Education funds misuse cited

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More than $900,000 in federal funds earmarked for handicapped students has been misspent by Louisiana officials, according to federal auditors who recommend the money be returned.

Crippled and retarded youngsters “received little, if any, benefit” from 13 programs concocted by state officials who bypassed or ignored required procedures, the July 1 audit report said, echoing a draft report made public last month.

Some of the programs employed people with political ties to Education Superintendent Tom Clausen.

In one case, Clausen’s predecessor awarded a grant to a local school district even before local officials had any idea how it would be spent, the auditors said.

The U.S. attorney’s office in Baton Rouge has convened a grand jury to investigate the case, which involves federal funds given to the state specifically to help handicapped students.

The special federal audit is not related to a routine state audit report, made public earlier this week, that questioned about $1 million worth of spending by the state Department of Education.

Officials of the special education division of the U.S. Department of Education could not be reached for comment on whether they will demand the money back, as the federal auditors suggest.

However, a spokesman for the federal department’s auditing division said officials have six months to take formal action, and “they normally take about the entire six months to do that.”

The auditors recommended that the $912,678 they say was wasted be reimbursed to the federal government or returned to the state’s federal grant fund for use in more worthwhile projects in Louisiana.

Either way, the state would have to come up with money that already has been spent, said Mitch Laine, spokesman for the inspector general’s office of the U.S. Department of Education.

Claire Landry, president of the state Board of Elementary and Secondary Education, has said she does not know where the financially strapped state government would find the money.

The board was criticized for continuing one of the 13 allegedly worthless programs.

Board director Jim Meza said federal officials have not contacted him about any possible repayment.

Clausen could not be reached for comment this week, and Deputy Superintendent Jim L. Knotts said he had not yet seen the report.

Clausen’s Department of Education is implicated in 12 of the 13 criticized programs, although some of the indiscretions were committed during the administration of former Superintendent J. Kelly Nix.

“The SDE (state department) generally disagreed with our findings and recommendations. The BESE Board, on the other hand, agreed to implement our recommendations, with the one exception of the recommendation for refund,” the audit report said.

The board requested an audit of seven projects after board members learned Clausen had arranged them without approval of the board or review by an advisory panel, as required by state and federal rules.

The auditors added six other programs to their study, including one that eventually implicated the board, which canceled the program as soon as it was criticized.

The auditors concluded that all 13 projects were improperly approved and did not produce any significant benefit for handicapped students.

For instance, Clausen approved spending $385,200 in Calcasieu and Jefferson Davis parishes for computer programs that were used by the general student population, not handicapped students, the audit report said.

Another project employed three people who supposedly were to supervise the instruction of physical education to handicapped students. Two of the coordinators “were inexperienced and not certified” in that field, the audit report said.

The third coordinator was the wife of Clausen’s former top deputy.