess acquired his 1996 Chevrolet truck on February 26, 1996, and began using the vehicle for police jury business. Mr. Burgess then added to his truck \$1,333 in accessories, which consisted of a bed liner, a toolbox, chrome rails, floor mats, chrome nerf bars, hitch with ball mount, and door vent visors. Mr. Burgess stated the accessories were not for appearance but were to protect his truck. The accessories were billed to and paid for by the police jury. Mr. Burgess also charged \$1,891 in repairs to the police jury as follows:

- (1) installation of positive traction;
- (2) repairs to air conditioning system;
- (3) replacement of a door handle;
- (4) a tune up;
- (5) replacement of the tailgate handle;
- (6) brake repairs;
- (7) replacement of the rear wheel cylinder; and
- (8) a new tire.

Mr. Burgess stated that the repairs he charged to the police jury were due to damage or abuse. It should be noted that the positive traction was added to his vehicle eight days after purchase.

Police jury members stated they were unaware that items for Mr. Burgess' vehicle had been billed to the police jury until its May 1998 meeting when Juror Ronnie Gilley brought to their attention a \$458.50 brake repair. According to the police jury members, Mr. Burgess informed them that this was the only repair for his vehicle that he charged to the police jury. Mr. Burgess has reimbursed \$458 to the police jury.

### **1989 GMC Pickup**

Mr. Burgess also charged, to the police jury, \$535 of repairs to his 1989 GMC pickup. The repair work was performed at Classic Autoplex, a Chevrolet dealership located in Rayville, Louisiana. The invoice dated March 24, 1997, described the repair work as an overhaul to the rear differential. The invoice identified the 1989 GMC pickup by its vehicle identification number and referenced the police jury's purchase requisition. The requisition was prepared and initialed by Mr. Burgess. In addition, the requisition falsely identified parish vehicle No. 3, a 1991 GMC pickup, as the vehicle being repaired, instead of his personal vehicle.

Mr. Burgess stated that he used the 1989 GMC pickup on the job and that Juror Joe Lively was with him the day the truck's rear axle was damaged. However, he did not obtain approval before billing it to the police jury. According to Mr. Lively, he had no knowledge of this repair. He recalls looking at some beaver dams with Mr. Burgess in the spring of 1997 off of Jeffery road. Mr. Lively stated they could have been in the 1989 GMC pickup; however, if they broke something, he was unaware of it.

Based on the actions above, Mr. Burgess may have violated one or more of the following laws:

- R.S. 14:67, "Theft"
- R.S. 14:134, "Malfeasance in Office"
- R.S. 42:1461(A), "Obligation Not to Misuse Public Funds"

We recommend that the police jury develop procedures to ensure that all purchases are properly reviewed by members of the police jury or by a finance committee before making payment. In addition, individuals preparing purchase requisitions should be required to identify the purpose of each purchase. When parts are purchased for specific vehicles, the individual preparing the requisition should always identify the specific vehicle on the purchase requisition. We also recommend that the District Attorney for the Fifth Judicial District of Louisiana review this matter and take appropriate legal action, to include seeking restitution.



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**MILEAGE REIMBURSEMENTS WERE  
NOT PROPERLY SUPPORTED**

**Mr. Tommy Burgess, parish manager, received approximately \$22,788 in mileage reimbursement although he did not consistently report his odometer readings, did not identify the dates and specific times of his travel, and it appears that he claimed personal miles for reimbursement.**

Mr. Burgess' mileage reimbursements were not properly supported by adequate documentation. From February 1996 through April 1998, Mr. Burgess reported that he used his personal vehicle for 78,581 miles and was reimbursed approximately \$22,788 at 29 cents per mile by the police jury. Mr. Burgess did not consistently report his odometer readings and his mileage sheets did not identify the dates and specific times of his trips.

In addition, it appears that Mr. Burgess reported personal miles as business miles. Mileage sheets submitted by Mr. Burgess from March 17, 1996, to October 15, 1996, (seven-month period) indicated that the beginning odometer reading was 15 miles and an ending odometer reading of 21,974 miles. The odometer readings reported by Mr. Burgess indicated that he traveled 21,959 consecutive miles on official police jury business--no personal miles were incurred. According to Mr. Burgess when he backed out of his driveway, he was on police jury business. This included nights and on weekends. Mr. Burgess stated that at night when his wife would ask him to go to the store to pick up something, he was on police jury business because he was examining parish roads to and from the store. The distance between Mr. Burgess' home in Archibald, Louisiana, and the courthouse where he worked was approximately 10 miles one-way. According to Mr. Burgess, these miles are also official police jury business.

We recommend that the police jury develop written policies establishing the situations and circumstances under which its employees may be reimbursed for the use of their personal vehicles. These policies should require the employee to report the date and specific time of such use, the destination and purpose of the travel, and the beginning and ending odometer readings. Furthermore, requests for reimbursement should be properly reviewed by a supervisor or the police jury before payment.

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**AUTO PARTS PURCHASED CANNOT  
BE ACCOUNTED FOR**

**Police jury records indicate that from June 1997 through April 1998, Mr. Tommy Burgess, parish manager, purchased \$583 in auto parts that either did not fit or may not have been installed on parish vehicles and cannot be accounted for. In addition, when making the purchases, Mr. Burgess either did not identify the parish vehicle or recorded the wrong parish vehicle for which the parts were intended.**



Mr. Tommy Burgess serves the Richland Parish Police Jury as parish manager. Mr. Burgess' duty includes purchasing auto parts to be used in the repair of parish vehicles. When preparing purchase requisitions, Mr. Burgess' normal procedure is to identify the vehicle for which the part is being purchased.

From June 1997 through April 1998, Mr. Burgess purchased \$583 in auto parts that do not appear to have been installed on parish vehicles. The \$583 in auto parts consisted of 16 separate parts. No parish vehicle numbers were assigned to five of the parts. Vehicle numbers were assigned to the other 11 parts; however, the parts either did not fit or do not appear to have been installed on the vehicles identified on the purchase requisitions.

Parts totaling \$473 would only fit a Chevrolet or GMC gasoline, 8-cylinder motor--primarily a 305 or 350 engine. There were only two parish vehicles powered by a 305 or 350-gasoline motor. According to parish mechanics responsible for the maintenance of these two vehicles, the parts purchased by Mr. Burgess were not placed on either of these vehicles.

Two parts totaling \$111 were for Dodge and/or Plymouth vehicles. One part was an ignition switch and the other part was a gasket set for a Dodge 318-gasoline, 8-cylinder motor. Mr. Burgess informed us that these parts were purchased for the police jury's 1987 Dodge Ram 50, the only Dodge vehicle the parish owned. We noted that this vehicle has a 4-cylinder engine.

Mr. Tommy Burgess stated that he picked up auto parts and left them at the barns. He could not explain why the parts could not be located. As to why he purchased parts that do not appear to fit any parish owned vehicles, Mr. Tommy Burgess stated that this did not mean anything to him except that the wrong parts were purchased and that they frequently purchased wrong parts.

Although Mr. Burgess stated that these parts were not installed on his personal vehicles, he agreed that he owned private vehicles that these parts would fit. Mr. Burgess also stated that his son owned a Plymouth Duster race car that contained a Dodge 318 motor.

We recommend that the police jury implement policies and procedures to ensure that auto parts purchased can be traced to the vehicle for which they were intended. These procedures should include always identifying on the purchase requisition, purchase order, and invoice the vehicle being repaired and maintaining maintenance logs for each vehicle specifying the work performed and parts used.

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## **RETIREMENT CONTRIBUTIONS IMPROPERLY RECEIVED**

Ms. Kathy Burns, secretary-treasurer; Mr. Tommy Burgess, parish manager; and Ms. Janice D. Isaac, an employee of the Office of the District Attorney, Fifth Judicial District; improperly received retirement contribution refunds totaling \$29,644.76. To receive their refunds, these employees with the assistance of Ms. Bonnie Payne, former

**secretary-treasurer, filed documents containing false information with the Parochial Employees' Retirement System of Louisiana (PERS).**

Louisiana Revised Statute (R.S. 11:1921) requires that all parish employees, not specifically excluded, shall become members of PERS. R.S. 11:1902 defines employees as any person who is employed as a permanent employee of the parish who works at least 28 hours a week and whose compensation is paid wholly or partly by said parish. Employees of the police jury are members of PERS. Employee and employer contributions are made on each payroll period. Ordinarily, these contributions accumulate until the employees' separation from service or retirement. R.S. 11:1924 provides, in part, that an employee shall cease to be a member of PERS only if the employee resigns, is dismissed, retires, or is otherwise separated from service. Upon separation from service, employees are eligible to receive a refund of their accumulated contributions. To receive such refund, the employer and employee must make a request of the refund and report to PERS the date of the employee's last day on the parish payroll.

The following parish employees received refunds of retirement contributions from PERS:

Mr. Tommy Burgess	March 1, 1993	\$7,991.98
Mr. Tommy Burgess	February 1, 1996	4,980.22
Ms. Kathy Burns	June 1, 1988	440.04
Ms. Kathy Burns	May 2, 1994	8,063.40
Ms. Janice D. Isaac	June 1, 1994	8,169.12
		<hr/>
Total		<u>\$29,644.76</u>

Each of the three employees who received a refund of their retirement contributions filed a refund of contribution form with PERS. This form included the date of their last day on the parish payroll. However, these employees did not resign from the parish but, rather, continued their employment with no separation in service.

Former Secretary-Treasurer Bonnie Payne signed all but one of these forms on behalf of the parish. Ms. Kathy Burns signed the remaining form on behalf of the parish.

Ms. Payne stated that she prepared these forms and was fully aware that these employees never missed any work. Ms. Payne further stated that she knew this practice was wrong. Ms. Burns, Mr. Burgess, and Ms. Isaac each stated that they knew the information on their refund of contribution forms was false because they never left their employment with the parish. Each of these employees also stated that it was their signature on the refund of contribution form.

The actions of these employees indicate that they may have violated one or more of the following laws:

- R.S. 11:1906, "False Statement to PERS"
- R.S. 14:134, "Malfeasance in Office"

We recommend that the Richland Parish Police Jury establish policies and procedures to ensure compliance with Louisiana law as it relates to PERS. Furthermore, we recommend that the District Attorney of the Fifth Judicial District of Louisiana review this information for possible violations of state law and take appropriate legal action.

# Attachment I

## Management's Responses

# Richland Parish Police Jury

DISTRICT 1  
LYNN G. ROBERTSON  
203 LITTLE JOHN DRIVE  
DELHI, LA 71232

DISTRICT 2  
JESSE WASHINGTON  
117 VALLEY STREET  
DELHI, LA 71232

DISTRICT 3  
ANDRE LAWSON  
110 C. SOUTH CIRCLE  
RAYVILLE, LA 71269

DISTRICT 4  
JOE LIVELY  
2604 HWY. 80  
RAYVILLE, LA 71269

DISTRICT 5  
ERNEST GREER, JR.  
61 HALES-GREER ROAD  
RAYVILLE, LA 71269

P. O. Box 668 Rayville, LA 71269  
318-728-2061

JOE LIVELY, President  
KENNETH McKAY, Vice-President  
TOMMY BURGESS, Parish Manager  
KATHY A. BURNS, Secretary-Treasurer

DISTRICT 6  
ALTHAN SMITH  
P. O. BOX 469  
RAYVILLE, LA 71269

DISTRICT 7  
KENNETH McKAY  
P. O. BOX 1  
ARCHIBALD, LA 71218

DISTRICT 8  
JIMMY BOUGHTON  
25 CREW LAKE LOOP  
RAYVILLE, LA 71269

DISTRICT 9  
RONALD F. GILLEY  
3466 HWY. 135  
MANGHAM, LA 71259

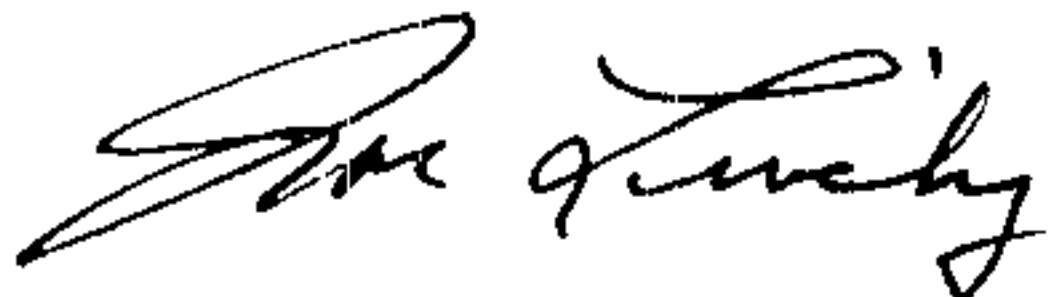
May 13, 1999

Mr. Daniel G. Kyle, PH.D., CPA, CFE  
Legislative Auditor  
State Of Louisiana  
Baton Rouge, LA 70804-9397

Dear Mr. Kyle:

The Richland Parish Police Jury takes these matters very seriously and will look further into the information provided. Once the final report of findings is provided to us, the Richland Parish Police Jury will take appropriate action. The Police Jury is also planning to adopt appropriate procedures to prevent the situation from occurring in the future.

RICHLAND PARISH POLICE JURY



Joe Lively, President

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May 17, 1999

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Dr. Daniel Kyle, Legislative Auditor  
Office Of Legislative Auditor  
Baton Rouge, Louisiana 70804-9397

Dear Dr. Kyle:

We agree with the Legislative Auditor's Office investigative report on the Richland Parish Police Jury. We also agree with your recommendations on each of the findings. We further recommend the suspension of Mr. Tommy Burgess without pay pending action by District Attorney William Coenen. With regards to Ms. Burns and Ms. Isaac we recommend District Attorney Coenen take equal and appropriate action.

Sincerely,

*Ronnie Gilley*  
*Gene Washington*

**Attachment II**  
**Legal Provisions**



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# Legal Provisions

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The following legal citations are referred to in the Findings and Recommendations section of this report:

**R.S. 14:67** provides that theft is the misappropriation or taking of anything of value which belongs to another, either without the consent of the other to the misappropriation or taking, or by means of fraudulent conduct, practices, or representations.

**R.S. 14:134** provides, in part, that malfeasance in office is committed when any public officer or public employee shall (1) intentionally refuse or fail to perform any duty lawfully required of him, as such officer or employee; (2) intentionally perform any such duty in an unlawful manner; or (3) knowingly permit any other public officer or public employee, under his authority, to intentionally refuse or fail to perform any duty lawfully required of him or to perform any such duty in an unlawful manner.

**R.S. 42:1461(A)** provides that officials, whether elected or appointed, by the act of accepting such office assume a personal obligation not to misappropriate, misapply, convert, misuse, or otherwise wrongfully take any funds, property or other thing of value belonging to the public entity in which they hold office.

**R.S. 11:1906** provides, in part, that any person who shall knowingly make any false statement or shall falsify or permit to be falsified any record or records of the Parochial Employees' Retirement System in an attempt to defraud this system shall be guilty of a misdemeanor.

