OFFICE OF

STATE INSPECTOR GENERAL

Stephen B. Street, Jr., Inspector General



Louisiana State Board of Private Security Examiners (LSBPSE) Supplemental Report

December 18, 2023

OIG CASE NUMBERS: 23-0007; 22-0002

TABLE OF CONTENTS

Letter to Governor

Executive Summary	1
Background	3
Investigative Findings	6

Appendix A – LSBPSE Response

JOHN BEL EDWARDS GOVERNOR



STEPHEN B. STREET, JR. STATE INSPECTOR GENERAL

State of Louisiana

Office of the Governor Office of State Inspector General

December 18, 2023

Honorable John Bel Edwards Governor of the State of Louisiana PO. Box 94994 Baton Rouge, LA 70804-9004

Re: OIG Case Numbers: 23-0007-I; 22-0002-I

Dear Governor Edwards:

On May 8, 2023 we issued a report of our investigation into certain actions of the Louisiana State Board of Private Security Examiners (LSBPSE) and certain employees of the board after the board's chief administrative officer, Fabian Blache III, was placed on Administrative Leave in July of 2021. As stated in that report, additional matters remained under investigation.

The supplemental report attached hereto details our further investigation into those remaining matters.

We provided a draft copy of this report to the LSBPSE, and its written response is included in the final report as Appendix A. Copies of the final report have also been provided to the East Baton Rouge Parish District Attorney's Office and the Louisiana Attorney General for further review and action as they deem appropriate.

Respectfully Submitted, CIG tephen B. Street, Jr

Louisiana State Inspector General

SBS/ss Attachment JOHN BEL EDWARDS GOVERNOR



STEPHEN B. STREET, JR. STATE INSPECTOR GENERAL

State of Louisiana

Office of the Governor Office of State Inspector General

EXECUTIVE SUMMARY

The Office of State Inspector General (OIG) issued a report on May 8, 2023 regarding the Louisiana State Board of Private Security Examiners (LSBPSE). (<u>LSBPSE Report 5-8-2023</u>). As stated in that report, additional matters remained under investigation. OIG's continuing investigation revealed the following:

- I. The LSBPSE and its executive secretary, Fabian Blache III, illegally revoked the license of North Atlantic Security Company.
- II. While serving as executive secretary of the LSBPSE, Fabian Blache III, acting without the authorization or approval of the board:
 - Illegally suspended the license of long-time classroom and firearms instructor Preston Jones.
 - Illegally imposed and collected six-figure fines from GardaWorld and Securitas Security Services, both of which are companies that engage in the private security business worldwide.
 - Illegally attempted to fine Hank's Seafood and Supermarket, a private business that was not engaged in the private security business.
 - Signed an unauthorized contract with Protatech, Inc., a California corporation, "to develop, manage and operate online training and examination programs" which purported to make Protatech "the

exclusive Board certified training facility" for an initial seven-year period.

• Signed an unauthorized contract with Victoria Gott to "investigate companies, instructors and security officers" and issued a check in the amount of \$2500.00 in board funds to her although she had done no work and possessed no qualifications to do such investigative work.

BACKGROUND

The Louisiana State Board of Private Security Examiners (LSBPSE) was created as an agency of state government in the Department of Public Safety and Corrections by Act 505 of the 1984 Regular Session of the Legislature which enacted La. R.S. 37:3270-3299, the Private Security Regulatory and Licensing Law.¹

Applicable regulations are found in the Louisiana Administrative Code at LAC 46:LIX.101-907.

The board consists of nine members appointed by the governor for a term concurrent with the term of the governor. The board's duties and responsibilities include examining all applicants to be licensed, issuing licenses and registration cards and investigating alleged violations of the law and regulations.

The board receives no appropriation from the state general fund. The board and its activities are funded by the fees and fines paid by its licensed security companies and instructors and registered security officers.

An executive secretary appointed by the board is the chief administrative officer of the board and is to "perform such duties as may be prescribed by the board." Fabian Blache III served as executive secretary from March 2016 until September 21, 2021 when he was terminated by the board.

¹ For further details regarding the duties and responsibilities of the LSBPSE see OIG's May 8, 2023 report.

Constitutional and Statutory Provisions

The Fourteenth Amendment to the Constitution of the United States provides, in part, "nor shall any State deprive any person of life, liberty, or property, without due process of law."

The Constitution of the State of Louisiana, Article I, Section 2, Due Process of Law, states "No person shall be deprived of life, liberty, or property, except by due process of law."

When a state licensing board such as the LSBPSE grants a license that is necessary in the pursuit of one's livelihood, a protected property interest is created of which the licensee cannot be deprived without due process.

La. R.S. 37:3288(A)(1) provides examples of "egregious acts" for which a licensee or registrant may be subject to sanctions including fines and revocation of license. It provides, in part, as follows:

Any person who is determined by the **board** (emphasis added), after reasonable notice and opportunity for a fair and impartial hearing held in accordance with the Administrative Procedure Act, to have committed an egregious act that is a violation of this Chapter or regulation or rule issued thereunder is subject to an administrative penalty of not more than five thousand dollars per violation per day and shall subject such person to revocation of license.

La. 37:3289 provides examples of causes for the nonissuance, suspension or revocation of licenses and provides, in part, as follows:

The **board** (emphasis added) may refuse to issue or may suspend, revoke, or impose probationary or other restrictions on any license issued under this Chapter for good cause shown.

La. R.S. 37:3293 provides that "the **board** (emphasis added) is empowered to issue an order to any person or firm engaged in any activity, conduct, or practice constituting a violation of any provision of this Chapter, directing such person or firm to forthwith cease and desist from such activity, conduct or practice."

The LSBPSE is required to "govern in accordance with the Louisiana Administrative Procedure Act." La. R.S. 37:3274(10).

The Administrative Procedure Act, applicable to the board proceedings described in this report, is found at La. R.S. 49:950-980. In particular, Part III, La. R.S 49:975-980, governs adjudication proceedings.²

La. R.S. 49:975, Adjudication, provides, in part, as follows:

In an adjudication, all parties who do not waive their rights shall be afforded an opportunity for hearing after reasonable notice.

La. R.S. 49:977.2, Ex parte consultations and recusations, provides, in part, as follows:

Unless required for the disposition of ex parte matters authorized by law, members or employees of an agency assigned to render a decision or to make findings of fact and conclusions of law in a case of adjudication noticed and docketed for hearing shall not communicate, directly or indirectly, in connection with any issue of fact or law, with any party or his representative, or with any officer, employee, or agent engaged in the performance of investigative, prosecuting, or advocating functions, except upon notice and opportunity for all parties to participate.

La. R.S. 49:977.3, Licenses, provides, in part, as follows:

No revocation, suspension, annulment, or withdrawal of any license is lawful unless, prior to the institution of agency proceedings, the agency gives notice by mail to the licensee of facts or conduct which warrant the intended action, and the licensee is given an opportunity to show compliance with all lawful requirements for the retention of the license.

 $^{^{2}}$ La. R.S. 49:975, 49:977.2 and 49:977.3 are re-designated from La. R.S. 49:955, 49:960 and 49:961 respectively by Act 663 of the 2022 Regular Session.

INVESTIGATIVE FINDINGS

North Atlantic Security Company

In October 2017 the Office of State Procurement (OSP) awarded North Atlantic Security Company (North Atlantic), a Columbus, Mississippi-based company, a statewide contract for armed and unarmed security guard services for a period of twelve months. This contract was for use by all state agencies and political subdivisions located in the State of Louisiana that were authorized by statute to utilize state contracts established by OSP. Pursuant to this contract, North Atlantic provided security officers at approximately 30 locations throughout the state, one of which was the Department of Children and Family Services (DCFS) office on North Boulevard in Baton Rouge.

On August 14, 2018 Executive Secretary Blache, acting on information provided to him by a board member, conducted an inspection of the on-duty security officer at that DCFS office. The DCFS office is an "armed post" requiring a security officer to have current certification from the board to possess an authorized weapon. The firearms certification of the security officer on duty, Joshua Lands, had lapsed three days earlier and he was due for the annual firearms retraining course required by La. R.S. 37:3284(D) and LAC 46:LIX.405. Blache issued a Cease and Desist Order and Notice of Revocation of Company License to Lands' employer, North Atlantic, later that day.

The Notice of Revocation, signed by Blache, stated that "the Louisiana State Board of Private Security Examiners has revoked your company license to engage in the private security business in Louisiana" due to "a North Atlantic security officer posted at a state building" being found to be "armed with a .38 caliber firearm for which he was not certified." As authority, Blache cited LAC 46:LIX.601 which reads as follows:

Before revoking or suspending a license or registration card, or imposing fines or costs over \$500, the board will afford the applicant an opportunity for a hearing after reasonable notice of not less than 15 days, except in a case of a failure to maintain the required insurance or when a registrant is found carrying an unauthorized weapon while performing the duties of a security officer. In fact, there had been no board action authorizing issuance of the Notice of Revocation and Cease and Desist Order.

In a series of emails on August 15, 2018 to Tom Ketterer, Deputy Director of the Office of State Procurement, Blache advised that he had "taken a revocation action against a company that has numerous state contracts" and asked Ketterer to "call me at your earliest convenience." Blache forwarded copies of the Notice of Revocation of Company License and Cease and Desist Order.

North Atlantic requested a hearing before the board "at the board's earliest convenience" in an email from Joseph Brackin, Vice President of Operations, who also asked that Blache "allow us to correct any non-compliance we may have."

Joshua Lands was also employed by Rivers Security, whose owner, Ritchie Rivers, is a member of the private security board and was Blache's "informant." Lands had obtained his previous firearms training on August 11, 2017 while employed by Rivers Security. North Atlantic arranged for Lands to obtain the required firearms retraining on August 15, 2018, the day following Blache's inspection.

Brackin, North Atlantic's Vice President, also communicated with OSP stating that he was "sure we will be reinstated." In response, OSP advised Brackin that "given the uncertainty of North Atlantic's ability to provide services . . . we cannot delay our efforts to secure the 30 locations around the state that need services."

On August 23, 2018 OSP issued an "Invitation to Bid" requiring those interested to submit a bid that same day. Rivers Security was one of the bidders and the contract was awarded to Gulf South Security. By letter to North Atlantic executives from OSP Director Paula Tregre, OSP canceled the statewide contract "in light of the revocation of North Atlantic Security's license."

Blache notified North Atlantic executives that the requested hearing would be held on September 6, 2018 at the board office in Baton Rouge. In the letter Blache wrote that North Atlantic would "need to show cause why the Board should not continue the revocation of your company license," incorrectly stating that North Atlantic would bear the burden of proof at the hearing.

On September 6, 2018 a hearing, at which North Atlantic was represented by counsel, was held before the LSBPSE. Jennifer Murray, an attorney for the Department of Public Safety, presided as hearing officer and ruled, as needed, on

evidentiary issues that arose. The board's attorney, Ron Crouch, served in the role of "prosecutor" representing the executive secretary and presented the evidence in support of revocation.

The role of board member Rivers as "informant" - and thus potential fact witness was not disclosed to board members or North Atlantic's counsel until Blache testified that he had acted on information provided to him by Rivers. At that point, counsel requested that Rivers be recused from participating in the decision to be made by the board. Rivers was instructed by the hearing officer that he would be "prevented from voting on the decision regarding this license" and he acknowledged his understanding. He was then made subject to the rule of sequestration as other witnesses had been and was excluded from the hearing room. [LSBPSE Quarterly Board Meeting, September 6, 2018, transcript, p. 119-127]

Executive Secretary Blache testified and repeatedly cited "Chapter 601" as his authority for revoking the license of North Atlantic without any other notice or an opportunity for a hearing. He testified that the security officer, Lands, was in possession of "an unauthorized weapon" due to the fact that his firearms certification had lapsed. He acknowledged that the .38 caliber revolver that Lands possessed was one of the weapons authorized by board regulations and was the weapon with which he had been previously trained. [LAC 46:LIX.405; LAC 46:LIX.601 quoted above]

The board's schedule of administrative penalties for "minor violations" adopted pursuant to La. R.S. 37:3288B and found at LAC 46:LIX.903 provides for a fine of "not less than \$50 nor more than \$100" for a licensee allowing a registered security officer to carry an unauthorized weapon while on duty.

The board's regulations appear to conflict with each other and with the applicable statutes. Any regulation which purports to give the executive secretary powers not provided in statute or contrary to constitutional due process requirements cannot be enforceable.

At the conclusion of testimony from witnesses, including Rivers, and closing arguments of counsel, the matter was taken under advisement. Chairwoman Marian Pierre stated:

We're going to continue this matter. We will get back with you with the date and time that we will review this and let you know the date and time that you need to respond to us. [LSBPSE Quarterly Board Meeting, September 6, 2018, transcript, p. 219]

Despite the statement by the chair the board then went into executive session (closed to the public) and deliberated on its decision. A transcript of the executive session, at which the hearing officer was present, was prepared. Board member Rivers, who had been recused and had testified as a witness in the hearing, was permitted by the hearing officer to fully participate in the discussion of the case in executive session and did so. Rivers' remarks are shown in the transcript at pages 240, 241, 242, 245, 251, 252, 254, 257, 258, 259, 260, 261, 262, 263, 269, 270, 271, 284, 286 and 293.

The board also invited Executive Secretary Blache into the executive session to describe at length "other problems" and "historical violations" of North Atlantic, matters about which no evidence was heard by the board during the hearing because an objection was sustained by the hearing officer. Nevertheless, the hearing officer permitted the excluded evidence to be discussed in executive session. [LSBPSE Quarterly Board Meeting, September 6, 2018, transcript, p. 271-286]

Open Meetings Law (La. R.S. 42:11-28), applicable to public bodies such as the LSBPSE, sets forth the reasons for which an executive session may be held which include "investigative proceedings regarding allegations of misconduct." [La. R.S. 42:17] However, "no final or binding action" is permitted during executive session. [La. R.S. 42:16]

The board did not return to open session to vote or render a decision in the North Atlantic Security matter after the executive session or at any later date.

Although the board had not taken a public vote on the matter, the minutes of the board's next meeting on December 13, 2018 show that the board attorney advised that the decision was "being drafted at this time."

In a January 2, 2019 email to Blache, the board attorney forwarded a draft of a Decision and Order "In the Matter of North Atlantic Security Company" affirming "the decision by the Director to revoke Petitioner's licensure in Louisiana."

A January 22, 2019 email from the board attorney to Chairwoman Marian Pierre attached "the decision rendered in the North Atlantic case last September" and asked her to sign it.

There is no record of a public vote on the revocation of the license of North Atlantic being taken. The Decision and Order was not issued.

OIG requested the board's Compliance and Investigations Section Chief, Stephanie Richardson, to identify the board meeting(s) at which the board voted on and announced its decision in the matter involving North Atlantic Security Company that was the subject of the board hearing held on September 6, 2018 and to provide copies of agenda(s) and minutes of the board meeting(s). OIG was informed that no such records exist.

Preston Jones

On Friday, April 23, 2021 Preston Jones, a long-time licensed classroom and firearms instructor, received the following text message from Executive Secretary Blache:

Text Message Fri, Apr 23, 11:59 AM

I need you in my office Monday morning. <u>10AM</u>. You are suspended and unable to teach. Your rights in the system have been restricted.

We will talks Monday.

When Jones met with Blache at the board office in Baton Rouge on Monday, April 26, 2021 he was given a Cease and Desist Order which ordered him to "cease & desist from engaging in the contract security training and all other security related business within the State of Louisiana until a hearing can be held before the board July 8, 2021. Your license is suspended and your portal privileges have been rescinded."

At no time was Jones given notice of any facts purporting to justify the action taken by Blache. He remained unable to conduct his training classes until after the July 8, 2021 hearing.

Jones appeared before the board without counsel for the July 8, 2021 hearing.³ No formal hearing was held and no evidence of rule violation or other misconduct was presented to the board. Jones explained the circumstances under which he was

³ Blache was not present at the July 8, 2021 board meeting, as he was placed on administrative leave by the board two days earlier. He was terminated by the board on September 21, 2021.

notified of his license suspension and, under oath, took questions from board members. All board members present voted to "reinstate" Jones' license.

OIG requested the board's Compliance and Investigations Section Chief to identify all board meetings at which the revocation or suspension of the instructor license of Preston Jones in April 2021 was discussed (other than the July 8, 2021 meeting at which his license was reinstated by the board) and to provide copies of agenda(s) and minutes of the board meeting(s). OIG was informed that no such documents exist.

Disregarding Preston Jones' protected property interest and his constitutional right to due process, Blache acted unilaterally, exceeding his authority as executive secretary, and without board authorization or approval, deprived Jones of his livelihood for eleven weeks.

GardaWorld

<u>GardaWorld</u> is "one of the world's largest privately owned security and risk" companies providing services "for private companies, governments, humanitarian organizations and multinationals globally" according to its public website. It has 425 branch offices, including several in Louisiana, across 45 countries with 132,000 security professionals.

In 2019 and 2020 GardaWorld paid a total fine of \$100,000 to the board. An Agreement was entered into by Executive Secretary Blache, purporting to act on behalf of the board, and by Curtis Fox on behalf of GardaWorld. An initial payment of \$25,000 in October 2019 was followed by eight monthly payments of \$9,375, the last of which was paid in June 2020. No allegations of violations by GardaWorld were ever presented to the board for discussion, and no proposed fine or agreement was ever discussed, authorized or approved by the board. Blache acted unilaterally, exceeding his authority as executive secretary, in imposing and collecting the fine.

On May 23, 2019 Executive Secretary Blache sent an email with the subject shown as "Garda Cease and Desist" to Curtis Fox, Senior Director of Corporate Security at GardaWorld. Attached was a Cease and Desist Order "that will go into effect in 72 hours" directing GardaWorld to "cease and desist from engaging in the contract security business within the State of Louisiana" and informing the company that it had "72 hours to surrender your license(s) to the board and cease all operations in the state." The email stated only that "today we are faced with at least a dozen instances related to Garda guard registrations being expired and quite possibly some with expired firearms certifications as well" and provided no further details. The Cease and Desist Order provided no legal or detailed factual basis for the action by Blache. The LSBPSE did not authorize this action and there are no board records that indicate the board was consulted on the matter.

The following day, after Blache was contacted by the Director of Human Resources & Compliance for Garda Cash Services USA, he advised Curtis Fox that "Garda is able to operate without interruption" as he was "satisfied with the present level of engagement and feel that we are very close to achieving the compliance objections (sic) set forth by this agency."

In a July 2, 2019 email captioned "Adjudication of Egregious Fines" sent to several GardaWorld employees, the board's Compliance and Investigations Section Chief wrote that fines had been initially assessed at more than \$260,000 but "we have reviewed all documentation submitted and have adjudicated the total fine down to \$100,000."

In a September 11, 2019 email, the board's attorney advised counsel for GardaWorld that if "the entire amount of \$100,000" was not received by September 17, "this office will proceed in accordance with state law, to include the full amount of \$260,027.72 as well as revocation of licensure."

Additional emails followed, and after further negotiations between the attorneys, an Agreement dated October 4, 2019 was signed.

Nothing in the records of the LSBPSE indicates that the matter of this fine and agreement was ever considered, approved or authorized by the board. The fine and agreement do not appear on any board meeting agenda or in the minutes of any of the board's meetings.

OIG requested the board's Compliance and Investigations Section Chief to identify all board meetings at which an Agreement with GardaWorld (or one of its business units) and \$100,000 fine imposed upon the company was discussed/approved and to provide copies of agenda(s) and minutes of the board meeting(s). OIG was informed that no such documents exist.

Securitas Security Services

<u>Securitas Security Services</u> (Securitas) operates across 45 markets with more than 350,000 employees according to its public website.

In February 2020 Securitas paid a fine of \$130,000 to the board. A Settlement Agreement was entered into by Executive Secretary Blache, purporting to act on behalf of the board, and by David McAllister, Regional President, on behalf of Securitas. In fact, neither allegations of misconduct nor the proposed fine were ever presented to the board for discussion, authorization or approval. Blache acted unilaterally, exceeding his authority as executive secretary, in imposing and collecting the fine.

On April 4, 2019 an employee in a Louisiana branch office of Securitas Security Services sent an email to Executive Secretary Blache in which she wrote that she had "been put in a very uncomfortable situation regarding becoming an LSBPSE licensed trainer." She had "been told by my employer to directly lie" on an application that was to be submitted to the LSBPSE regarding her years of experience with the private security company. She provided recordings of phone conversations with a supervisor.

A subpoena duces tecum in the name of the board was directed to Securitas requiring production of emails sent or received by several named persons employed in various capacities by Securitas during the period of time relevant to the employee's application.

On October 2, 2019 Executive Secretary Blache issued a Notice of Violation to Securitas Security Services USA stating that "LSBPSE intends to revoke your licenses" effective 15 days from receipt of the notice, setting forth reasons for that action, and informing Securitas of its right to an administrative hearing at the board's next regularly scheduled meeting on December 12, 2019. The Notice of Violation also advised of the right to request that the revocation be stayed until the hearing.

Reasons given for the proposed revocation were: (1) a Regional Vice President and a Branch Manager had both "aided and abetted" an employee "by instructing her to file a fraudulent document" with the board in April 2019 and (2) three years earlier, the same two supervisors had agreed that an application for one of them to be a qualifying agent and known to contain false information would be submitted to the board.

Counsel for Securitas requested a hearing before the LSBPSE and also requested that the proposed license revocation be stayed until the hearing.

Securitas counsel and several executives met with Blache at the board office on December 6, 2019 to discuss the Notice of Violation. At all times Blache represented to Securitas counsel and executives that he was acting on behalf of the board. According to Securitas' general counsel Blache informed those present that fines "could reach millions of dollars" if a compromise or settlement was not reached.

In February 2020 a Settlement Agreement was entered into "between the Louisiana State Board of Private Security Examiners and Securitas Security Services USA, Inc." in which the company waived its right to an administrative hearing and judicial review and agreed to a "total settlement amount of Three Hundred Thousand Dollars (\$300,000) which is hereby adjudicated to the amount of One Hundred and Thirty Dollars (sic) (\$130,000), which adjudicated amount is payable within ten (10) days." The company also agreed to a 24-month period of probation during which "the remainder of total settlement amount (\$170,000)" would be due if any of the company's employees was found "to have committed the same violations as those that are at issue herein."

Nothing in the records of the LSBPSE indicates that the matter of this fine and agreement was ever considered, approved or authorized by the board. The fine and agreement do not appear on any board meeting agenda or in the minutes of any of the board's meetings.

OIG requested the board's Compliance and Investigations Section Chief to identify all board meetings at which an Agreement with Securitas Security Services and \$130,000 fine imposed upon the company was discussed/approved and to provide copies of agenda(s) and minutes of the board meetings(s). OIG was informed that no such documents exist.

The Board was aware, through regular financial reports from its accounting firm, that fines paid to the board made up a significant portion of the board's revenue. An attentive board member would know that fines were being imposed upon and paid by certain licensees without board action or approval.

Most board members showed little or no interest in who was paying the fines or under what authority they were being assessed. At the board's June 30, 2020 meeting it was reported that during the year "the agency received over \$500,000 in fine revenue." When one board member asked for more details about the fines, she was told by the board's attorney that she was not entitled to the information unless a majority of the board voted in favor of providing it to her. Her motion seeking that information, which should be available not only to each board member but to the public, failed to get a majority in favor.

Hank's Seafood and Supermarket

On Saturday, June 19, 2021 Executive Secretary Blache, accompanied by two NOPD officers, a TV news station camera crew and a state representative (Rep. Candace Newell), delivered a notice to the owner of Hank's Seafood and Supermarket, a retail grocery store at 2634 St. Claude Avenue in New Orleans, stating that he was being fined \$20,000. The notice, signed by Blache and appearing to be issued in the name of the LSBPSE, stated that it had "come to our attention that you currently employ the services of Michael Foster to provide armed security while unlicensed by the State Board of Private Security Examiners."

The notice, citing La. R.S. 37:3291(B)(12), ordered Hank's to "cease and desist any further use of this provider of security services" and stated that "the Board has assessed an egregious fine violation of \$5,000 per day covering June 15 through June 19, 2021."

In an email to a board employee two days later, Blache wrote that his action "is now national news."

La. R.S. 37:3291(B)(12) provides that it is unlawful for any person to "engage the services of any private security business which does not possess a valid license issued by this board... when such person has received via certified mail or personal service official written notice from the board that the private security business does not possess a valid license to operate."

Michael Foster did not operate a "private security business" so he was not required to possess a license. Nor was he hired by Hank's to provide security but had been hired several months earlier to perform other duties. Investigation showed that for a few days only he stood outside the business with a firearm while several armed demonstrators, their faces covered and carrying pistols and AR-15 rifles, occupied the sidewalk in front of the store. Acting to protect his employer's property on a temporary basis did not make Foster a "private security business." If, in fact, Hank's had engaged the services of a "private security business which does not possess a valid license" the statute cited by Blache requires the board to provide "official written notice" of the unlicensed status of the security business by "certified mail or personal service." No attempt to do so was done prior to June 19, 2021.

By letter to Blache dated June 23, 2021 legal counsel for the store owner questioned the authority for the fine. Counsel received no response from Blache or anyone else affiliated with the board and no effort was made to collect the fine.

Neither the LSBPSE nor its executive secretary has the authority to fine or otherwise sanction a private business such as Hank's Supermarket other than to seek to enjoin alleged unlawful conduct.

OIG requested the board's Compliance and Investigations Section Chief to identify all board meetings at which imposition of a fine of \$20,000 upon Hank's Seafood and Supermarket in June 2021 was discussed and to provide copies of agenda(s) and minutes of the board meeting(s). OIG was informed that no such documents exist.

Blache acted unilaterally and illegally in attempting to impose a fine upon this neighborhood store.

Protatech Contract

In October 2017 Executive Secretary Blache, acting without board authorization or approval, signed a contract with Protatech, Inc., a California corporation, which stated that the "Board hereby engages Company (Protatech) to develop, manage and operate online training and examination programs for Louisiana-based Company Owners, Security Guards, Firearm Instructors, Qualified Agents and Classroom Instructors."

The contract stated that for the initial term of the contract – seven years - the "Board agrees that the Company (Protatech) will be the exclusive Board certified training facility" for the training and examinations identified in the agreement.

The contract also provided that "the Board agrees to advertise or otherwise identify the Company (Protatech) as the exclusive provider of those Services and further agrees that in issuing Security Guard, Firearm Instructor, Qualifying Agent or Classroom Instructor licenses (new or renewals), for which the Company's trainings or examinations are deemed 'exclusive', the Board will not accept or rely on any certificates of completion of training or examinations offered by providers other than the Company (Protatech)."

Online training went live in April 2020 and board records show that Protatech was paid \$123,430.00 in connection with the contract.

On September 29, 2021 the board voted to end the contract. Minutes of the board meeting for that date show that the board approved a motion to deem unenforceable "the purported contract between this board and Protatech . . . for online training" because "the contract was never approved by the board and then-Executive Secretary Fabian Blache III had no authority to enter into such a contract without the board's approval."

Victoria Gott Contract and Payment

In March 2020 a contract was executed by Fabian Blache III as "Executive Director & Chief Administrator" of the Louisiana State Board of Private Security Examiners (LSBPSE) and Victoria Gott ("Contractor"). The contract provided that the Contractor "agrees to furnish the following services: Investigate companies, Instructors and Security Officers for violating provisions of the Private Security Regulatory and Licensing Law (R.S. 37:3270-3299) and the Rules and Regulations (LAC Title 46, Part LIX)." The document states that the contract "will be signed on March 18, 2020 and will terminate on March 19, 2020."

The contract provided that the Contractor would be paid "a fee of \$50 per hour" and that "payment will be made only upon approval of the Executive Director and Chief Administrator of the board based on an invoice submitted by the Contractor itemizing all work performed listing the time and dates, hours (down to the quarter hour) and nature of work performed." The contract provided that "payment will only be made on investigative and inspection work assigned by the board."

Despite the above provisions pertaining to invoicing and payment, a check drawn on the board's Whitney Bank account in the amount of \$2,500.00 signed by Fabian Blache III and dated March 19, 2020 was issued to Victoria Paige Gott. She had provided no "services" for which payment was due nor had she been assigned any work to do.

Gott was not, and never has been, a registered security officer or licensed private investigator. She submitted no invoices for payment for investigative or inspection work pursuant to the contract.

Nothing in the records of the LSBPSE indicates that the matter of this contract was ever considered or approved by the board. The Gott contract does not appear on any board meeting agenda or in the minutes of any of the board's meetings.

APPENDIX A

Joe Lotwick	
From:	Carl Saizan <carl@lsbpse.com></carl@lsbpse.com>
Sent:	Wednesday, December 13, 2023 3:24 PM
To:	Joe Lotwick
Cc:	Blake Arcuri; Board Chair; mletosr@ipsc.biz; riverssecllc@att.net; Dynette Burke; erobinson@Irsecurity.com; Jason Wilbur; guardiancpp@gmail.com; Forrest Hise
Subject:	LSBPSE Response to the OIG Confidential Draft Report Case #23-007
Attachments:	DRAFT REPORT 11 29 23.pdf

EXTERNAL EMAIL: Please do not click on links or attachments unless you know the content is safe.

Dear Mr. Lotwick,

I hope this email finds you well. I am writing on behalf of the current LSBPSE Board members and myself to express our acknowledgment and concurrence with the OIG investigative draft report related to case number 23-007, specifically involving the former Executive Secretary, Fabian Blache III.

Having thoroughly reviewed the report, the Board and I, having limited personal knowledge regarding the investigation, find no basis to dispute the facts presented. We rely on the accuracy of the information in the investigative draft report and appreciate the diligence and professionalism demonstrated by your agency throughout the investigation.

If any additional steps or information are required from our end to expedite the resolution of this matter, please do not hesitate to inform us. We remain committed to ensuring transparency and accountability within our regulatory agency.

Respectfully,

Major Carl F. Saizan Jr. (LSP, Ret.) Executive Secretary Louisiana State Board of Private Security Examiners 15703 Old Hammond Hwy. Baton Rouge, LA 70816 Office: (225) 272-2310, ext. 220 Cell: (225) 921.3332 Email: carl@lsbpse.com