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## Report Highlights

# Jefferson Community Health Care Centers

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## Why We Conducted This Audit

On January 27, 2010, the Louisiana Legislative Auditor (LLA) issued a public report on the Jefferson Community Health Care Centers, after which, the Chief Executive Officer Carol Smith resigned and Chief Financial Officer Ebony Williams was terminated. Since that time, the LLA received information alleging additional improper use of Clinic funds. As a result, we conducted a second review of Clinic records.

## What We Found

### **Improper Transfers of Clinic Funds into Personal Bank Account of Former CFO**

In 2009, Jefferson Community Health Care Center, Inc. (Clinic) funds totaling \$207,135 were improperly transferred to the personal bank account of Ms. Ebony Williams, the Clinic's former chief financial officer. Ms. Williams was not entitled to receive these Clinic funds and may have violated both state and federal laws.

### **Improper Uses of Public Funds**

Clinic funds totaling \$135,101 were improperly used for the payment of unearned leave benefits, uncollected personal loans, political donations, a for-profit business investment and a Christmas party.

### **Clinic Involvement in Diversified Ventures' Contract with Jefferson Parish Government**

Former Chief Executive Officer Carol Smith invoiced \$80,179 of Clinic medical services to Diversified Ventures which contained \$26,065 of services that was not provided and \$618 of services which was also paid by Medicaid. In addition, Parish Council Aide Pamela Watson, the sister of Carol Smith, may have violated state law by participating in Parish transactions in which Ms. Smith held an economic interest.

### **Councilman Improperly Voted on Clinic Transactions**

Jefferson Parish Councilman Byron Lee may have violated state law by voting on 10 Parish Council resolutions and one ordinance in which members of his immediate family held an economic interest.

### **Questionable Payments by Clinic**

From July 2005 to January 2012, the Clinic issued payments totaling \$194,039 which may have violated the Louisiana Constitution. These Clinic payments appeared to be either excessive, not supported with adequate documentation or were for services that may not have been provided.

View the full report at [www.lla.la.gov](http://www.lla.la.gov).