Head Start funds allegedly misused

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DONALDSONVILLE — Federal investigators have contacted a member of U.S. Attorney Stanford Bardwell's staff concerning allegations of financial mismanagement and wrongdoing in a Head Start program formerly operated by the city of Donaldsonville. Assistant U.S. Attorney Stan Lamelle confirmed Wednesday that investigators from the regional headquarters of the U.S. Department of Health and Human Services in Dallas have met with him concerning the defunct Donaldsonville Head Start program.

However, Lamelle said he cannot confirm that the officials are investigating financial problems, including the alleged misapplication of Head Start money, that were revealed by an audit of Donaldsonville finances last year.

Efforts to contact Head Start officials in Dallas about a possible investigation of Donaldsonville's program were unsuccessful Wednesday.

In a related matter, Assistant District Attorney John L. Peytavin confirmed Wednesday that District Attorney Aubert D. Talbot has referred Donaldsonville's controversial audit report to him for possible legal action.

Peytavin said, however, that he has not decided on a course of action, and he declined to discuss in detail alleged violations of Louisiana law that were uncovered by the audit.

The city's Commission Council, shaken by the audit's revelations, asked Talbot in November to investigate council members and other city officials for alleged criminal wrongdoing and malfeasance in office.

Talbot said in mid-November that he was in the process of studying the audit report, and that he did not know what action, if any, he would take.

The report, which was released on Sept. 30, outlines the city's financial condition, including the city-sponsored Head Start program, at end of the fiscal year which ended June 30, 1993.

A management letter prepared by the city's auditors, Bourgeois, Bennett, Thokey & Hickey, is highly critical of the city's financial practices and reveals several instances where state public bid laws apparently were violated.

It also says the Head Start program was "poorly administered from a financial viewpoint," and states that the program's former director, Chuck Griffin, and some employees were involved in financial irregularities with Head Start funds.

The federally funded program, which was a preparatory program for pre-school children, was closed and the program transferred to the sponsorship of the Ascension Parish School Board after the audit report was released.

Certain travel expenditures were improperly documented, and some Head Start employees received excessive reimbursements, the management report says.

In one instance, an employee received advance money for two employees to attend an out-of-town seminar. The seminar was canceled, but reports were submitted detailing meals and transportation expenses during a three-day stay.

Another problem involves issuance of a $1,250 check for office furniture, but no furniture was ever received, the management letter says. The money was returned to the program prior to the end of the fiscal year, it says.

There also is no documentation concerning the selection of physicians to provide medical services to pre-schoolers.

"It appears that for the dental services more than one physician was interested and the services could have been provided for lesser amounts than those charged by the physician awarded the contract," the management letter states.

The report is critical of Griffin's selection as program director, saying he is the son-in-law of Donaldsonville Mayor Ralph Falsetta and their relationship creates a possible conflict of interest.

The report says the program had a total of $7,769 in questionable expenses, and it recommends that Griffin, a former police officer, be held legally accountable for more than $5,000 of it.

The Louisiana Commission on Ethics or Public Employees opened a fact-finding probe shortly before the audit report was released into payments by the city to a former part-time city police intelligence officer.

In a letter to former intelligence officer Bernel "Ram" Green, the commission states that information it received indicates Green may have performed no work for city tax dollars he received from Falsetta.

Falsetta has acknowledged that he used the salaries of Green and another part-time intelligence officer, Ralph Webb, to pay off bank loans he co-signed for the men.

Falsetta said Green and Webb authorized him to use their salaries, and the mayor has denied any wrongdoing.