



**OFFICE OF
STATE INSPECTOR GENERAL**

HAMMOND DEVELOPMENTAL CENTER

Report by

Inspector General Bill Lynch

Prepared for

Governor M.J. "Mike" Foster, Jr.

May 15, 2001

File No. 1-01-0033



State of Louisiana

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Hammond Developmental Center

Shawn Labee, a former employee with Hammond Developmental Center, was improperly paid \$469 while he was in jail. Vanessa Taylor, home manager for the Center, approved Mr. Labee's payroll for these days while knowing he was in jail.

Mr. Labee filed four false Civil Service documents with the Center asserting he had no felony indictments and/or convictions when in fact he did.

Mr. Labee did not respond to requests for an interview by the Office of Inspector General.

Background

The Hammond Developmental Center is under the authority of the Department of Health and Hospitals. The Center provides developmental disabilities services and residential options for severely mentally retarded persons.

Mr. Labee was employed with the Center as a residence training specialist from Dec. 5, 1996, to Oct. 15, 1999, and from June 19, 2000, to July 5, 2000.

Ms. Taylor said she has been employed with the Center for 13 years. Ms. Taylor has been home manager for 5 years.

The Center has 17 residential homes on site that provide residences for severely mentally retarded people. Each home has a home manager who manages 3 shift supervisors and 18 to 20 staff members. The home manager is responsible for supervising the day-to-day operations of the home.

Falsified Payroll Sign-in Sheets

Mr. Labee's purported signature and hours worked were recorded on the Center's daily attendance records for 7 days indicating he was at work when in fact he was in jail these days. He was subsequently paid \$469 for this time.

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Ms. Taylor, who was Mr. Labee's home manager at the time, admitted approving Mr. Labee's payroll for the above days while knowing Mr. Labee had been arrested and jailed. She said she made a mistake in her review of the attendance records. Ms. Taylor made this same mistake daily for a whole week.

According to the Tangipahoa Parish Sheriff's Office Arrest/Booking Report, Mr. Labee was booked and incarcerated by the Tangipahoa Parish Sheriff's Office at 10:46 a.m. on Aug. 31, 1999. Mr. Labee was released from jail for this arrest on Sept. 8, 1999, at 4:36 p.m.

Mr. Labee was shown as signed in on the Center's attendance records on the following days of 1999:

<u>Days</u>	<u>Shift</u>	<u>Hours Received</u>	<u>Comp. Time Rec'd</u>
Aug. 31	6 a.m. to 2 p.m.	8	
Sept. 1	6 a.m. to 2 p.m.	8	
Sept. 4	6 a.m. to 2 p.m.	8	
Sept. 5	6 a.m. to 2 p.m.	8	
Sept. 6	6 a.m. to 2 p.m.	8	8*
Sept. 7	6 a.m. to 2 p.m.	8	
Sept. 8	6 a.m. to 2 p.m. 2 p.m. to 10 p.m.	8	8**
	Total	56	16

* Compensatory time for working on a holiday

**Compensatory time for overtime (working two shifts)

On Sept. 6, Labor Day, Mr. Labee received 8 hours of holiday compensatory time for purportedly having worked on a holiday. (Compensatory time is paid time off. It is earned by working overtime or on a holiday, and may be used by the employee at a later time.) In addition on Sept. 8, Mr. Labee was shown as signed in twice indicating he worked a total of 16 hours for the day, working both the 6 a.m. to 2 p.m. and the 2 p.m. to 10 p.m. shifts, for which he received 8 hours of overtime compensatory time. The 16 hours of compensatory time received was subsequently paid as leave taken.

Mr. Labee was paid by the Center for a total of 72 hours he did not earn. He received unearned wages totaling \$469 in gross pay.

Ms. Taylor said Mr. Labee's mother notified her on Aug. 31, 1999 of Mr. Labee's arrest. She said she approved and signed the daily attendance records for the days Mr. Labee was incarcerated while having knowledge he was in jail. Ms. Taylor denies entering Mr. Labee's hours worked and signature to the attendance records for the period in question. Ms. Taylor said she believes that someone entered Mr. Labee's hours worked and signed Mr. Labee's name on the attendance records before she received them, but she is not certain as to what occurred. She said she did not realize that Mr. Labee was signed in as being present for the days he was incarcerated and made a mistake when she reviewed the attendance records and calculated payroll hours.

Ms. Taylor said she receives the daily attendance record for the previous day after all shifts are complete and is responsible for calculating leave hours taken, regular time earned, and compensatory time earned by employees. After the time calculation is completed, she approves and signs the attendance record. Ms. Taylor said she does this function daily.

Despite Ms. Taylor's assertion of making a mistake while reviewing the attendance records, it seems unlikely she overlooked Mr. Labee's name being hand printed as working the 2 p.m. to 10 p.m. shift on Sept. 8 when all other employees' names were pre-typed on the attendance record. In addition, to credit him with compensatory time earned on the day he was signed in for two shifts, she would have to have examined the individual time sheet entries under his name to determine that one person was signed in on two shifts.

Falsified Civil Service Documents

Mr. Labee falsified Civil Service documents related to his employment with the Center. On June 1, 1995, Mr. Labee submitted a Civil Service application for employment with the Hammond Developmental Center. On this application he indicated that he had not been convicted of a felony, which was true at the time he submitted the application to the Center.

On Dec. 5, 1996, Mr. Labee was hired by the Center. On this day Mr. Labee signed a Civil Service appointment affidavit in which he asserted that he had not been indicted or convicted of any felony charges since the submission of his application, which was false.

According to Tangipahoa Parish Clerk of Court criminal minutes, Mr. Labee was convicted of felony drug possession on Aug. 5, and Sept. 16, 1996, pertaining to two separate arrests.

Mr. Labee submitted Civil Service applications dated May 21, 1997, Jan. 10, 1998, and April 25, 2000, to the Center in which he asserted that he had not been convicted of a felony. These assertions were false.

Conclusions:

1. Mr. Labee's daily time and attendance records show his purported signature and work times for 7 days on which he could not have been at work because he was in jail.
2. Mr. Labee was paid \$469 for 72 hours of purported work to which he was not entitled.
3. Ms. Taylor, the home manager responsible for approving Mr. Labee's time and attendance records, approved the false time and attendance even though she knew he was incarcerated.
4. Mr. Labee submitted falsified Civil Service documents.

Recommendations:

1. This case should be referred to the Department of Health and Hospitals for further action.
2. This report should be referred to the appropriate law enforcement authorities.

Management Response:

See Attached.



M. J. "Mike" Foster, Jr.
GOVERNOR

STATE OF LOUISIANA
DEPARTMENT OF HEALTH AND HOSPITALS



May 3, 2001

Mr. William "Bill" Lynch
Inspector General
224 Florida Street
Suite 303
Baton Rouge, Louisiana 70801

Dear Mr. Lynch:

In response to your letter of April 26, 2001, please find the attached letter from Paul Moore, Administrator of the Hammond Developmental Center. The Department concurs with your findings and is in the process of implementing your recommendations. Additionally, other measures have been undertaken including a departmental examination of the incident, staff response and procedural matters. Be assured that this issue will be addressed with the utmost vigilance.

Thank you for your efforts in this matter. If I or any member of my staff may be of further assistance, please feel free to contact me.

Sincerely,

A handwritten signature in cursive script that reads "David W. Hood".

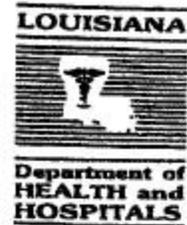
David W. Hood
Secretary

DWH:rhw

Attachment



STATE OF LOUISIANA
DEPARTMENT OF HEALTH AND HOSPITALS



May 3, 2001

Mr. David Hood, Secretary
Department of Health & Hospitals
1201 Capitol Access Road, Bin #2
Baton Rouge, Louisiana 70821

Re: Falsified Payroll Sign-in Sheets
Falsified Civil Service Documents
Your file No. 1-01-0033

Dear Mr. Hood:

This is in response to Mr. Bill Lynch's letter to you dated April 26, 2001. His letter accompanied a draft report related to findings at Hammond Developmental Center regarding Mr. Shawn LaBee and Ms. Vanessa Taylor.

We concur Mr. Lynch's findings and conclusions/recommendations.

Mr. LaBee is no longer an employee of Hammond Developmental Center. Ms. Taylor has been notified that we are pursuing termination. We are additionally pursuing restitution of the unearned wages.

Regarding these recommendations, Hammond Developmental Center is initiating an examination of Human Resources procedure and safeguards, and actions of the staff upon learning of the allegation. Additionally facility-wide re-training on time and attendance will be conducted, with particular emphasis on payroll fraud and its consequences.

Regarding the second recommendation, the allegations have been turned over to local law enforcement, who began an investigation of payroll fraud on May 2, 2001.

In response to one of the recommendations concerning time and attendance, procedures for monitoring and safeguards have been improved. With the new HR-ISIS System in place, work time is approved and entered more frequently allowing a more timely review of sign-in sheets. Direct care employees must now sign-in in the presence of supervisors who are required to report to work fifteen minutes prior to the beginning of the work shift to observe sign-in and out. Additionally sign-in sheets are being revised to indicate direct supervisory review and approval for each 8-hour shift rather than an entire 24-hour period.

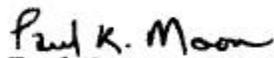
Mr. David Hood

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In conclusion, we have reviewed and are implementing the recommendations. Thank you for the opportunity to respond.

Sincerely,



Paul K. Moore, LCSW, ACSW
Administrator

PKM:pl

unwmsm111 Bill Lynch, State Inspector General.

I am responding to your findings in file # 1-01-0033.

Yes, as home manager it is my responsibility to approve and disapprove leave, as well as sign the attendance records. But it is a unwritten practice at H.D.C. for other to letter staff show worked for the home mgr. when I, as home mgr. get the attendance records and the show worked are completed, I usually just sign it. I think this unwritten practice is where the oversight occurred on my behalf. When I signed the attendance records, I didn't sign them with the intent to fraud the State on Mr. Labe's behalf or any other staff person's behalf.

As for Mr. Labe falsifying Civil Service documents, I had no knowledge of it prior to his employment at H.D.C.

As home mgr., I interview a potential employee and pass the interview packet to the Unit Dir. who then reviews it and draw the request to hire to Human resources dept. I do not do background and screening checks of potential employees, I only do the interview. Once the packet leaves my hands, everything concerning their employment comes from other departments.

Thank you for giving me the chance to respond.


5/4/01