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Report Highlights

Open World Family Services, Inc.

Audit Control # 50110031
Investigative Audit Services • June 2014

Why We Conducted This Audit

This audit was initiated after Open World Family Services, Inc. failed to comply with the state audit law.

What We Found

Open World Reimbursed Grant Funds for Expenses Not Incurred

Between June 2009 and February 2012, Open World Family Services, Inc. (Open World) submitted reimbursement requests to the Louisiana Department of Education (DOE) that included false information to support expenses totaling \$116,323 which Open World did not incur. Reimbursement requests were also submitted for employee benefits totaling at least \$13,079 which were not paid by Open World. By submitting reimbursement requests that included false information, Open World improperly received \$129,402 in reimbursements from DOE and may have violated state and federal laws.

Executive Director Used Public Funds for Personal Purposes

From May 2009 to October 2011, Executive Director Kim Cassell improperly used public funds totaling \$11,108 for her personal benefit or for the personal benefit of other individuals associated with Open World. The public funds were spent on (1) personal travel; (2) college tuition payments; (3) veterinarian and pet supplies; and (4) a homeowner's insurance payment. By using public funds for her personal benefit or the personal benefit of others, Ms. Cassell may have violated state and federal laws.

Improper Use of Grant Funds

From May 2009 to February 2012, Open World used grant funds totaling \$148,596 for purchases and expenses not included in approved grant budgets. This amount includes (1) \$97,961 for rent, utilities, and building improvements; (2) \$16,758 in undocumented debit card withdrawals; (3) \$7,204 in undocumented airfare charges; (4) \$15,340 for insurance policies; and (5) \$11,333 for vehicle expenses. By using grant funds for unauthorized purposes, Open World appears to have violated its grant agreements and may be required to reimburse funds improperly spent.

Executive Director's Improper Payments to Immediate Family Members

From December 2009 to February 2012, Ms. Cassell issued payments totaling \$18,414 to her immediate family members in possible violation of Open World's contract with DOE and state law.

View the full report, including management's response, at www.la.gov.