

# Payroll Legal Issues

Captain Cory Lalonde  
LSU Police Department



# Why???

- Arrests:
  - 1/22/2014 Public Payroll Fraud (in excess of \$9000)
    - July 2012 to Dec 2013- 27 payroll sheets submitted
  - 2/11/2014 Public Payroll Fraud (over \$900)
    - Previous Months – 3 false payroll sheets (102 hours)
  - 2/17/2014 Filing False Public Records (had not yet received payment)
    - Intentionally signed in on 5 instances fraudulently
  - 2/17/2014 Filing False Public Records (had not yet received payment)
    - Signed in then left and returned 3.5 hours later and signed out
  - 3/6/2014 Public Payroll Fraud
    - Admittedly signed in and left up to 5 to 8 times

# LSU Police Department

- Fully Functional Police Department (LRS 17:1805)
- Bound by same duties, restrictions, obligations as other Law Enforcement Agencies
- Legally bound to enforce LAWS, not policies
- Have to use most appropriate statute
- Cannot “overlook” criminal acts, regardless of circumstances
- STRONGLY encourage reporting of ALL criminal acts
- Pursuing Charges, who is the victim?
  - Person or person’s property – can refuse (some exceptions)
  - LSU/State Property or victim- cannot refuse

# Laws to Consider

- LRS 14:134 Malfeasance in Office (Felony)
  - Re: Officers' Obligations
- Committed when any public officer or public employee shall:
  - Intentionally refuse or fail to perform any duty lawfully required of him
  - Intentionally perform any such duty in an unlawful manner
  - Knowingly permit any other public officer or public employee, under his authority to do so
- Penalties
  - imprisoned for not more than five years with or without hard labor
  - fined not more than five thousand dollars
  - or both

# Felony vs. Misdemeanor

- **Felony - LRS 14:2a(4)-definition**
  - any crime offender may be sentenced to death or imprisonment at hard labor
  - ALL Felony arrests are booked (EBR Parish Jail)
- **Misdemeanor –LRS 14:2a(6)**
  - any crime other than a felony
  - Misdemeanors are given a summons to appear
    - Some Misdemeanors booked – extenuating circumstances
    - i.e. DUI's, Domestic Violence, involving a weapon

# Laws to Consider

- LRS 14:138 Public Payroll Fraud (Felony)
- Public payroll fraud is committed when:
  - knowingly receive any payment or compensation or
  - knowingly permit his name to be carried on any employment list or payroll for any payment or compensation from the state
    - for services not actually rendered by himself or
    - for services grossly inadequate for the payment or compensation received
- Penalties
  - fined not more than one thousand dollars,
  - or imprisoned, with or without hard labor, for not more than two years,
  - or both.

# Laws to Consider

- LRS 14:133 Filing or maintaining false public records (**Felony**)
- **Filing false public records**
  - filing or depositing for record in any public office or with any public official, or
  - the maintaining as required by law, regulation, or rule, with knowledge of its falsity, of any of the following:
    - Any forged document
    - Any wrongfully altered document
    - Any document containing a false statement or false representation of a material fact
- **Penalties**
  - fined not more than **five thousand dollars**, or
  - imprisoned for not more than **five years with or without hard labor**
  - **or both**

# Laws to Consider

- LRS 14:23 Parties Classified
- The parties to crimes are classified as:
  - **Principals (LRS 14:24)**
  - All persons concerned in the commission of a crime, present or not,
    - whether they directly commit the act, or
    - aid and abet in its commission, or
    - directly or indirectly counsel or procure another to commit the crime
  - **Accessories after the fact (LRS 14:25)**
  - Any person who, **after the commission of a felony**, shall harbor, conceal, or aid the offender, **knowing or having reasonable ground to believe** that he has committed the felony, and with the intent that he may avoid or escape from arrest, trial, conviction, or punishment.
    - Regardless whether the principal felon has been arrested, tried, or convicted
    - Fined not more than **five hundred dollars**, or
    - Imprisoned, **with or without hard labor**, for not more than five years,
    - **or both;**



# Laws to Consider

- LRS 14:130.1 Obstruction of Justice (Felony)
- Act when committed with the knowledge that it has, may, or will affect an actual or potential present, past, or future criminal proceeding
  - Tampering with evidence to distort criminal investigation
  - Using threats or force to influence, withhold or cause alterations
  - Retaliation vs. any party involved

# What Happens After??

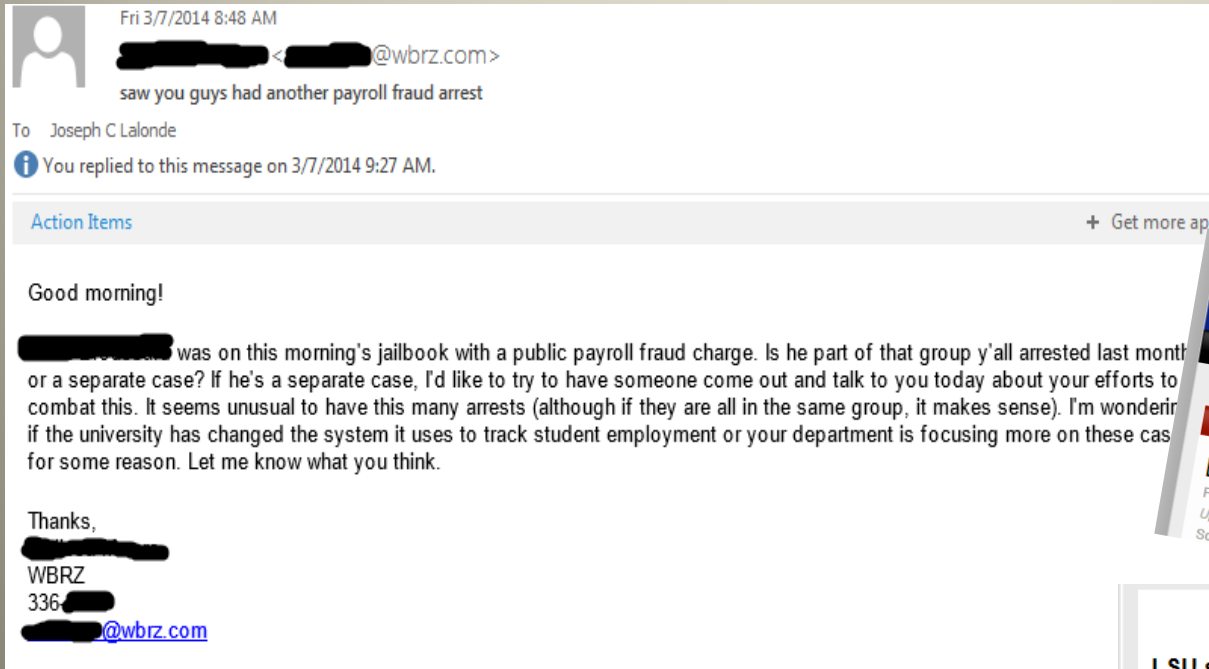
- If Criminal
  - Probable Cause(P.C.)?
    - Facts or circumstances that would lead a reasonable person to believe that a person has committed, is committing or is about to commit a crime
  - Arrest (P.C.)?
    - Misdemeanor, most often summons and release
    - Felony, booked into parish jail
    - Information to DA's office
    - Information to Dean of Students or HRM
  - No Arrest (No P.C.)?
    - Report written
    - Information to Dean of Students or HRM

# What Happens After??

- If dealing with misappropriation:
  - State Money/Property
  - Potentially Criminal?
  - Arrest or No Arrest
    - Findings and information given to DA
    - Auditors

# What Happens After??

- Media Inquiries
  - Arrests are Public Record



Bad News "Sells"

# What Happens After??

- Affects the Public Trust
- Reexamine protocols/processes
  - Better to be Proactive than Reactive
  - PREVENTION
- Consequences = Deterrence
- Regardless of our Position or Duties, we are all “Educators” when we interact with students

# Questions

LSU Police Department  
101 Public Safety Building  
South Stadium Road  
(225) 578-3231

<http://www.lsu.edu/police>  
<http://www.facebook.com/lsupolice>

Captain Cory Lalonde  
Public Information Officer  
(225) 578-2088  
[jlalon1@lsu.edu](mailto:jlalon1@lsu.edu)



if you  
**SEE**  
something  
**SAY**  
something

Did you SEE something wrong on campus or at a school event?  
Then SAY something to local authorities to make it right.

Report suspicious activity.  
Call LSU Police at  
**225-578-3231**

**LSU**

learn more at  
[www.lsu.edu/seeitsayit](http://www.lsu.edu/seeitsayit)



# MONTHLY BUSINESS MANAGERS' MEETING

“STUDENT EMPLOYMENT PROCESSES”

Tuesday, March 11, 2014

9:30 am – 11:00 am

LSU Student Union – Atchafalaya Room

*Presented by Accounting Services*



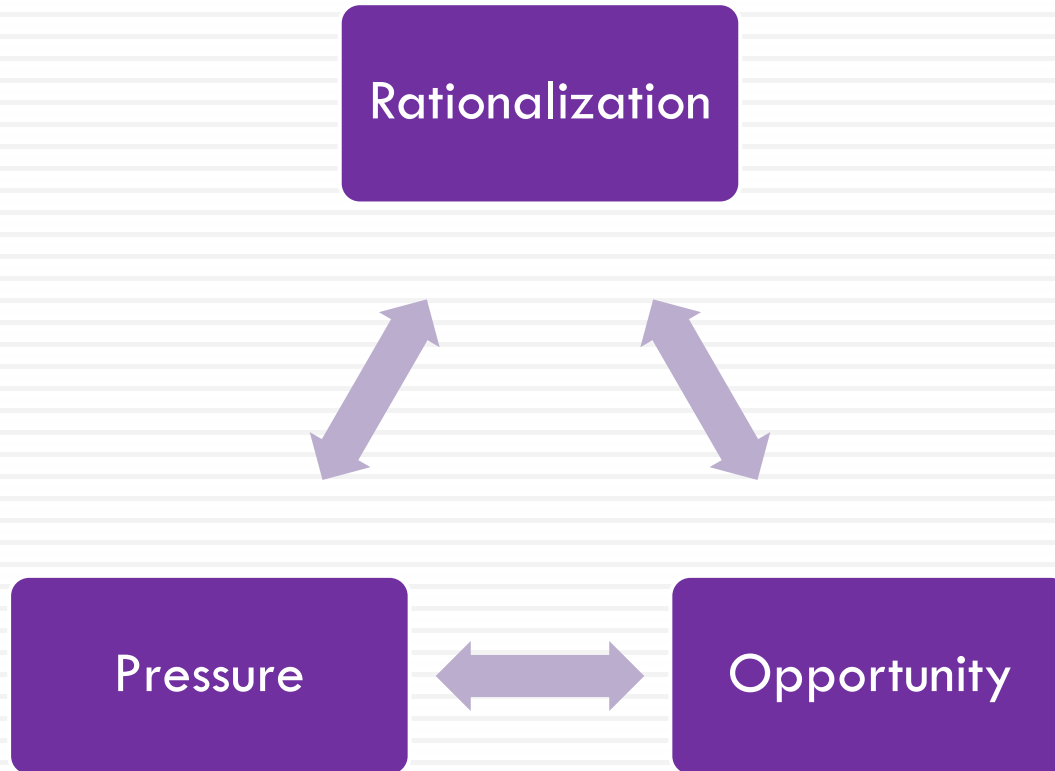
# Student Employment Processes

*Donna K. Torres, CPA*

*Accounting Services*



# The Fraud Triangle



- See June 2011 presentation on “Recognizing & Reporting Fraud”

# Controlling Fraud

## ➤ Internal Controls

- Never load time for a previous pay period for ETA
- Investigate unexplained variances
- Reconcile ledgers
- Call Payroll immediately for instructions regarding a current appointment form if a new employee does not show up for work

# A Controlled Environment

- Culture of the Entity
- Policies & Procedures
  - Development
  - Awareness
  - Enforcement
  - Consequences

# Accounting Services

- Our office has established a controlled environment for hiring, onboarding, maintaining the employee/employer relationship, and separating the employee.
- The employment process should be consistent and the same for all employees.

# The AS Employment Process

1. Have a need for human resources
2. Obtain a Student Application (AS552)
3. Maintain & Supply Job Descriptions
4. Send a Welcome E-mail advising student of “Next Steps” (what is needed prior to their 1<sup>st</sup> day of employment)

# Next Steps

A new student should be prepared to address the following items prior to or on their 1<sup>st</sup> day of employment:

1. Link to HRS to complete employment paperwork
2. Review “Student Employment Policy”, “Student Performance Standards” and “Confidentiality Agreement”
3. Security Access Request; Mainframe ID (if required)
4. Complete DA-2054 (per supervisor)
5. Mandatory Annual Trainings - Ethics & Sexual Harassment
6. Parking Permit

# Student Employment Policy

1. Eligibility for Employment
2. Rate of Pay
3. Timesheets - How a student gets paid; submitting their time
4. Pay Day - When payment occurs
5. Work Schedule & Hours - When a student can work; the min/max # of hours per week allowed
6. Tardiness & Absenteeism
7. Office Attire
8. Expectations

# Student Performance Standards

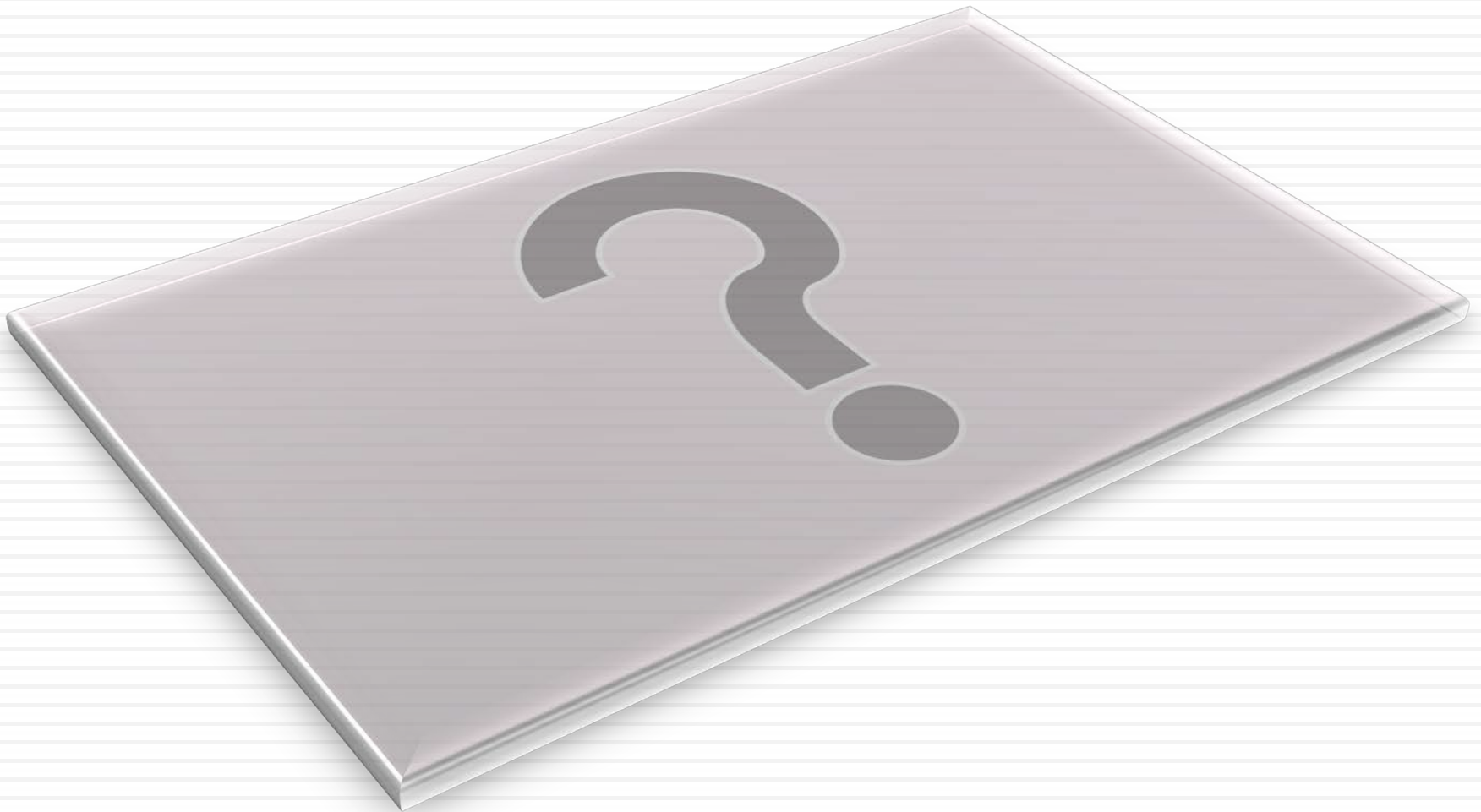
- Why set standards?
  - Sets expectations for a successful performance
  - Never assume a student understands expectations
  - For many students, this may be their first job
- We are preparing them for their future in the “real world” of full time employment
- We (YOU) have the opportunity to teach a student how to be a good employee



# Student Performance Appraisals

- Accounting Services evaluates a student's work performance annually
- Students are evaluated on:
  1. Attendance
  2. Work Habits
  3. Job Performance
- Merit Increase Plan (if any, is determined by unit)

# Q & A



# Announcements

- Fiscal Yearend Seminar is on May 13, 2014
- Call for CPAs