

Department of Justice

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SECOND STATE AUDITOR CHARGED WITH THEFT FROM A FEDERALLY-FUNDED ENTITY

BATON ROUGE, LA - United States Attorney Walt Green announced today that another state auditor has been charged in the ongoing federal and state investigation into corruption at the Bureau of Auditing and Compliance Services for the Louisiana Department of Children and Family Services (DCFS).

KANEASHA L. GOSTON, age 38, of Baton Rouge, Louisiana, is charged in a Bill of Information with theft from a federally-funded entity, in violation of Title 18, United States Code, Section 666(a)(1)(A), and forfeiture. If convicted, the defendant faces up to 10 years imprisonment, a fine up to \$250,000, forfeiture of the proceeds of the offense, and up to 3 years of supervised release following imprisonment.

During the relevant period, the defendant was an auditor with the Bureau of Auditing and Compliance Services for the Louisiana Department of Children and Family Services (DCFS), a state agency which receives over a billion dollars (\$1,000,000,000) in federal funding annually. The defendant and the other auditors were responsible for safeguarding assets against theft and unauthorized use; ensuring that transactions were properly authorized and recorded properly; and ensuring compliance with management policies, as well as federal and state laws and regulations.

The Bill of Information alleges that, while employed as a DCFS auditor, the defendant engaged in a scheme with the Director of the Auditing Bureau, Delrice Augustus, to create and use fraudulent documents to request and receive reimbursement from the State of Louisiana for official travel that did not occur. According to the Bill of Information, the defendant would sign the fraudulent reimbursement requests as the requesting employee, and Augustus would sign as the approving supervisor. The State would then pay the requested amount. Augustus pled guilty yesterday in connection with this scheme and others.

This matter is being handled by the United States Attorney's Office, the Louisiana State Police, the Louisiana Inspector General's Office, and the Federal Bureau of Investigation. The matter is being prosecuted by Assistant United States Attorney Corey R. Amundson, who serves as the Chief of the Criminal Division, and Special Assistant United States Attorney J. Brad Casey.

DCFS leadership has fully cooperated with the investigation and has provided valuable assistance throughout. Such assistance and cooperation is highly commendable and reflects a collective determination by law enforcement and DCFS leadership to root out the corruption identified in this matter.