



Report Highlights

Madison Parish Hospital Service District

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Why We Conducted This Audit

This audit was initiated after receiving allegations regarding the Hospital's use of public funds to purchase multiple life insurance policies for its employees and commissioners. During our audit other matters and transactions came to our attention and we expanded our scope to address them.

What We Found

Contractor and Insurance Agent Fraudulently Billed Hospital and Split Proceeds with Hospital Administrator Wendell Alford (See table below.)

Vendor	Time Period	Fraudulent Bills	Estimated Proceeds Given to Hospital Administrator
Contractor Casey Hughes	October 1, 2006 - June 20, 2012	\$2,029,504	\$566,874
Insurance Agent Russell Ham	January 1, 2007 - April 30, 2012	\$2,998,637	\$817,000 - \$1,498,756
Total		\$5,028,141	\$1,383,874 - \$2,065,630

Other findings:

Administrator Paid in Excess of Contracted Rate

Personal Use of Credit Cards by Administrator and Commissioners

Administrator Improperly Submitted and Received Mileage Reimbursements

No Accounting of Travel Advances Paid to Administrator

Improper Gifts Provided to Administrator and Board Chairman

Personal Use of Equipment by Board Chairman

Hospital Provided Improper Insurance Benefits to Board Commissioners and Other Individuals

Prohibited Contractual Arrangements

Employees Received Payments from Hospital Vendors

Donation of Public Funds

Inappropriate Public Meetings Practices

View the full report at www.la.gov.