STATE OF LOUISIANA

OFFICE OF
STATE INSPECTOR GENERAL

State Licensing Board for Contractors

Improper Actions

Stephen B. Street, Jr.
State Inspector General

Approved by:
Governor Bobby Jindal

February 19, 2008

File No. 1-08-0005
# Table of Contents

**Letter to the Governor**  
Executive Summary ................................................................. 1  
Background ................................................................................. 3  
Scope and Methodology .............................................................. 5  

**Finding, Conclusion, and Recommendation**  
Improper Actions ........................................................................ 7  
- Delayed Board Consideration  
- Failure to Recuse From Discussion  
- Abuse of Office  

**Appendix A** – Responses  
Mr. Byron E. Talbot  
Mr. Donald G. Lambert, Sr.  
Mr. Henry “Bruce” Dalrymple  

**Appendix B** – Inspector General’s Comment
February 19, 2008

Honorable Bobby Jindal
Governor of the State of Louisiana
P.O. Box 94004
Baton Rouge, LA 70804-9004

Re: Case No. 1-08-0005

Dear Governor Jindal:

This report addresses concerns raised about the State Licensing Board for Contractors and specifically the actions taken by Board member Donald G. Lambert. The report includes one recommendation that could resolve potential issues involving Mr. Lambert’s actions.

We provided drafts of the report to Board Chairman Byron Talbot, Mr. Lambert and Mr. Henry Dalrymple. Written responses are included as Appendix A.

Respectfully submitted,

Stephen B. Street, Jr.
State Inspector General

SBS/GD/kn

Enclosure
Executive Summary

The Office of State Inspector General received information alleging improper actions taken by State Licensing Board for Contractors (Board) member Donald G. Lambert concerning a request for examination waivers submitted by an out-of-state contractor.

Our objective was to investigate the allegations to determine if they were supported by credible evidence.

After reviewing available documentation and conducting interviews, evidence indicates Donald Lambert, Sr. used his position as a Board Member to improperly delay the Board’s handling of a qualifying party and examination waiver request because the applicant, Bruce Dalrymple, owed money to his son, Donald Lambert, Jr. Mr. Lambert personally requested that a staff member remove Mr. Dalrymple’s application from the April 2007 Board meeting agenda. Approximately three months later, shortly before the July 19, 2007 Board meeting, Mr. Lambert left a voice mail with Executive Director Charles Marceaux indicating that a sizable sum had been paid to Donald Jr. and that he would not object to the Board granting Mr. Dalrymple’s request. Finally, after the voice mail indicated his clear knowledge of a financial relationship between Mr. Dalrymple and his son, Mr. Lambert personally appeared at the July 19, 2007 Board meeting, spoke on behalf of Mr. Dalrymple and made a motion to approve Mr. Dalrymple’s request, despite the fact that it was not on the agenda for the July 2007 Board meeting. Mr. Lambert’s actions may have violated state law and circumvented Board procedure.
Background

The Louisiana Legislature established the Board in order to protect the “health, safety, and general welfare of all persons dealing with persons engaged in the contracting vocation, and the affording of such persons of an effective and practical protection against the incompetent, inexperienced, unlawful, and fraudulent acts of contractors with whom they contract.” (See LSA-R.S. 37:2150 et seq.)

The Board consists of fifteen members appointed by the governor representing each congressional district in the state and each major construction classification, i.e., building construction, mechanical and plumbing work. Each member serves a six-year term without compensation. The Board appoints an executive director to serve as the chief operating officer in connection with the day-to-day operation of the Board’s business.

The Board has numerous duties including the authority to promulgate by-laws, rules and regulations. In addition, the Board shall grant licenses to qualified contractors and suspend or revoke licenses for contractors in violation of the law, rules or regulations.

Anyone desiring to become a licensed contractor must adhere to the following in accordance with the Contractor Licensing Law found in LSA-R.S. 37:2150 et seq. The law includes but is not limited to the following:

- Prepare an application to the Board identifying the classification of work to be performed.
- Furnish a current financial statement.
- Designate a qualifying party who shall be the legal representative for the contractor. The qualifying party can be any individual contractor or copartner, full-time employee for a least 120 consecutive days, original incorporator or stockholder.

Contractor Licensing Law provides that in the event a licensed contractor loses its qualifying party, the contractor must notify the Board within 30 days and another qualifying party must qualify within 60 days.

Section 507 of the Board’s administrative rules and regulations states all initial qualifying party applicants shall be required to take and successfully pass the business and law examination along with the appropriate trade examination.

However, Louisiana law allows the Board to waive the trade examination requirement under certain circumstances. LSA-R.S. 37:2156.1 states, “Upon good showing, the Board may waive the required examinations for any person.”
The law does not define "good showing," however; Board rules give conditions in which the qualifying party examination may be waived. Section 509 of the Board rules states an exemption from the trade examination may be granted under the following conditions:

- A contractor who is a subsidiary of a currently licensed contractor.
- A licensed firm making application for a subsidiary license for the same classification(s) as those in which the licensed firm has qualified.
- A qualifying party making application for a license as an individual or stockholder of a corporation may be exempt from taking another examination for the same classification for which he has previously taken and passed.

Mr. Lambert has served on the Board since 1973 with the exception of several years during two governor's administrations.

Charles Marceaux, Executive Director, stated that Mr. Lambert routinely calls the Board office to discuss applicants for a contractor’s license or applicants requesting a waiver.

The Board’s Testing and Classification Committee reviews requests for waivers. This Committee reviews the applicant’s request and supporting documentation before recommending the waiver to the full Board for approval.

Mr. Marceaux stated that while Mr. Lambert is not a member of the Testing and Classification Committee, he regularly attends the meetings. Mr. Lambert often answers questions posed by Committee members concerning waiver applicants he sponsors.

Fran Gilson, Board Administrator, stated that applicants are allowed four hours to complete each trade examination with approximately 300 qualifying party applicants taking a Board examination each month.

Ms. Gilson stated that the Board also receives requests from qualifying party applicants asking for examination waivers. Some of these requests include a recommendation from a Board member, contractor or elected official.

A review of the Testing and Classification Committee’s agendas for the period January 2007 through October 2007 indicate approximately 22 commercial waiver requests are reviewed each month. Mr. Lambert’s name is handwritten on the Committee agenda indicating he is sponsoring the applicant’s request on approximately four waiver applications each month.

Testing and Classification Committee meetings are not open to the public and there is no official record of the discussion. Therefore, an applicants “good showing” as required by law before receiving a test waiver is not officially documented by the Board.
Scope and Methodology

We conducted our audit in accordance with Principles and Standards for Offices of Inspector General as promulgated by the Association of Inspectors General.

The audit scope was limited to the activities of Mr. Lambert during the period April 2007 through July 2007 concerning an application submitted by Henry “Bruce” Dalrymple, owner of The Dalrymple Corporation, to become a qualifying party and to request examination waivers.

Our audit included a review of available records maintained by the Board and Mr. Dalrymple along with interviews of pertinent individuals, including Donald Lambert, Sr.
Improper Actions

Mr. Lambert may have violated state law and circumvented Board procedure concerning Mr. Dalrymple’s qualifying party application and request for examination waivers.

Evidence obtained by the Office of Inspector General showed the following:

- Mr. Lambert asked Board staff to remove Mr. Dalrymple’s request for four qualifying party examination waivers from the Board’s Testing and Classification Committee’s agenda, thereby denying a review.

- Approximately three months later, Mr. Lambert stated in a telephone voice message left on Mr. Marceaux’s answering machine that Mr. Dalrymple had paid his son a sizable amount; therefore, he would not object to the Board approving Mr. Dalrymple’s requests.

- Mr. Lambert failed to recuse himself from the full Board’s discussion of Mr. Dalrymple despite his knowledge of a financial relationship between Mr. Dalrymple and his son.

- Mr. Lambert later made a motion before the full Board to approve Mr. Dalrymple’s request to become a qualifying party. This action by Mr. Lambert led to the approval of the test waivers without a review by the Testing and Classification Committee; therefore, no meaningful discussion of the applicant’s “good showing” took place.

Delayed Board Consideration

According to Board staff, Mr. Lambert asked that examination waivers submitted by The Dalrymple Corporation for its owner, Henry Dalrymple, be removed from Board consideration at the April, 2007 board meeting. The application’s removal delayed Board consideration of the qualifying party application submitted by The Dalrymple Corporation beyond the 60-day replacement period required by law.

LSA-R.S. 2156.1 (D) requires contractors to notify the Board within 30 days of the qualifying party’s disassociation and another party must qualify within 60 days.

Board staff assembled the required documents from Mr. Dalrymple and placed the waiver request on the Testing and Classification Committee’s agenda for review during the April 19, 2007 meeting.

A document supplied by Mr. Lambert titled “Guidelines For Waiver” states “All requests for waiver of examination(s) must be presented to the Testing and Classification Committee for review prior to the Board’s consideration.”
The Dalrymple Corporation, a company domiciled in the state of Georgia, received a Louisiana contractor’s license in June 2006. When granted a contractor’s license, the company employed a qualifying party who had successfully passed five Board examinations.

The Dalrymple Corporation’s former qualifying party quit the company as referenced in a letter contained in the Board file dated February 8, 2007. In addition to the resignation letter sent to the Board, the former qualifying party included a letter dated February 5, 2007 addressed to Mr. Dalrymple stating, in part, the following:

I have been informed that The Dalrymple Corporation has signed a contract for a large project without my knowledge. I have deep reservations in the ability of the company to complete a large project to the satisfaction of the owners due to current performance on a smaller project.

When I agreed to be the qualifying party for your Louisiana Contractor’s License it was with the understanding, I would be compensated and manage the resulting construction projects. This was not only my understanding, but is also what you represented in your application to the Board. To date this has not happened, which not only breaches our agreement, but also violates Louisiana State Contractor’s Licensing laws.

Mr. Marceaux stated that the Board did not investigate the former qualifying party’s allegations.

Mr. Dalrymple asked the Board in a March 20, 2007 letter to approve him as the qualifying party for The Dalrymple Corporation and waive four examinations in which his company is currently licensed to perform work. The March 20, 2007 letter written to the Board has a notation, “CC: Mr. Donald G. Lambert.”

A letter of recommendation dated March 20, 2007 written by Donald G. Lambert, Jr., the son of aforementioned Board member Donald G. Lambert, is also contained in Mr. Dalrymple’s file.

According to a clerical staff Board employee, Mr. Lambert called the Board office either late afternoon on April 18, 2007 or early morning before the April 19, 2007 Board meeting and asked her to remove Mr. Dalrymple’s request for examination waivers from the agenda. The Board employee notified Ms. Gilson of Mr. Lambert’s request.

Ms. Gilson stated that she lined out Mr. Dalrymple’s request from the Testing and Classification Committee’s agenda. This action resulted in the Committee not reviewing the request and subsequently not recommending Board approval of the waiver.
When interviewed, Mr. Lambert stated that he does not remember asking anyone at the Board office to remove Mr. Dalrymple's request for examination waivers from the April 19, 2007 agenda. Mr. Lambert stated that Board members could recommend to the staff that a company be pulled or deferred from consideration.

Mr. Lambert stated it is his understanding that Mr. Dalrymple’s request for examination waivers was removed from the agenda due to the file not being complete at the time of the meeting.

Ms. Gilson stated Mr. Dalrymple's file was complete at the time of the April 19, 2007 meeting. Ms. Gilson further stated the file was not reviewed at that meeting due to Mr. Lambert’s request to pull the application from the agenda.

LSA-R.S. 37:2154 states “The executive director shall compile a list of all applicants for licensure that are to be considered at a board meeting and mail such list to each board member at least ten days prior to the meeting. The executive director shall certify the list contains only the names of applicants who have fulfilled all licensure requirements and the board shall only consider applications on the list.”

On the April 19, 2007 Board agenda, Mr. Marceaux included Mr. Dalrymple’s request, thereby, certifying the file was complete and ready for the Board’s review.

Without a review and recommendation by the Testing and Classification Committee, the Board did not take action on Mr. Dalrymple’s request during the April 19, 2007 meeting of the full Board.

**Failure to Recuse From Discussion**

Mr. Lambert failed to recuse himself from a Board discussion involving The Dalrymple Corporation and Mr. Dalrymple who he acknowledged had a financial relationship with his son. Not only did Mr. Lambert fail to recuse himself from the discussion, he requested that the Board add the matter to the agenda, actively participated in the discussion and made the motion to approve the request.

LSA-R.S. 42:1112 provides that no public servant shall participate in a transaction involving the governmental entity in which, to his actual knowledge, any member of his immediate family has a substantial economic interest.

LSA-R.S. 42:1123 (24)(a) provides an exception for the State Licensing Board for Contractors “if he, a member of his immediate family, or a business in which he has a substantial economic interest has participated in a transaction that comes before such board for administrative action. However, such member shall recuse himself from participating in any administrative hearing specifically relating to such transaction.”
Mr. Dalrymple stated that he had a consulting contract with Mr. Lambert’s son beginning June 8, 2006 for a one-year term, which required monthly payments of $3,000. Mr. Dalrymple supplied the Office of Inspector General with a copy of the agreement, which shows Mr. Lambert’s son providing the following services:

- Develop new business opportunities in the private and government sectors.
- Contact prospective customers.
- Assist with the preparation of proposals.
- Assist in identifying, qualifying, pursuing and winning private, local, state and federal contracts.

The Office of Inspector General requested a payment history from Mr. Dalrymple listing all payments to Mr. Lambert’s son. Mr. Dalrymple did not provide this payment history after repeated requests, and his repeated assurances to the Inspector General auditor that the information was forthcoming.

Mr. Marceaux stated that Mr. Lambert called the Board office June 19, 2007 to discuss applicants he was sponsoring for the June 21, 2007 Board meeting. During the conversation, Mr. Lambert mentioned The Dalrymple Corporation and stated that Mr. Dalrymple and his son had a business relationship. This conversation caused Mr. Marceaux to review Mr. Dalrymple’s file whereby he wrote the following note to the file:

“Mr. Lambert asked Deborah to pull off agenda in April. Board Member request. CM 6/19/07”

Mr. Marceaux said that Mr. Lambert called him before the July 19, 2007 meeting leaving a voice mail stating the following:

“...the last thing I was going to ask you about is Mr. Dalrymple, supposedly paid Donald, Jr., a sizable amount, I don’t know how much it was, and he is still asking for consideration to be a qualifying party for his own company. If that is possible, I am not going to object to it and would let it go before the waiver Committee (Testing and Classification Committee) with your permission.”

Mr. Lambert was questioned about the voice message during an interview with representatives of the Inspector General’s Office at which time one of Mr. Lambert’s two attorneys present advised Mr. Lambert he should not answer the question and the meeting should be concluded. No further discussion took place.

Mr. Marceaux stated that he did not listen to the voice mail until after the July 19, 2007 Board meeting in which Mr. Lambert asked the Board to approve Mr. Dalrymple’s request.
Mr. Dalrymple’s request to become a qualifying party and the granting of examination waivers was not placed on the July 19, 2007 Board agenda by Mr. Marceaux and, therefore, was not reviewed by the Testing and Classification Committee.

During the July 19, 2007 Board meeting after the agenda was opened to include another matter for consideration, the following discussion took place:

Mr. Lambert:  “I have one question while the agenda is still open. I didn’t hear if Mr. Dalrymple’s case came up. Did that come up Mr. Marceaux? Would you act on that today?”

Mr. Marceaux:  “Ms. Fran, is that part of our, it’s the qualifying party consideration.”

Mr. Lambert:  “It was on there a couple of times and it was withdrawn for certain reasons.”

Mr. Marceaux:  “Okay Mr. Lambert, I believe that was an oversight, I would like to add that to the agenda today.”

Mr. Lambert:  “This is a fellow that owns his own company, had a qualifying party, and is a licensed contractor. The qualifying party left and he wants to be his own qualifying party. He submitted resumes and all his stuff some months ago but it was withdrawn for at least two months. Because of the time that has passed, we need to act on it. I was going to ask if there is no objection we would allow Bruce Dalrymple to be the qualifying party for his company based on Mr. Marceaux’s recommendation and me as his sponsor as a Board member. Would that be right?”

Bd. Member:  “And would his finances and everything be in order and so forth and so on, insurance and all that?”

Mr. Marceaux:  “That is correct.”

Mr. Lambert:  “So, I make that motion.”

Bd. Member:  “Okay, we have a motion by Mr. Lambert, second by Ms. Brown. Any discussion? Any opposition? Motion Passed.”

Although Mr. Dalrymple was not included in the agenda certified by the executive director and mailed to Board members as required by LSA-R.S. 37:2154, the Board approved Mr. Lambert’s request concerning Mr. Dalrymple in the meeting.

As a result of Mr. Lambert’s action, Board records show Mr. Dalrymple received the status of qualifying party for four major construction classifications effective July 20, 2007.
Abuse of Office

Mr. Lambert’s actions concerning Mr. Dalrymple’s request for examination waivers may have violated the Louisiana Code of Governmental Ethics concerning abuse of office.

LSA-R.S. 42:1116 states, “No public servant shall use the authority of his office or position, directly or indirectly, in a manner intended to compel or coerce any person or other public servant to provide himself, any other public servant, or other person with any thing of economic value.”

Conclusion:

Donald Lambert, Sr. used his position as a Board Member to improperly delay the Board’s handling of a qualifying party and examination waiver request because the applicant, Bruce Dalrymple, owed money to his son, Donald Lambert, Jr. Mr. Lambert personally requested that a staff member remove Mr. Dalrymple’s application from the April 2007 Board meeting agenda. Approximately three months later, shortly before the July 19, 2007 Board meeting, Mr. Lambert left a voice mail with Executive Director Charles Marceaux indicating that a sizable sum had been paid to Donald Jr. and that he would not object to the Board granting Mr. Dalrymple’s request. Finally, after the voice mail indicated his clear knowledge of a financial relationship between Mr. Dalrymple and his son, Mr. Lambert personally appeared at the July 19, 2007 Board meeting and, rather than recusing himself, led the discussion concerning Mr. Dalrymple’s applications. He then made the motion to approve Mr. Dalrymple’s request, despite the fact that it was not on the agenda for the July 2007 Board meeting.

Recommendation:

This report should be forwarded to the State Board of Ethics for further investigation of Mr. Lambert’s actions.
APPENDIX A

Responses
February 8, 2008

State of Louisiana
Office of State Inspector General
Stephen B. Street, Jr.
P. O. Box 94095
Baton Rouge, LA 70804-9095

Re: Case No. 1080005

Dear Mr. Street:

I have reviewed the documents from your office dated 1/30/08 concerning the above referenced case and I concur with your finding and recommendation.

Sincerely,

[Signature]

Byron E. Talbot
Chairman

BET/bms
February 14, 2008

Mr. Stephen B. Street, Jr.
State Inspector General
State of Louisiana
P.O. Box 94095
Baton Rouge, LA 94095

Re: Donald Lambert, Sr.
Case No. 1080005

Dear Mr. Street:

I am in receipt of your draft audit report ("Report") dated January 30, 2008 relative to my service on the State Licensing Board for Contractors ("Board"). The Report states that the evidence obtained by the Office of Inspector General showed the following:

- "Mr. Lambert asked the Board staff to remove Mr. Dalrymple's request for four qualifying party examination waivers from the Board's Testing and Classification Committee's agenda, thereby denying a review.

- Approximately three months later, Mr. Lambert stated in a telephone voice message left on Mr. Marceaux's answer machine that Mr. Dalrymple had paid his son a sizeable amount; therefore, he would not object to the Board approving Mr. Dalrymple's requests.

- Mr. Lambert failed to recuse himself from the full Board's discussion of Mr. Dalrymple despite his knowledge of a financial relationship between Mr. Dalrymple and his son.

- Mr. Lambert later made a motion before the full Board to approve Mr. Dalrymple's request to become a qualifying party. This action by Mr. Lambert led to the approval of the test waivers without a review by the Testing and Classification Committee; therefore, no meaningful discussion of the applicant’s 'good showing' took place."
The Report concludes that:

“Mr. Lambert used his position as a Board member to improperly delay the approval of examination waivers submitted by Mr. Dalrymple until a sizeable sum had been paid to his son. This included Mr. Lambert:

- Asking a Board clerical employee to remove Mr. Dalrymple’s request from the April 19, 2007 Board meeting.

- Leaving a voice message on the Board’s telephone system stating that Mr. Dalrymple has paid a sizeable sum to Donald, Jr.; therefore he will not object to Mr. Dalrymple’s request for Board action.

- Asking the Board to include Mr. Dalrymple’s request during the July 19, 2007 Board meeting. Mr. Lambert then led the discussion and made the motion to approve Mr. Dalrymple’s request.”

Notwithstanding the foregoing unjustified conclusions reached in the Report, at no time did I ever take any action which could be deemed unethical and/or improper, nor did I ever use my position as a member of the Board to compel or coerce any person to do something unethical and/or improper, nor did Mr. Dalrymple or my son, Donald Lambert, Jr., ever ask me to take any inappropriate action with regards to any of Mr. Dalrymple’s requests. Accordingly, for the reasons set forth below, I respectfully do not concur, in whole or in part, with the findings and recommendations set forth in the Report.

As set forth in the Report, I have no recollection of having spoken to anyone at the Board asking him/her to remove from the April, 2007 agenda, Mr. Dalrymple’s request for examination waivers and to be the qualifying party for The Dalrymple Corporation. I do, however, remember speaking to someone at the Board prior to the April, 2007 Board meeting about the status of Mr. Dalrymple’s request and to give the Board’s staff a heads up of some problems that Mr. Dalrymple was having in connection with the Chardonnay Village Condominium project in Kenner, Louisiana. After the April, 2007 Board meeting, I was led to believe that Mr. Dalrymple’s request for examination waivers and to be the qualifying party for The Dalrymple Corporation had already been acted upon at the April, 2007 Board meeting. While this was not correct, it was not until some time after the April, 2007 Board meeting that I was advised that Mr. Dalrymple’s requests had not been acted on. When I initially inquired as to why Mr. Dalrymple’s requests had not been acted on, I was advised that it was because his application had not been completed correctly and/or that his application was missing certain required information.
Additionally, it is important that I point out that as set forth in the Report, Mr. Dalrymple’s requests actually were on the agenda for the April, 2007 Testing and Classification Committee meeting and on the agenda of the Board meeting. As stated in the Report, I am not a member of the Testing and Classification Committee. Accordingly, I had no authority to remove any applicant from that committee’s agenda and, although as stated in my interview with Mr. Duvall, any Board member can recommend to the staff that the name of a company be “pulled or deferred from consideration” from the Board agenda, acting alone, I have neither the power, nor the statutory authority, to remove an item from the Board’s agenda once it is placed thereon. Indeed, notwithstanding the claim of the Board’s staff that I directed Mr. Dalrymple’s requests be removed from the Board’s April, 2007 agenda, proof that I did not do this is clear for all to see because Mr. Dalrymple’s requests were on the agenda.

Also, prior to mid July, I was unaware of any money being owed by Mr. Dalrymple to my son, Donald Lambert, Jr. which information was not mine to have. In fact, as of today, I am unaware of the exact financial relationship and/or other details that existed between Mr. Dalrymple and my son. Significantly, although the Report concludes that I used my position as a Board member to improperly delay the approval of examination waivers submitted by Mr. Dalrymple until a sizeable sum had been paid to my son, the Report itself is devoid of any proof whatsoever to support this conclusion.

Although the Report attempts to use the voice mail left by me for Mr. Marceaux prior to the July Board meeting as evidence of the above allegations, an objective review of the voice mail itself will show that the language in the voice mail has been twisted to support the Report’s conclusions. At no place in the voice mail did I ever state and/or infer that only because Mr. Dalrymple paid my son money, I was going to permit his request to be approved by the Board. A complete and careful review of the voice mail will make it clear that I was calling Mr. Marceaux for an update on the status of three applicants, one of whom being Mr. Dalrymple, who had asked me to check the status of his requests. At no time in the voice mail did I ever mention that there was and/or would be a quid pro quo connected with the approval of Mr. Dalrymple’s request. The Report makes an unsupported quantum leap by concluding from the voice mail 1) that I removed Mr. Dalrymple’s request for examination waivers and to be the qualifying party for The Dalrymple Corporation from the April, 2007 agenda because Mr. Dalrymple owed my son money and 2) that because Mr. Dalrymple paid my son money I had him placed on the agenda and would not object to his requests. Again the Report assumes that I had previously objected or had taken certain steps to have Mr. Dalrymple’s request removed from the April, 2007 agenda which allegations I vehemently deny. This incorrect assumption by Mr. Duvall is based solely on the memory of one of the clerks at the Board and noted by Mr. Marceaux on Mr. Dalrymple’s application two months after my alleged actions, with no further discussions about the matter. Indeed, the simple fact that I left the voice mail shows that at no time did I conceal or attempt to conceal the agreement between my son and Mr. Dalrymple which had expired prior to the July, 2007 Board meeting!

As to the allegations of the Report that I failed to recuse myself from voting on Mr. Dalrymple’s requests at the July, 2007 meeting, these allegations are incorrect, actually and legally since, in my opinion, I was not prohibited from voting on Mr. Dalrymple’s request. I
have been informed that Mr. Dalrymple and my son had an agreement in which my son had agreed to perform certain services for Mr. Dalrymple for a price, which price I was unaware prior to this investigation.

After I later learned about the relationship between Mr. Dalrymple and my son, I was advised that the agreement between my son, Donald Lambert, Jr., and The Dalrymple Corporation was for a period of one year beginning on June 8, 2006 and ending on June 7, 2007. Therefore, at the time of the July, 2007 Board meeting, there was no agreement in effect between my son and The Dalrymple Corporation. Accordingly, no ethical violation could have occurred. Also, as stated above, I am unaware of the exact financial relationship and/or other details that existed between Mr. Dalrymple and my son. I have been advised that the Code of Governmental Ethics did not and does not require a member of a state board to recuse himself from participating in and voting on a matter where a member of his family no longer is a party to an agreement, the existence of which may have required that person to recuse him/herself. Furthermore, as stated in the Report, both in a conversation with Mr. Marceaux in June, 2007 and again in the voice mail prior to the July, 2007 Board meeting, I disclosed my son’s relationship with Mr. Dalrymple since it was always my practice to seek Mr. Marceaux’s advice and concurrence on any matter that I would be bringing before the Board. As the Chief Executive Officer of the Board, I believe that Mr. Marceaux had a duty to advise me, a lay person, if he believed that I had an ethical conflict, or at least to advise me to discuss this matter with the Board’s attorney, Mr. McMahon. In June, 2007, when Mr. Marceaux allegedly made a notation on Mr. Dalrymple’s file, it was then that he should have advised me of any potential conflict I may have had. Again, at the July, 2007 Board meeting, knowing of my alleged potential conflict, Mr. Marceaux should have advised me of his concerns and advised me to seek the opinion of the Board’s attorney who was present at the meeting instead of permitting me to go forward with making the motion when he believed that I had a possible ethical problem.

The Report also alleges that I engaged in something sinister because of the manner in which Mr. Dalrymple’s request was placed on the July, 2007 agenda, i.e., after the ten day period in which no additions to the agenda could be made as provided by La. R.S. 37:2154, a copy of which is attached. A careful reading of that part of the meeting of the Board quoted in the Report clearly indicates that Mr. Dalrymple’s requests were intended to be on the agenda for the July, 2007 Board meeting, but it was because of Mr. Marceaux’s admitted oversight that said requests were not on the agenda and that it was Mr. Marceaux himself who placed Mr. Dalrymple’s request on the agenda, not me. While the Report seems to attribute every act that was made therein as an improper act by me, it neglects to report that it was upon the request of Mr. Bert Wilson that Ms. Brown moved to open the July, 2007 agenda, which motion was seconded by me, my only action in placing Mr. Dalrymple’s request on the agenda being to remind Mr. Marceaux that Mr. Dalrymple had been asking about the status of his requests, requests to which he was entitled to have acted upon in a timely manner and, which because of the failure of Mr. Marceaux, not my failure, had not been placed on the Board’s agenda in a timely manner.¹

¹ It is interesting to note that although the official minutes of the Board indicate that a motion was made by Ms. Brown to open the agenda, a review of the recording of the meeting indicates that said motion was deleted for reasons known only to Mr. Marceaux and/or his staff.
Indeed, Mr. Marceaux admits that it was his oversight that the Dalrymple matter was not placed on the agenda.

Additionally, prior to an opinion being rendered by Mr. Paul McMahon, Attorney for the Board, in August of 2007 advising the Board of the clear requirements of La. R.S. 37:2154, the Board and Mr. Marceaux for years *routinely added additional items, applications, requests, etc.* to its agenda even on some occasions at its meetings, innocently and justifiably believing that it had the power to do so pursuant to the Louisiana Open Meetings Law which permits a public body to add an item to its agenda by a two-thirds vote.

Indeed, Mr. Marceaux was or should have been aware of La. R.S. 37:2154, yet time and time again permitted items to be added to the Board’s agenda, thus failing and/or neglecting to comply with the aforesaid statute and Mr. McMahon failed and/or neglected to advise the Board of the aforesaid statutory requirements until the issuance of his opinion, notwithstanding that he was the legal advisor to the Board for a period in excess of ten years. Therefore, as a lay person, it would be unfair to hold me responsible for relying on the Chief Executive Officer of the Board and the Legal Counsel of the Board, both of whom had the responsibility to properly advise the members of the Board concerning the intent and requirements of La. R.S. 37:2154.

Finally, in the Report Mr. Duvall asserts that when questioned by him about the July, 2007 voice mail, I was instructed by my attorneys not to answer the question. Although I relied on the advice of counsel and did not answer the question, Mr. Duvall fails to explain in the Report that I was advised not to answer the question *until* I had the opportunity to listen to the voice mail, a recording of which he did not have, nor did I have. It was not until recently that the Board was able to provide me with a copy of the voice mail. Mr. Duvall has made no attempt to contact me again to conclude his interview prior to issuing the Report.

In conclusion, I reiterate that at no time did I ever take any action which could be deemed unethical and/or improper, nor did I ever use my position as a member of the Board to compel or coerce any person to do something unethical and/or improper, nor did Mr. Dalrymple or my son, Donald Lambert, Jr. ever ask me to take any inappropriate action with regards to any of Mr. Dalrymple’s requests. It should also be noted that this investigation was commenced without a complainant and without a victim.

As further support of the above, enclosed please find the Affidavit of Henry “Bruce” Dalrymple which reaffirms that which I have set forth above.

Should you need any additional information, please do not hesitate to call.

Sincerely,

[Signature]

Donald G. Lambert, Sr.
THE DALRYMPLE CORPORATION
289 Jonesboro Road
Suite 216
McDonough, GA 30253
Phone (404) 756-2552 Fax (770) 914-5502
www.dalrymplecorp.net

February 11, 2008

Mr. Stephen B. Street, Jr.
State Inspector General
State of Louisiana
P.O. Box 94095
Baton Rouge, LA 70804-9095

Re: Case No. 1080005

Dear Mr. Street:

Pursuant to your request, enclosed please find my Affidavit which responds to your letter of January 30, 2008 and the accompanying report.

Sincerely,

Henry "Bruce" Dalrymple
AFFIDAVIT

UNITED STATES OF AMERICA
STATE OF LOUISIANA
PARISH OF JEFFERSON

BEFORE ME, the undersigned Notary, personally came and appeared Henry “Bruce” Dalrymple who, after first being duly sworn, did declare:

1) That Affiant is the sole stockholder of The Dalrymple Corporation; and

2) That Affiant is the qualifying party for The Dalrymple Corporation with the Louisiana State Licensing Board for Contractors; and

3) That Affiant after carefully reviewing the Report of the Office of State Inspector General dated January 30, 2008 relative to Donald Lambert, Sr., for the reasons set forth below, does not concur in whole or in part with the Report as it relates to Affiant; and

3) That Affiant entered into an agreement with Donald Lambert, Sr.’s son, Donald Lambert, Jr.’s limited liability company, Employer Solution Group, LLC, for a period of one year beginning on June 8, 2006 and ending on June 7, 2007 (the “Agreement”), which Agreement provided that Donald Lambert, Jr. would provide consulting services for The Dalrymple Corporation; and

4) That to the best of Affiant’s knowledge, information and belief, Donald Lambert, Sr. took no action the effect of which would have furthered or delayed the processing of license applications for The Dalrymple Corporation, nor did Donald Lambert, Sr. take any action the effect of which would have furthered or delayed Affiant being named the qualifying party for The Dalrymple Corporation; and

5) That to the best of Affiant’s knowledge, information and belief, Donald Lambert, Sr. took no action the effect of which would or could be interpreted to be favorable or adverse to the interests of The Dalrymple Corporation; and

6) That Affiant took no action which would have influenced Donald Lambert, Sr. to either further or delay the processing of license applications for The Dalrymple Corporation or which would have furthered or delayed Affiant being named the qualifying party for The Dalrymple Corporation; and

7) That at no time did either Donald Lambert, Sr. and/or Donald Lambert, Jr. tell Affiant that any business that he had before the Board would be affected positively or negatively as a result of either the Agreement and/or payment by Affiant to Donald Lambert, Jr. pursuant to the Agreement.
or both; and

8) That at no time did Donald Lambert, Sr. and/or Donald Lambert, Jr. ever tell Affiant that Donald Lambert, Sr. would delay the processing of license applications for The Dalrymple Corporation or would delay Affiant being named the qualifying party for The Dalrymple Corporation until Affiant had paid Donald Lambert, Jr. the consulting fees due under the Agreement; and

9) That at no time did Donald Lambert, Sr. and/or Donald Lambert, Jr. ever tell Affiant that Donald Lambert, Sr. would further the processing of license applications for The Dalrymple Corporation or would further Affiant being named the qualifying party for The Dalrymple Corporation if Affiant would pay to Donald Lambert, Jr. the consulting fees due under the Agreement; and

10) That notwithstanding repeatedly telling Mr. Duvall of the Office of State Inspector General, as set forth above, he continued to call Affiant on at least five occasions to discuss Affiant’s recollection of the facts of the matter and even went so far as to state that he was in possession of evidence that Donald Lambert, Sr. had acted improperly.

Further Affiant sayeth not.

Affiant, Henry “Bruce” Dalrymple

Sworn to and subscribed before me this

11th day of January, 2008.

[Signature]

NOTARY PUBLIC

[Seal]
APPENDIX B

Inspector General’s Comment
Inspector General’s Comment

Mr. Dalrymple's affidavit submitted in response to this report states in item No. 10 that the Office of Inspector General contacted him and "continued to call Affiant on at least five occasions to discuss Affiant's recollection of the facts of the matter and even went so far as to state that he was in possession of evidence that Donald Lambert, Sr. had acted improperly."

After the initial contact with Mr. Dalrymple, the calls placed to him by the Office of Inspector General over a two-month period were for the purpose of following up on his repeated promises to provide documentation of the payment history between himself and Mr. Lambert, Jr., promises that to date have not been fulfilled. The Inspector General has never received any of the documented payment history promised by Mr. Dalrymple, and the affidavit submitted by him in response to this report contained nothing responsive to this request.

In the absence of a bank record subpoena, Mr. Dalrymple is in the best position to know the dates and amounts of payments that he made to Donald Lambert, Jr. The Office of Inspector General exercised due diligence in seeking this information, and stands by its request to review the same should Mr. Dalrymple ever decide to provide it.
Twenty-nine copies of this public document were published in this first printing at a cost of $135.27. The total cost of all printings of this document, including reprints is $135.27. This document was published by the Office of State Inspector General, State of Louisiana, Post Office Box 94095, 150 Third Street, Third Floor, Baton Rouge, LA 70804-9095 to report its findings under authority of LSA-R.S. 39:7-8. This material was printed in accordance with the standards for printing by state agencies established pursuant to LSA - R.S. 43:31.

A copy of this report has been made available for public inspection at the Office of State Inspector General and is posted on the Office of State Inspector General's website at www.doa.louisiana.gov/oig/inspector.htm. Reference should be made to Case No. 1-08-0005. If you need any assistance relative to this report, please contact Bruce J. Janet, CPA, State Audit Director at (225) 342-4262.

REPORT FRAUD, WASTE, AND ABUSE

To report alleged fraud, waste, abuse, or mismanagement relative to state programs or operations, use one of the following methods:

- Complete complaint form on web site at www.doa.louisiana.gov/oig/inspector.htm
- Write to Office of State Inspector General, P. O. Box 94095, Baton Rouge, LA 70804-9095
- Call the Office of State Inspector General at (225) 342-4262