

BEAUREGARD PARISH POLICE JURY



INVESTIGATIVE AUDIT
ISSUED NOVEMBER 14, 2012

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LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

November 14, 2012

**THE HONORABLE LLEWELLYN E. SMITH,
POLICE JURY PRESIDENT,
AND MEMBERS OF THE
BEAUREGARD PARISH POLICE JURY**
DeRidder, Louisiana

We have audited certain transactions of the Beauregard Parish Police Jury. Our audit was conducted in accordance with Title 24 of the Louisiana Revised Statutes to determine the propriety of certain financial transactions.

Our audit consisted primarily of inquiries and the examination of selected financial records and other documentation. The scope of our audit was significantly less than that required by *Government Auditing Standards*.

The accompanying report presents our findings and recommendations as well as management's response. This is a public report. Copies of this report have been delivered to the District Attorney for the 36th Judicial District of Louisiana and others as required by law.

Respectfully submitted,

Daryl G. Purpera, CPA, CFE
Legislative Auditor

DGP/ch

BEAUREGARD PARISH 2012

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EXECUTIVE SUMMARY

Improper Sales and Donation of Police Jury Property

The former parish manager, Mr. Elton Pickering, personally sold Police Jury-owned timber and tires for \$1,659.83 cash and did not report the sales to the Police Jury. In addition, Mr. Pickering submitted a portion of the funds to the Police Jury office approximately four months later when we began our audit. The actions by Mr. Pickering may violate state law. Also, Mr. Pickering may have violated the state constitution by donating Police Jury-owned scrap iron. Finally, Mr. Pickering may have violated state law by selling Police Jury property without bids or authorization.

Parish Manager's Personal Use of Police Jury Vehicle

Former Parish Manager Elton Pickering used a Police Jury-owned vehicle for personal purposes and did not keep a mileage log, nor did the Police Jury administration calculate the fringe benefit of Mr. Pickering's personal use and report as compensation to him as required by the Internal Revenue Service.

Burial of Asbestos on Police Jury Property

Based on information provided to the legislative auditors, former Parish Manager Elton Pickering directed Police Jury employees to demolish, attempt to burn, and bury a building containing asbestos that was located on the Police Jury's property at the DeRidder airport, which may violate state law.

Public Bid Law Violation and Donation of Equipment Parts

The Police Jury may have violated the state bid law by not obtaining at least three telephone or fax quotes for equipment parts purchased in fiscal years 2009, 2010, and 2011. Also, neither the Police Jury administration nor its parts vendor kept records of store credits issued (to the Police Jury) for returned parts. Since the Police Jury administration cannot demonstrate that it received equivalent value for parts returned to the vendor, it may have donated the returned parts and violated the constitution.

BACKGROUND AND METHODOLOGY

The Beauregard Parish Police Jury (Police Jury) is the governing authority for Beauregard Parish and is a political subdivision of the state of Louisiana. The Police Jury operates under an elected jury of ten members. The Police Jury's operations include streets and highways, sanitation, planning and zoning, public health and welfare services, as well as judicial and administrative activities.

This audit was initiated after receiving allegations regarding the former public works director. During our audit, other matters and transactions came to our attention and we expanded our scope to address them.

The procedures performed during this audit consisted of:

- (1) interviewing employees of the Police Jury and other persons as appropriate;
- (2) examining selected documents and records of the Police Jury;
- (3) performing observations;
- (4) gathering and examining documents and records from external parties; and
- (5) reviewing applicable state laws and regulations.

FINDINGS AND RECOMMENDATIONS

Improper Sales and Donation of Police Jury Property

The former parish manager, Mr. Elton Pickering, personally sold Police Jury-owned timber and tires for \$1,659.83 cash and did not report the sales to the Police Jury. In addition, Mr. Pickering submitted a portion of the funds to the Police Jury office approximately four months later when we began our audit. The actions by Mr. Pickering may violate state law.^{1,2,3} Also, Mr. Pickering may have violated the state constitution⁴ by donating Police Jury-owned scrap iron. Finally, Mr. Pickering may have violated state law^{5,6} by selling Police Jury property without bids or authorization.

Timber Sale

Mr. Clyde Clark, owner of Clark Timber Company, purchased Police Jury timber from Mr. Pickering on January 27, 2012, for cash totaling \$1,559.83. According to Police Jury records, the Police Jury did not receive any funds related to this sale from Mr. Pickering until May 16, 2012 (approximately four months later), the same date that Mr. Clark provided the legislative auditors with evidence of the transaction.

The Police Jury's Department of Public Works widens parish roads and cleans culverts and ditches and in the process may find it necessary to remove trees. According to Parish Attorney Steve Landreneau, the Police Jury has an easement from "back slope to back slope" of the ditch on each side of the road. We were informed by the Police Jury foremen that when trees

¹ **Louisiana Revised Statute (R.S.) 15§431** states, "The failure, neglect, or refusal on the part of any public officer to pay over, at the time and in the manner required by law and to the authority designated by law to receive such payment, any public money in his hands, shall be prima facie evidence of the theft by such public officer of any public money not so paid over."

² **R.S. 14§68 (A)** states, in part, "Unauthorized use of a movable is the intentional taking or use of a movable which belongs to another, either without the other's consent, or by means of fraudulent conduct, practices, or representations, but without any intention to deprive the other of the movable permanently."

³ **R.S. 14§67 (A)** states, in part, "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. An intent to deprive the other permanently of whatever may be the subject of the misappropriation or taking is essential."

⁴ **Article 7, Section 14 of the Louisiana Constitution** provides, in part, "Except as otherwise provided by this constitution, the funds, credit, property, or things of value of the state or of any political subdivision shall not be loaned, pledged, or donated to or for any person, association, or corporation, public or private."

⁵ **R.S. 33§4712 (F)** states, "Notwithstanding any provisions of this Section to the contrary, a municipality may sell any movable property having an appraised value of five thousand dollars or less at private sale provided that:

(1) A resolution giving the reasons for the action on the part of the governing authority and fixing the minimum price and terms of the sale shall be adopted.

(2) Notice of the resolution and proposed sale shall be published once at least fifteen days prior to the date of the sale in the official journal of the municipality.

(3) The sale shall be made to the person with the highest bid."

⁶ **R.S. 49§125 (A)** states, in part, "Notwithstanding any other provision of law to the contrary, the state or any board, commission, department or agency of the state or any political subdivision of the state is hereby authorized to sell surplus movable property at public auction, in addition to the other methods provided by law for such sales."

are cut down, the tops and stumps are burned and the remaining cut timber is either burned, donated to the property owner or local area residents, or removed by Police Jury employees and placed on Police Jury property for subsequent auction or use by the Police Jury. We determined that the Police Jury administration does not maintain records of the final disposition of cut timber.

According to Police Juror Gary Crowe, in January 2012 he observed cut timber at the Police Jury's Ward 3 public works yard (located at the airport in Deridder) and took the following picture on January 23, 2012. Mr. Crowe said that he returned to the public works yard seven days later (on January 30, 2012) and the timber was gone. Mr. Crowe told us that a Police Jury employee told him that the logs were removed by Clark Timber Company.



On May 16, 2012, we interviewed Mr. Clark regarding his purchase of timber from the Police Jury. He stated that Mr. Pickering contacted him about purchasing some timber at the Police Jury's Ward 3 public works yard and that he accepted his offer. Mr. Clark said that after he picked up the timber, Mr. Pickering came to his house to pick up cash for the timber. According to Mr. Clark's records, he purchased the timber on January 27, 2012, for \$1,559.83 in cash. According to Police Jury records, the Police Jury administration did not receive the funds from Mr. Pickering until May 16, 2012, the same date that Mr. Clark provided us with evidence of the transaction.

We spoke to Mr. Pickering and he stated that Mr. Clark approached him to inquire about the timber at the public works yard and that he told Mr. Clark to take the timber. Mr. Pickering said that while he was on vacation during February 2012, Mr. Clark brought the money to his house because he (Clark) did not know what to do with the money. However, Mr. Clark stated he has never been to Mr. Pickering's house. Mr. Pickering stated he kept the cash in the center console of his Police Jury vehicle and forgot about it until our audit started.

Used Tires Sold

An area businessman, Mr. Andy Martin, purchased Police Jury-owned tires from Mr. Pickering in May 2012 for \$100 cash. According to Police Jury records, these funds were never deposited into a Police Jury bank account.

Mr. Martin stated that he buys used truck tires and re-grooves them for resale if they are not too worn. According to Mr. Martin, he talked to Mr. Pickering about buying some of the Police Jury's old tires and then went to the Ward 3 public works yard in May 2012 and found 10 tires that he could use. Mr. Martin said he gave \$100 cash to Mr. Raymond Gragg, the Police Jury's head mechanic, for the tires. According to Mr. Gragg, he gave the money to Mr. Pickering. We requested a meeting with Mr. Pickering through his attorney, but he declined to discuss this matter with us.

Ms. Tayra DeHoven, Police Jury secretary/treasurer, stated that she receives all money taken in at the Police Jury's administrative office for deposit and that she had not received a \$100 deposit from Mr. Pickering. She said that Mr. Pickering has never given her cash to deposit into the Police Jury account and that Police Jury accounting records do not show a cash deposit of \$100 from Mr. Pickering.

Scrap Iron Donated and Sold

From 2007 to 2012, Mr. Pickering may have both donated and sold Police Jury-owned scrap iron. Although Mr. Pickering may have sold scrap iron and received cash, Police Jury records did not show any deposits made for cash sales of scrap iron.

During interviews of Police Jury employees, we were informed that there was an old army dump truck bed located in the back of the Ward 3 public works yard and that employees put scrap iron in the truck bed. Mr. Willis Bailey, owner of DeRidder Scrap, stated that the dump truck bed at the Ward 3 yard was his and that Mr. Pickering would allow him to go to the yard and pick up the scrap iron at no charge (i.e., an act of donation). Mr. Bailey said that the only time he gave money to Mr. Pickering was in 2007, when he purchased some scrap iron from the Police Jury and paid Mr. Pickering "a couple hundred bucks cash." The Police Jury's accounting records do not show a deposit made in 2007 for the sale of scrap iron. We requested a meeting with Mr. Pickering through his attorney, but he declined to discuss this matter with us.

Summary

There were no bids obtained for the sales of the Police Jury property (timber, tires, and scrap iron) and according to Ms. DeHoven, Mr. Pickering did not obtain authorization from the Police Jury to sell this property. Since Mr. Pickering (1) did not have a declaration from the Police Jury to surplus and sell the Police Jury-owned property; (2) did not obtain bids for the property or auction it; (3) personally kept the funds from the sales of the Police Jury property; and (4) donated Police Jury scrap iron, he may have violated the state constitution and state laws.^{1,2,3,4,5,6}

Parish Manager's Personal Use of Police Jury Vehicle

Former Parish Manager Elton Pickering used a Police Jury-owned vehicle for personal purposes and did not keep a mileage log, nor did the Police Jury administration calculate the fringe benefit of Mr. Pickering's personal use and report as compensation to him as required by the Internal Revenue Service (IRS).⁷

According to Ms. DeHoven, since she started employment in 2009 with the Police Jury, Mr. Pickering used his assigned Police Jury vehicle to commute to work and did not keep mileage logs to account for his business and personal use. The personal use (e.g., commuting) of a Police Jury vehicle is an employment fringe benefit which, in accordance with IRS rules, should be included as part of compensation. However, the Police Jury administration failed to calculate and annually report the taxable fringe benefit of Mr. Pickering's take-home vehicle and personal use as required by the IRS.⁷

Police Jury management has responded that, in its opinion, Mr. Pickering's use of the vehicle was not an employee fringe benefit that should be reported to the IRS. Management maintains that as the Parish Manager, Mr. Pickering was on call 24 hours a day, 7 days a week and the use of the Police Jury vehicle for travel to and from the Police Jury office and his home was for the benefit of the Police Jury. The use of the vehicle allowed Mr. Pickering to more readily respond, when needed and have proper communication with Beauregard Parish Sheriff's Office and Police Jury personnel.

Burial of Asbestos on Police Jury Property

Based on information provided to the legislative auditors, former Parish Manager Elton Pickering directed Police Jury employees to demolish, attempt to burn, and bury a building containing asbestos that was located on the Police Jury's property at the DeRidder airport, which may violate state law.^{8,9,10,11,12,13}

⁷ **IRS Publication 15-B** states, in part, "Any fringe benefit you provide is taxable and must be included in the recipients pay unless the law specifically excludes it."

⁸ **LAC 33:III.5151.F.2** states, in part, "Each owner or operator of a demolition or renovation activity to which this Subsection applies shall: a. provide the Office of Environmental Services with typed notice of intention to demolish..."

⁹ **LAC 33:III.5151.3.j** states, "If a facility is demolished by intentional burning, all RACM including Category I and Category II nonfriable ACM must be removed in accordance with this Section before burning."

According to three Police Jury employees, Mr. Pickering directed them in 2010 or 2011 to demolish, attempt to burn, and bury an old military building located on the Police Jury's airport site. Due to the age of the building, the employees believed it may contain asbestos.

Subsequent to our interviews of employees, the Policy Jury contacted the Department of Environmental Quality (DEQ) in August 2012 and reported this issue. DEQ tested the burial site and found asbestos. According to DEQ's records, they had not been contacted prior to August 2012 by the Police Jury regarding the demolition of a building containing asbestos.

Since Mr. Pickering did not consult DEQ to dispose of this building, he may have violated state law^{8,9,10,11,12,13} by:

1. Failing to provide the Office of Environmental Services with a typed notice of intent to demolish the building;
2. Attempting to burn the demolished building;
3. Not burying the building in a permitted solid waste facility; and
4. Failing to properly close the dump site.

Public Bid Law Violation and Donation of Equipment Parts

The Police Jury may have violated the state bid law¹⁴ by not obtaining at least three telephone or fax quotes for equipment parts purchased in fiscal years 2009, 2010, and 2011. Also, neither the Police Jury administration nor its parts vendor kept records of store credits issued (to the Police Jury) for returned parts. Since the Police Jury administration cannot demonstrate that it received equivalent value for parts returned to the vendor, it may have donated the returned parts and violated the constitution.⁴

For fiscal years 2009 through 2011, the Police Jury spent annually an average of \$22,400 to purchase equipment parts¹⁵ from NAPA Auto Parts without obtaining quotes. State law^{14,16}

¹⁰ **LAC 33.III.5151.J.1** states, in part, "Standard for Waste Disposal...Demolition...Each owner or operator of any source covered under the provisions of ...this Section shall comply with the following provisions....1. Discharge no visible emissions to the outside air during collection, processing (including incineration)..."

¹¹ **LAC:VII.315.C** states, "Processing and Disposal of Solid Waste. Except as otherwise provided in these regulations, all solid waste shall be processed or disposed of at a permitted solid waste facility."

¹² **LAC 33:VII.909 B** states, "After an unauthorized dump is discovered, the administrative authority may issue an enforcement action with a closure directive to the owner/operator. Directives issued for unauthorized dumps shall require closure of the unauthorized dump in accordance with the procedures in the Section."

¹³ **R.S. 14§134** states, in part, "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; or (2) Intentionally perform any such duty in an unlawful manner..."

¹⁴ **R.S. 38§2212.1 (A)(1)(b)** states, in part, "...Purchases of ten thousand dollars or more, but less than thirty thousand dollars, shall be made by obtaining not less than three telephone or facsimile quotations. A written confirmation of the accepted offer shall be obtained and made a part of the purchase file."

¹⁵ The Police Jury operates tractors, road graders, trucks, etc.

requires at least three telephone or facsimile quotations for purchases of \$10,000 or more, but less than \$30,000. The Attorney General has opined¹⁷ that purchases of like commodities during the course of a fiscal year must be aggregated and be publicly bid if the total amount of the purchases of those commodities during the fiscal year exceeds the statutory threshold for bidding.

According to Mr. Philip Kravchuk, a NAPA employee, he counts the Police Jury's parts inventory and determines the unused items to be exchanged and replaces the parts on his next visit. However, NAPA's invoices to the Police Jury do not show credits issued for the returned parts. Mr. Kravchuk further stated that NAPA replaces the value of the returned parts with additional parts of equivalent value, but does not maintain records of these transactions. Since the Police Jury administration cannot demonstrate that it received equivalent value for returned parts, it may have donated the returned parts and violated the constitution.⁴

¹⁶ The public bid law was changed during the 2009 Legislative session and increased the maximum threshold from \$20,000 to \$30,000 in August 2009. Since the change was in the middle of the Police Jury's fiscal year, we used the new \$30,000 upper limit to determine if the Police Jury needed quotations.

¹⁷ **Attorney General Opinion 02-0122** provides, in part, "...Purchases of like commodities during the course of a fiscal year must be aggregated and be publicly bid if the total amount of purchases of those commodities during the fiscal year exceeds the statutory threshold for bidding."

Recommendations:

The Police Jury should:

- (1) seek legal advice as to the appropriate actions to be taken against Mr. Pickering, including recovering funds related to the unauthorized sale of Police Jury property;
- (2) implement policies to ensure all employees are aware that all surplus Police Jury property has to be sold in accordance with state law;
- (3) require mileage logs to be maintained for all vehicles;
- (4) determine the proper amount of personal benefit for all employees with take-home vehicles and annually report to the IRS as required;
- (5) ensure that removal of buildings is done in accordance with state law;
- (6) ensure that vendors provide documentation of credits issued for returned items; and
- (7) comply with provisions of the public bid law.

APPENDIX A

Management's Response

Beauregard Parish Police Jury

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DeRidder, Louisiana 70634

(337) 463-7019 • (337) 462-0675
Fax (337) 462-2567

MEMBERS:

District 1
Gerald McLeod
P.O. Box 141
Singer, LA 70660

District 2
N.R. "Rusty" Williamson
P.O. Box 501
Merryville, LA 70653

District 3-A
Carlos Archfield
1139 Lucius Drive
DeRidder, LA 70634

District 3-B
S. E. "Teddy" Welch
210 Teddy Welch Road
DeRidder, LA 70634

District 3-C
Johnnie Bennett
534 Longville Church Road
Longville, LA 70652

District 3-D
Gary D. Crowe
P. O. Box 386
DeRidder, LA 70634

District 3-E
Jerry Shirley
225 South Texas Street
DeRidder, LA 70634

District 4-A
Brad Harris
1205 S A Cooley Road
Longville, LA 70652

District 4-B
Llewellyn Smith
416 Thunder Valley Road
DeRidder, LA 70634

District 5
Ronnie Libick
1037 Charles Libick Road
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Llewellyn "Biscuit" Smith
PRESIDENT

Gary Crowe
VICE-PRESIDENT

Tayra S. DeHoven
SECRETARY-TREASURER

Re: Compliance Report on the Beauregard Parish Police Jury dated
October 18, 2012

Dear Mr. Purpera,

We are in receipt of the audit findings concerning the Beauregard Parish Police Jury and the Director of Public Works, more specifically Elton Pickering, Sr. Before addressing each individual item, I would like to make you aware of overall actions taken by the Beauregard Parish Police Jury as the events unfolded. Early 2012, District Attorney David Burton was provided with pictures of timber stored in our Ward 3 Maintenance Yard. He was also provided with pictures taken about a week apart where the timber had disappeared. I, Tayra S. DeHoven, Secretary-Treasurer, was questioned about any knowledge of the stored timber, and/or its disappearance. I had no knowledge of either its storage or disappearance.

Mr. Burton requested the Legislative Auditor's Office conduct an investigative audit into the circumstances surrounding the disappearance of the timber. He further asked that the Legislative Auditor refer any allegations of criminal wrongdoing to the Attorney General, to avoid conflict of interest. The Office of the District Attorney acts as legal advisor to the Police Jury.

The Beauregard Parish Police Jury became aware of the investigation in May 2012, and, on June 4, 2012, a Special Meeting was called to discuss allegations with Mr. Pickering and his attorney, Charles A. "Sam" Jones, III, of DeRidder. The Police Jury voted to suspend Mr. Pickering with pay, pending the results of the investigative audit. The investigation uncovered other issues which are addressed in the

audit report, and in August, Mr. Pickering announced his retirement effective August 31, 2012.

Improper Sale and Donation of Police Jury Property

Initially, your auditors questioned me, and other Police Jury employees, about timber that was seen at the Ward 3 Maintenance Yard, which disappeared without written record of disposition, or any record of the deposit of proceeds of any sale. On May 16, 2012, Mr. Pickering came into the office and informed Police Juror Gary Crowe, Tammy Wilson, and me, Tayra DeHoven his details of the transaction, which occurred in January 2012. Mr. Pickering was in and out with medical issues during that time.

According to Mr. Pickering, Mr. Clark asked to purchase the timber. Mr. Pickering told him he could have them. Mr. Pickering said that, prior to his surgery, Mr. Clark contacted him about "stump" money. He said he received the cash from Mr. Clark and placed it in the console of his Police Jury truck. A few days later, he had surgery and forgot the money was in the company truck. Mr. Pickering also stated he did not want to turn it in to me now, because he would look guilty. Mr. Pickering asked Mrs. Wilson to go to his Police Jury truck and retrieve the envelope from the console. She brought it in and Mr. Pickering instructed her to lock it in her desk until we could figure out what to do with it.

After this meeting, I met with Assistant District Attorney, F. Steve Landreneau. I relayed to him the information as it was given to me, and where the money was at that time. He immediately called David Burton, the District Attorney. After phone calls with the Legislative Auditors, Attorney General's Office, and Sheriff Ricky Moses, I was instructed to go to the sheriff's office and give a statement. Detective Jared Morton, of the Beauregard Parish Sheriff's Office, then accompanied me back to my office. We retrieved the envelope from Mrs. Wilson's desk drawer, and found it to contain an invoice, lading tickets, and \$1559.83 in cash. All items were placed in an

evidence bag and are currently in the custody of the Beauregard Parish Sheriff's Office. Mrs. Wilson and I gave formal statements the following day.

Based upon information developed in the investigation, the Beauregard Parish Police Jury has mandated that existing policies be enforced. The Jury has updated the Grant of Right-of-Way agreement with current law. Foremen, historically, were required to obtain signatures when clearing rights-of-way; however, over time, employees often obtained verbal authorization without obtaining the necessary signatures. The new form includes an authorization to clear the right-of-way, and instructions from the property owner as to the disposition of any spoils. The form gives the property owner an opportunity to retain the trees and dirt, or gives written authorization to the Police Jury to dispose of properly. These forms will be kept on file, and offer tracking on what, if any, items came into the possession of the Police Jury and their disposition.

The audit alleges that used tires from parish equipment were "sold for cash". The Jury has instructed that used tires be disposed of properly, in the future.

The audit further alleges that scrap metal may have been donated, improperly, to Mr. Willis Bailey, the proprietor of DeRidder Scrap. Mr. Bailey will be notified to remove his trailer from the Police Jury yard, and in the future, all scrap metal will be sold at auction, as was done earlier in 2012.

Parish Manager's Personal Use of Police Jury Vehicle

Mr. Pickering was assigned a Police Jury vehicle, which he used to commute to and from work. It is our opinion there was no employee fringe benefit. As the Parish Manager, Mr. Pickering was on call 24 hours a day, 7 days a week. If a road or bridge emergency occurred, he met the road foremen to assess the emergency and begin to address it. The Police Jury vehicle contains two radios, one from the Beauregard Parish Sheriff's Office and one to communicate with

Police Jury road crews. Radio communication is essential, since cell phone service is unreliable in many rural areas of the parish. The radios are permanently mounted in the Police Jury vehicle, so that removing them to travel in his personal vehicle was not an option.

Additionally, Mr. Pickering frequently made several stops en route to the Police Jury Office, to check on roads and bridges, as well as the Jury maintenance yards. Had Mr. Pickering utilized his personal vehicle to respond to emergencies, and to check on roads, bridges and maintenance yards en route to his office, he would have been without the use of the radios in the Police Jury vehicle, which were installed for the benefit of the Jury, and he would have been due reimbursement for mileage for the use of his personal vehicle for Police Jury purposes.

The use of the Police Jury vehicle for travel to and from the Police Jury Office and Mr. Pickering's home was for the benefit of the Police Jury. It allowed Mr. Pickering to more readily respond, when needed and have proper communication with Beauregard Parish Sheriff's Office and Police Jury personnel. It was not a fringe benefit, in our opinion.

It has been alleged that Mr. Pickering utilized the vehicle for trips which were personal in nature, although we do not have sufficient evidence to document that use. The Jury intends to be proactive to document all trips and mileage, where the Police Jury vehicle is used.

Burial of Asbestos on Police Jury Property

During the investigation, information was developed that a parish building had been demolished and buried on parish property. Several employees believed that the building contained asbestos. In consultation with the Legislative Auditor, we self-reported this incident to DEQ. On August 16, 2012, a joint investigation involving the Beauregard Parish Sheriff's Office and the Department of Environmental Quality was begun. Three employees who were present on the day that the building was demolished were interviewed, one who was present but working in another area of

the yard, and two who were instructed to tear down the building and bury it. Following the interviews, Mrs. Wilson and I accompanied two DEQ agents to the site. A Police Jury employee pointed to the site where the building had been buried.

Agent Broussard examined the site and located suspect pieces in the area. We then went to the site of the demolition, where more suspect pieces were obtained. I retained half of each sample taken. Agent Broussard took the remainder and submitted the samples for testing. The evidence yielded a 25% positive rating for asbestos. The Police Jury was asked to have a licensed abatement team come in and collect all transit pieces, which has been done. At this time, DEQ has agreed to leave the remains of the building where they are buried, as asbestos is safer left undisturbed. At DEQ's request, I am working with Assistant District Attorney Landreneau to update the deed to the property, to provide notice that there is hazardous waste buried in this area of the property.

Public Bid Law Violation and Donation of Equipment Parts

The Police Jury was not aware that it was violating the Public Bid Law by purchasing filters for equipment as stated in the audit. We are now obtaining a list of filters needed for all Police Jury equipment, and for 2013, will advertise for a bid price for regularly used filters.

We were not aware of the "off-book exchanges" referred to in the audit; but having that information, we have instructed our personnel and the salesman in question, Philip Kravchuk, to properly document and credit all exchanges in the future.

If you need additional information, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tayra S. DeHoven', written over the printed name.

Tayra S. DeHoven
Secretary-Treasurer

APPENDIX B

Former Parish Manager's Response

Charles A. "Sam" Jones, III
A PROFESSIONAL LAW CORPORATION

POST OFFICE BOX 995
105 NORTH STEWART STREET
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October 29, 2012

Eric Sloan
Assistant Legislative Auditor
1600 North Third Street
P.O. Box 943997
Baton Rouge, Louisiana 70804-9397

Re: Elton Pickering

Dear Mr. Sloan:

Thank you for the letter dated October 18, 2012. In response thereto, the following is submitted for your consideration.

Mr. Pickering was nearing completion of his thirtieth (30th) year as an employee of the Beauregard Parish Police Jury. He started out as a road Foreman and shortly thereafter became the Public Works Director.

To my knowledge, he has no criminal history (never been convicted of a crime) and has simply lived a life dedicated to public service and the people of Beauregard Parish. For years, he has gone well above and beyond his obligations to help Beauregard Parish residents, including accepting calls after work hours (at all times during the night) and on holidays trying to provide assistance, give assurance and/or to calm down irate citizens with road, ditch or other complaints.

With this history of dedication and service in mind, please consider the impact of retiring to . . . not the proverbial gold watch, but instead, assertions of wrongdoing by your office.

At all times during his employment, Elton has employed customary and accepted practices used by other police juries and/or parish managers through the State of Louisiana. It is not lost on us that you even accuse Mr. DeHoven and the "Police Jury administration" of wrongdoing.

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Be that as it may, of all the allegations in this report, it is noted that only one suggestion exists of missing/unaccounted for funds with a specified amount, i.e., \$100.00. Notwithstanding that Elton has spent well over 100 times that amount of his own money on parish business during the last thirty (30) years, he will gladly donate that amount to the Beauregard Parish Police Jury in the event that such would resolve the concerns of your office . . . and assuming this action would not breach any law, rule, policy and/or ethical consideration (thus making this a conditional offer).

Should you desire to discuss this further, please do not hesitate to contact my office at your convenience.

In appreciation, I remain,

Sincerely,



CHARLES A. "SAM" JONES, III

CAJ/py