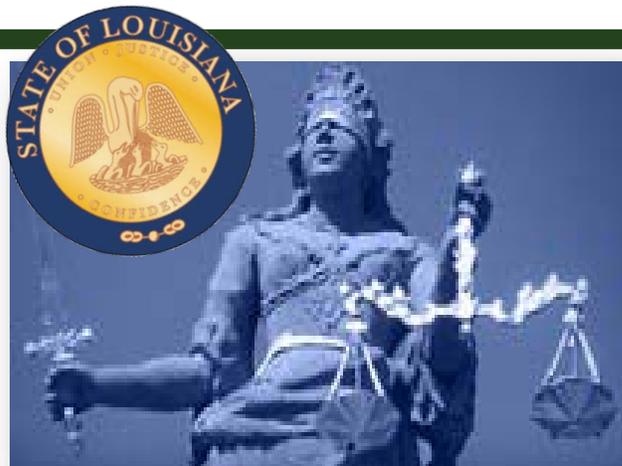


STATE OF LOUISIANA

**OFFICE OF
STATE INSPECTOR GENERAL**

Stephen B. Street, Jr.,
State Inspector General



Annual Report

For the 12 Months Ending
June 30, 2010

Date Issued: May 4, 2011

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Joint Legislative Committee on the Budget

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BOBBY JINDAL
GOVERNOR



STEPHEN B. STREET, JR.
STATE INSPECTOR GENERAL

State of Louisiana
Office of the Governor
Office of State Inspector General

May 4, 2011

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

Representative James R. "Jim" Fannin – Chairman
Senator Michael J. "Mike" Michot – Vice Chair
Joint Legislative Committee on the Budget
P.O. Box 44294
Baton Rouge, LA 70804

Re: Report of Accomplishments in FY09-10

Dear Governor Jindal, Chairman Fannin, and Vice Chairman Michot:

I am pleased to submit this report outlining the work of our office for the 12 months ended June 30, 2010. During this period, the Office of State Inspector General conducted numerous criminal investigations, both solely and jointly with other investigatory agencies, and also conducted forensic audits. These investigations and audits resulted in criminal arrests and prosecutions. They also identified misspent and wasted state dollars, questionable expenditures, and weak internal controls in agency operations that increased the risk of fraud and corruption. We summarize these investigations and audits in the Case Highlights section of this report.

During this report period, we initiated several streamlining measures to carry out our mission of fighting fraud and corruption in state government.

- First, we eliminated an upper management position to provide funding for two additional criminal investigator positions, which we filled with seasoned law enforcement professionals.
- Second, we worked with a member of the State Senate to obtain passage of Act No. 783 of the 2010 Regular Session. This Act authorizes the office to use volunteer, "reserve investigators" on a part-time basis to augment our investigative staff. These volunteers are former law enforcement officers who are willing to serve without pay alongside our staff and use their training and experience in detecting fraud, corruption, and waste.

- Third, we participated in the LSU Center for Internal Auditing Student Internship Program. Through this Program, an LSU graduate student worked with us during the summer, thereby extending the forensic auditing capabilities of our office at little or no cost to the taxpayers.
- Fourth, our office participated in joint investigations and cooperated with other law enforcement and prosecutorial agencies such as the FBI, United States Attorney for the Middle District of Louisiana, Louisiana State Police, and Louisiana Attorney General to avoid duplication of effort and access a larger pool of resources.

As another initiative to increase the effectiveness of our office during Fiscal Year 2009-10, we seized a rare opportunity by locally obtaining professional designations for 11 staff members through the Association of Inspectors General (AIG), a nationally recognized and respected organization. The AIG conducted its annual training institute in New Orleans in which participants who successfully completed the weeklong curriculum were awarded one of the AIG's professional designations: Certified Inspector General, Certified Inspector General Auditor, or Certified Inspector General Investigator. The AIG typically hosts this institute in other states. However, with its selection of New Orleans as the host city for this particular institute, we were able to cost effectively obtain this valuable training for all of our audit and investigation staff members.

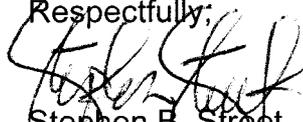
As part of our participation in the state's budgeting for outcomes initiatives, we have adopted a performance indicator starting in Fiscal Year 2010 – 2011 requiring that our office identify fraud and waste dollars that equal or exceed our annual general fund budget.

I continue to make public speaking appearances to increase public awareness of our office and its mission. I also regularly serve as an instructor to provide professional education to law enforcement, auditors, judges, and prosecutors.

I am honored to hold this position and to serve with you at such a critical time in our state's history. We believe the ultimate beneficiaries of our work are the citizens of Louisiana, who deserve government free from fraud and corruption.

With kindest regards, I remain

Respectfully,



Stephen B. Street, Jr., CIG
State Inspector General

Introduction

The designation in 2008 of the Office of State Inspector General as a law enforcement agency with a statutory mission to root out fraud and corruption in the executive branch of state government has provided us with a unique role in state government. We submit that this new mission has now begun to bear fruit. This designation has resulted in a shift from our agency being one that primarily generates reports, to an agency focused primarily on white-collar criminal activity. As a law enforcement agency, the office is statutorily authorized to access confidential criminal databases maintained by the FBI and Louisiana State Police, can obtain and execute criminal search warrants, and apply for and serve criminal investigative subpoenas.

Our staff members who are criminal investigators, as well as the Inspector General himself, are trained and certified under Peace Officer Standards and Training (POST) to carry and use firearms, and have received Special Officer Commissions from the Louisiana State Police. They work shoulder-to-shoulder with experienced auditors who conduct forensic audits and complement the work of our criminal investigators.

The establishment of the Inspector General as a statutorily independent law enforcement agency within the Office of the Governor, staffed with seasoned law enforcement, financial investigation, and audit personnel, is unprecedented in Louisiana. The office will continue its efforts to increase public confidence and trust in state government by providing the public with a means to report concerns and have those concerns thoroughly investigated.

History of the Office

The Office of State Inspector General was originally created April 1, 1988, by executive order of Governor Buddy Roemer (BR 88-10) and retained by subsequent governors. The office became statutory when Governor Bobby Jindal signed Act 12 of the First Extraordinary Session of 2008. This historic legislation more firmly established the office by embedding it in statute. Further, the enabling legislation meant that the Inspector General would be able to function more independently, by providing that the person serving in that role could only be removed by the Governor if that decision was ratified by a majority of each house of the Legislature. Subsequently, Act 831 of the 2008 Regular Session expressly designated the office a law enforcement agency.

Thus far, Louisiana has had only three State Inspectors General. Governor Roemer appointed Bill Lynch as the first Inspector General in April 1988. Mr. Lynch served until his death in February 2004. In March 2005, Governor Kathleen Blanco appointed Sharon B. Robinson as Louisiana's second State Inspector General. Governor Jindal appointed Stephen B. Street, Jr., as the third State Inspector General in January 2008.

Resources and Staffing

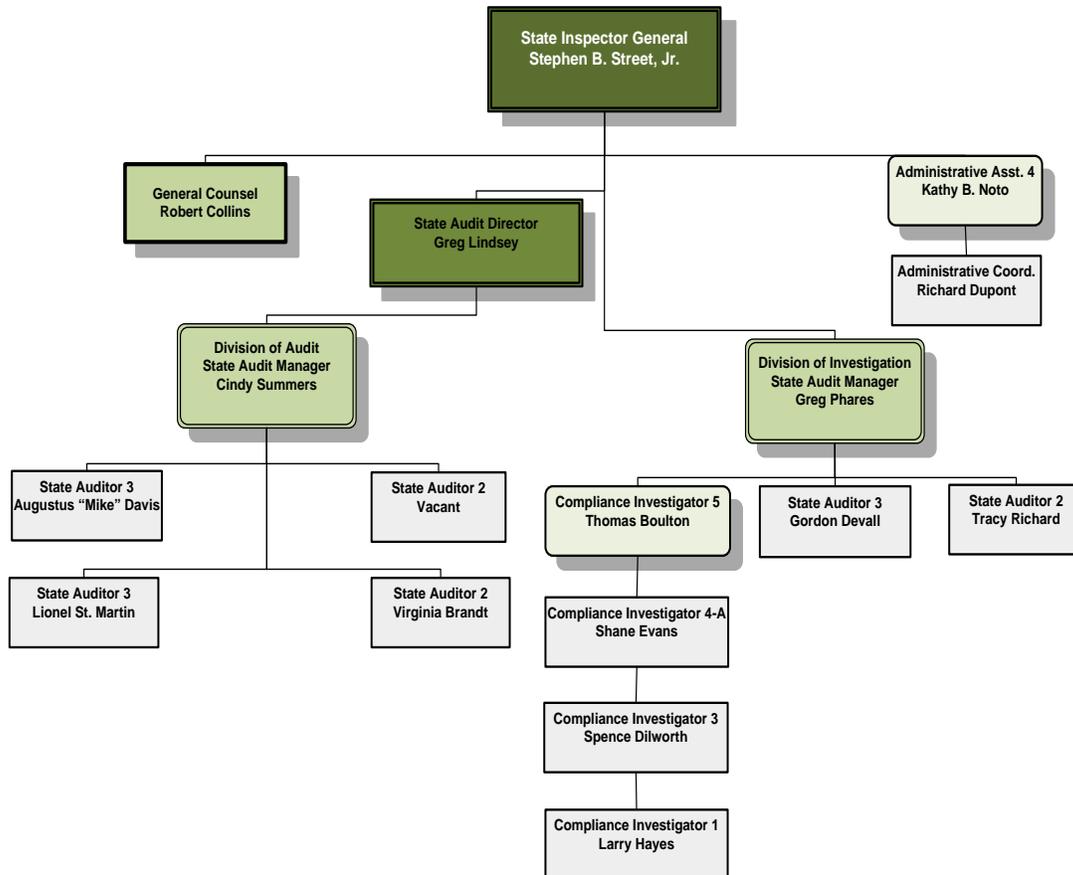
For fiscal year 2009-2010, after incurring mid-year and year-end budget reductions of approximately \$132,000, the office received a revised budget of \$1.54 million (nearly 87% of which provided salaries and related benefits). Besides the State Inspector General, the staff consists of the State Audit Director, two State Audit Managers, five State Auditors, four Investigators, two Administrative Assistants, and General Counsel. Except for the General Counsel and the State Inspector General, all other employees are members of the classified service. The General Counsel is an Assistant Attorney General under an interagency agreement with the Louisiana Office of Attorney General. Employee service in this office ranges from less than one year to more than 23 years, with two staff members having served since the office's inception. Many of the office's staff maintain professional certifications and are commissioned law enforcement officers. Those certifications and commissions include the following:

Certified Inspector General	2
Certified Public Accountants	2
Certified Forensic Accountant	1
Certified Internal Auditor	1
Certified Fraud Examiners	3
Certified Inspector General Investigator	4
Certified Inspector General Auditor	4
Commissioned Law Enforcement Officer	8

The office also provides continuing professional education opportunities to all staff members to help improve their skills, as well as to maintain any certifications earned.

Organization Chart (As of June 28, 2010)¹

Office of State Inspector General



¹ The organizational chart has changed since June of 2010, with the office undergoing a major business reorganization. In order to create an organizational chart more in keeping with OIG's law enforcement designation, the field personnel have now been organized into two squads, each comprised of both criminal investigators and forensic auditors. This is consistent with the law enforcement model employed by agencies such as the Federal Bureau of Investigation.

Investigative and Audit Processes

We conduct our work in accordance with the *Principles and Standards for Offices of Inspector General* as promulgated by the Association of Inspectors General (May 2004 revision). These principles guide the quality of our audits and investigations.

Any individual may file a complaint with the Office of State Inspector General. He or she may do so in person, or by telephone, fax, mail, or completing the electronic complaint form on our website. If desired, a complaint may be filed anonymously. The office's contact information is as follows:

Office Mailing Address	Office of State Inspector General Post Office Box 94095 Baton Rouge, LA 70804-9095 Or Office of State Inspector General 150 Third Street, 3 rd Floor Baton Rouge, LA 70801
Telephone	(225) 342-4262; Toll Free Fraud Hotline (866) 801-2549
Fax	(225) 342-6761
Internet	http://oig.louisiana.gov

At the internet web site, a complainant may complete the form online and submit it electronically or print the form and mail it.

Each complaint received by the Inspector General is carefully screened to determine if it is a matter this office needs to explore or one that would be better addressed by another entity. Within 30 days, we decide whether to open a formal investigation, refer the matter to another agency for disposition or close the complaint without taking further action. If a formal investigation is opened, it will be assigned to either criminal investigators, forensic auditors, or both, depending on the nature of the complaint.

If we open a criminal investigation, staff with law enforcement and white-collar investigation background conduct a thorough inquiry. If evidence of criminal conduct is uncovered, we work closely with prosecutors and fellow law enforcement agencies to obtain arrests, indictments and convictions. Although

from time to time we may issue a public report in conjunction with a criminal prosecution, in some cases a public report is not issued in order to avoid compromising a criminal prosecution. Our criminal investigators provide full support to prosecutors at every stage of the process, including testifying before grand juries and criminal courts. In many cases, the criminal process can be used to identify and recover monies taken through fraud and corruption. If a criminal investigation uncovers misconduct that does not rise to the level of formal criminal charges, then we have the option of issuing a public report to address those findings. A copy of that report, along with any written response, is provided to the Governor and the Joint Legislative Committee on the Budget.

If an audit project is opened, staff with financial and accounting background will conduct a thorough forensic audit to determine whether there are reportable findings. If so, we issue a public report, along with any written response. As with reports on criminal investigations, these reports are provided to the Governor and the Joint Legislative Committee on the Budget.

If an investigation or audit project finds that no criminal prosecution or public report is warranted, we may still send the agency head a letter outlining our findings and any recommendations, if that approach is applicable. Once such a letter is received by the agency head or his designee, we consider it a public record.

State Inspector General's Press and Speaking Engagements

The State Inspector General regularly provides education and training on different techniques for fraud detection and prevention to law enforcement, judges, prosecutors, auditors and investigators, and serves on the faculty for professional education conferences and certification institutes. The Inspector General also frequently makes press and public speaking appearances in an effort to increase public awareness of the activities of our office. For the period this report covers, those appearances were as follows:

Date	Organization/Event
July 1, 2009	Louisiana District Attorneys Association Board and Alabama District Attorneys Association Conference - Professionalism
July 20, 2009	LSU Ourso School of Business Forensic Fraud

	Conference - White Collar Investigation
Date	Organization/Event
August 3-7, 2009	Certified Inspector General Institute; Certified Inspector General Investigator Institute – Financial Fraud Investigation
September 9, 2009	“Ask Andy” Radio Program KWCL Oak Grove – Andy Brister
October 7, 2009	Legal Lines with Locke Meredith (Baton Rouge Cox Television)
October 30, 2009	Operation “Illegal Motion” Press Conference, United States Attorney Baton Rouge
November 6, 2009	Legislative Women’s Caucus Leadership Retreat -- Lafayette
November 13, 2009	Louisiana District Attorneys Association Fall Conference - Ethics
January 5, 2010	Lafayette Kiwanis Club
January 12, 2010	Association of Internal Auditors – Baton Rouge
January 13, 2010	Baton Rouge Rotary
March 24, 2010	Monroe Kiwanis Club
April 22, 2010	Association of Government Accountants New Orleans Chapter
May 4, 2010	Baton Rouge Bar Association Law Day Panel Speaker
May 5, 2010	Louisiana Forgery and Fraud Investigators Association -- Pineville

Analysis of Complaints

During the period July 1, 2009, through June 30, 2010, we received at least 551 complaints and resolved them as follows²:

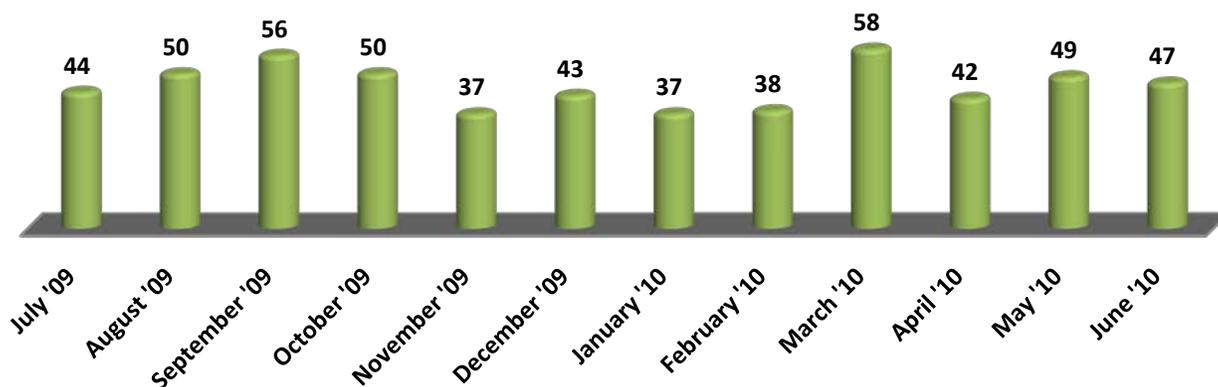
- 164 complaints resulted in the OIG providing contact information to the complainants, providing them the contact information for a more appropriate agency to resolve their concerns;
- 211 complaints were referred by the OIG directly to a more appropriate agency for review;
- 157 complaints were closed with no action due to reasons such as insufficient detail, insufficient severity, issues not within OIG jurisdiction and better handled through civil venues, stale-dated allegations, allegations that were previously investigated/adjudicated, and allegations related to pending or ongoing litigation or grievance processes;
- 19 complaints were opened as OIG cases or placed in line for assignment for formal investigation/audit by the OIG.

The breakdown of complaints received by month is as follows:

² This data reflects complaints received from outside the office, either from the general public or other sources. It does not include investigations and audits self-initiated by OIG.

Complaints Per Month

■ Number of Complaints



Case Highlights

The following are highlights of cases handled by the office either solely or jointly with another investigatory agency for which the audit/investigation results were communicated via public reports to the Governor and/or criminal arrests and prosecution between July 1, 2009 and June 30, 2010:

August 27, 2009

Division of Administration Employee Arrested

With the assistance of the Louisiana State Police and the Attorney General's High Technology Crime Unit, our office conducted an investigation that resulted in the arrest of Nellie P. Rogers for 13 felony counts of forgery, 13 felony counts of bank fraud, and 13 felony counts of malfeasance in office. Ms. Rogers was employed as a Human Resource Supervisor for the Division of Administration, Office of Human Resources. Our investigation revealed the

following:

- Between January 25, 2009 and July 24, 2009, Ms. Rogers intercepted thirteen separate checks made that retirees had submitted to the Division of Administration to cover their health insurance premiums. She was supposed

to credit the checks to the retirees' accounts and forward the appropriate amounts to the Office of Group Benefits. Instead, Ms. Rogers altered the checks to make herself an additional payee. She then took the checks, totaling \$4,078.80, to the La. Capitol Federal Credit Union and deposited them into her own personal account.

September 22, 2009

Prison Enterprises, Three Indicted in Fraud Investigation

Our office conducted a joint investigation with the Federal Bureau of Investigation (FBI) and the Louisiana Department of Agriculture Brand Commission that resulted in the arrest of three people who were charged with various counts of mail fraud for wrongdoing that had occurred from 2004 through 2006.

- In July 2009, Julius H. "Buddy" Truax, a retired Louisiana State Penitentiary horse trainer, was charged with four counts of mail fraud in an illegal scheme involving the sale of Prison Enterprises horses. Mr. Truax signed a plea agreement in which he promised to cooperate with federal authorities.
- In September 2009, former Prison Enterprises Director James H. Leslie was charged with three counts of mail fraud for selling Prison Enterprises horses illegally. Previously, in 2006, Mr. Leslie had pleaded guilty to witness tampering during a FBI investigation of criminal activity in the operation of the Louisiana State Penitentiary at Angola.
- Also in September 2009, Lake Charles fertilizer contractor Wallace E. "Gene" Fletcher was charged with 17 counts of mail fraud for defrauding Prison Enterprises of \$177,225 by over-billing the agency or by providing the agency with cheaper fertilizer than ordered and paid for.

January 19, 2010

Grand Isle Port Commission, Grand Isle Harbor Police Department

We conducted an investigation of the Grand Isle Port Commission (the Commission) upon receiving credible information that the Commission may have improperly created a police department and was operating that department without the proper legal authority. The information indicated that the Commission designated its Executive Director, Wayne Keller, as police chief, and that Mr. Keller issued badges to numerous individuals, many of them untrained as police, and proclaimed them reserve harbor

police officers. These individuals were observed in public openly carrying firearms and displaying “harbor police” badges. Our investigation revealed the following:

- The Grand Isle Port Commission may have improperly commissioned its own peace officers.
- The Commission appointed a police chief and gave him the authority to commission reserve officers. This was done without a proper application and vetting process. Persons with past criminal histories were able to obtain Grand Isle Port Commission police badges due to the failure of the Commission to properly investigate persons given those badges.
- The Commission was operating without liability insurance to protect the assets of the Grand Isle Port Commission, the taxpayers of the ward where it was located, and the State of Louisiana from tort claims based on actions of the persons functioning as the Commission’s enforcement officers. The Commission was also operating without liability insurance to protect the interests of the officers in the event of injury or death while acting on behalf of the Commission. This posed significant risk to the State of Louisiana, the assets of the Commission, and the taxpayers of the ward where the police department operated.
- The Commission purchased a 1999 Ford Crown Victoria that was later equipped and marked as a Grand Isle Harbor Police vehicle, although enabling legislation for that does not exist. The operation of this marked, law enforcement vehicle on public roadways by untrained or undertrained personnel posed a liability risk to the State of Louisiana, the Grand Isle Port Commission, and the taxpayers of the ward in which the department functioned.
- When our investigation began, the Commission’s police car was insured only by a regular liability insurance policy. A policy modification was made after our inquiry began, which insured the police car as a commercial vehicle. Upon review of the modified policy, it was found that Mr. Keller was the only individual properly listed as a rated driver under the policy. The other twelve individuals with Commission badges were not listed as rated drivers. As a result, if an accident were to have occurred with any other Commission “officer” operating the car, there would have been no insurance coverage, posing significant risk to the State, the Commission, and the taxpayers of the ward.
- The vessel belonging to the Grand Isle Fire Department and used by the Commission for enforcement activities was illegally marked. It had hull numbers that showed it as still registered to the Louisiana Department of Wildlife and Fisheries despite it having been purchased from state surplus in

2007. The registration sticker was also expired and there was no license plate on the trailer used to haul the vessel. This situation had the Commission, on behalf of the State of Louisiana, conducting enforcement activities from an improperly registered and marked vessel.

- The Grand Isle Fire Department maintained a general liability policy which provided coverage for the boat that it allowed the Commission to use. The policy, however, was limited to only covering Grand Isle Firefighters during the performance of Fire Department duties.
- The Commission issued badges in the shape of the State of Louisiana which are very similar in appearance to the badges issued by the Louisiana State Police. The Commission is not an agency authorized under state law.

April 27, 2010

**Department of
Health and
Hospitals and
State Police
Overtime**

Due to a March 2009 news report by WAFB TV in Baton Rouge about the amount of overtime worked by employees of various state agencies, our office conducted a comprehensive review of overtime for calendar year 2008 at the Louisiana Department of Health and Hospitals (DHH) and the Louisiana Office of State Police (State Police). Our review revealed the following:

- Ten employees with the DHH's Northeast Supports and Services Center received a total of more than \$407,000 for some 23,000 hours of questionable overtime in 2008. These overtime hours are equivalent to the number of hours that would be worked in one year by more than 11 **additional** fulltime employees working normal eight-hour days. The ten employees routinely reported that they worked more than 16 hours a day, worked back-to-back days with less than six hours off between shifts, and worked as many as 82 days straight. For example:
 - One employee reported he worked 33 hours straight, and separately 41.5 hours in a 42-hour period.
 - Another employee reported she worked 59 hours in a 66-hour time span.
 - A third employee reported that she worked 34.5 hours straight. She also reported having worked more than 20 hours a day on 14 different dates in 2008, and working 82 days straight without a single day off.
- In addition, time entered in the Integrated Statewide Information Systems (ISIS) database by DHH timekeepers did not always match the timesheets completed by the employees. The extreme nature of these work schedules,

as well as the mismatched time entries, raises questions as to whether the employees actually worked the hours reported.

Our review of overtime for State Police employees did not find any significant instances of questionable overtime hours. However, we did find that the State Police under-billed a local agency by more than \$27,000 for the reimbursement of mileage and overtime hours worked by officers and support staff under Local Agency Compensated Enforcement (LACE) agreements. Inefficient payroll procedures and billing procedures contributed to this error.

May 5, 2010

Dual Employment

In early 2009, The Baton Rouge *Advocate* published news reports on state employees with salaries of \$70,000 or more. When our office read the report and noted that some of the employees in the report were listed as holding more than one position in state government, we decided to look further into that. We conducted a comprehensive review of all positions in the entire executive branch of state government to determine if any persons were holding two or more full-time positions. The holding of two or more full-time positions at the same time in state government or a political subdivision of the state is prohibited by La. R.S. 42:63.E. Our review revealed the following:

- As of November 2009, we found four persons who simultaneously held two fulltime positions within state government or its political subdivisions, violating La. R.S. 42:63.E.
- In addition, work schedules for these employees overlapped, raising the question of whether the employees actually worked all the hours for which they were paid. Therefore, we questioned, at least, the annual salary of the lower paying positions for these four employees. The annual salaries of just the lower-paying positions totaled approximately \$177,000.
- The following four persons held two full-time positions in state government:
 - Samantha Ackers - employed by both Baton Rouge Community College (salary \$47,000) and the Governor's Office on Mental Health Advocacy Services (salary \$36,275.20)
 - Sharon Shelmire - employed by both the Housing Authority of East Baton Rouge Parish (salary \$43,264) and University of New Orleans (salary \$32,000)
 - Betty Carter - employed by both LSU Interim Public Hospital (salary \$86,382.40) and Delgado Community College (salary \$55,491.20)

- Coletha Riley - employed by both LSU Interim Public Hospital (salary \$94,927.72) and Delgado Community College (salary \$53,127.40)
- It appears that at times the responsibilities of these positions may have conflicted, forcing the employees to choose performance of the responsibilities of one position over the responsibilities of the other. For example:
 - The schedules for Samantha Ackers provided by the Baton Rouge Community College and the Governor's Office on Mental Health Advocacy Services show that Ms. Ackers was supposed to be at both locations on Monday, Wednesday and Friday afternoons for the fall semester in 2009.
 - The schedules for Sharon Shelmire provided by the Baton Rouge Housing Authority and the University of New Orleans both required Ms. Shelmire to be present from 8 a.m. until noon on Monday through Friday.

Note: On July 2, 2010, Sharon Shelmire was charged criminally with thirteen counts of public payroll fraud. On July 10, 2010, Samantha Ackers was charged criminally with one count of filing false public records.

May 12, 2010

Operation "Illegal Motion"

In an ongoing public corruption investigation known as Operation "Illegal Motion," ten people have been charged in a bribery scheme involving the Baton Rouge city and state district courts. All ten entered guilty pleas in federal court.

The investigation was conducted by the Public Corruption Working Group³ That Working Group consists of: the FBI, Louisiana Office of State Inspector General, Louisiana State Police, Louisiana Department of Environmental Quality, Internal Revenue Service, and the U.S. Department of Homeland Security Office of Inspector General. The specific charges brought are as follows:

- Former Assistant Baton Rouge City Prosecutor Flichter R. Bell was charged in a Bill of Information for allegedly accepting bribes in exchange for "fixing" criminal matters filed and pending in Baton Rouge City Court. Mr. Bell pleaded guilty and was sentenced to 3 years in federal prison.

³ There now exists a formal Memorandum of Understanding (MOU) between OIG and the Baton Rouge FBI, which formed the Baton Rouge Public Corruption Task Force. An OIG investigator has been assigned to this task force, and OIG regularly conducts joint investigations with the FBI pursuant to this agreement.

-
- Former Baton Rouge Police Sergeant Darrell Johnson was charged in a Bill of Information for allegedly accepting bribes in exchange for "fixing" criminal matters filed and pending in Baton Rouge City Court. Mr. Johnson pleaded guilty and was sentenced to 15 months in federal prison.
 - Former Chief Investigator of the Baton Rouge Public Defender's Office, Edward C. James was charged in a Bill of Information with violating the Racketeer Influenced and Corrupt Organizations Act (RICO) and with conspiracy for allegedly accepting or extorting bribes from individuals with pending criminal charges in Baton Rouge City Court and the 19th Judicial District Court and then sharing the proceeds of the bribe or extortion with a prosecutor or court official who would arrange for the matters to be dismissed or otherwise "fixed." Mr. James pleaded guilty and was sentenced to 20 months in federal prison.
 - Michael Steven Lee was charged with federal racketeering and other offenses related bribing a prosecutor to dismiss drug-possession and domestic violence cases. In a separate indictment, Mr. Lee was charged with illegal possession of a 9mm handgun. Mr. Lee pleaded guilty and was sentenced to 30 months in federal prison.
 - Former Baton Rouge Police Officer Leonard P. Jackson was charged in a two count Bill of Information. Count one charges that from about 2006 until October 2009, while serving as a law enforcement officer with the Baton Rouge City Police Department, Jackson conspired with others to engage in bribery by soliciting and accepting payments from individuals with criminal and traffic matters pending in Baton Rouge City Court with the promise that the charges would be dismissed or otherwise "fixed." Count two charges that on September 17, 2009, Jackson accepted a cash bribe payment in exchange for using his position as a police officer to collect a \$10,000 gambling debt on behalf of an individual. Mr. Jackson pleaded guilty and is still awaiting sentencing.
 - Evelyn D. Holden, the sister of Baton Rouge Mayor-President Kip Holden and former employee of the East Baton Rouge Parish Clerk of Court, was charged in a Bill of Information alleging that from or about 2008 through October 2009, while employed in the property section of the 19th Judicial District Court, she conspired with Flichter Bell and others to engage in bribery by soliciting payments from individuals with criminal and traffic matters pending in Baton Rouge City Court with the promise that the charges would be dismissed or otherwise "fixed." Ms. Holden pleaded guilty and was sentenced to time served and placed on 3 years of supervised release.
 - Koveria D. Williams was charged in a Bill of Information alleging that from or about 2008 through October 2009, he conspired with Flichter Bell and others to engage in bribery by soliciting payment from individuals with criminal and

traffic matters pending in Baton Rouge City Court with the promise that the charges would be dismissed or otherwise "fixed." Mr. Williams was not a city-parish employee. Mr. Williams pleaded guilty and was sentenced to 6 months in a halfway house.

- Former employee of the Baton Rouge City Court, Ann M. Warr, was charged in a Bill of Information alleging that from or about 2008 through October 2009, Warr, while employed with the Baton Rouge City Court, conspired with Edward James and others to engage in bribery by soliciting payment from individuals who were required to perform community service with the promise that the requirements would be fraudulently satisfied by falsely creating court documents reflecting performance of community service by the defendants. Ms. Warr pleaded guilty and was sentenced to probation.
- Samuel L. Wilson, Sr. was charged in a Bill of Information for federal racketeering offenses involving bribery, and is accused of accepting payment from individuals with criminal and traffic matters pending in Baton Rouge City Court with the promise that the charges would be dismissed or otherwise "fixed." Mr. Wilson pleaded guilty and was sentenced to probation.
- Robert L. Stevens was charged in a Bill of Information for allegedly accepting from individuals with pending criminal charges in Baton Rouge City Court and then sharing the proceeds with former city prosecutor Flichter Bell, who would arrange for the matters to be dismissed or otherwise "fixed." Mr. Stevens pleaded guilty and was sentenced to probation.

June 7, 2010

Ex-Convict Posing as Pardon Board Chairman

Our office conducted an investigation that resulted in the arrest of Nathaniel Stewart on charges of felony theft, exploitation of the infirmed, and false personation. At our request, Port Fourchon Harbor Police boarded a crew boat on which Mr. Stewart was employed and arrested him on June 7, 2010, after Investigator Larry Hayes at our office notified Harbor Police of Mr. Stewart's location and of the warrant for his arrest. The case has been referred to the District Attorney's Office in St. John the Baptist Parish for prosecution. Our investigation revealed the following:

- Mr. Stewart approached the elderly mother of an inmate at Avoyelles Correctional Center and identified himself as Larry Clark, the Chairman of the State Pardon Board, offering to secure her son's early release in exchange for money. In truth, Mr. Stewart, himself, had served time at Avoyelles Correctional Center for felony theft and forgery, and had just been released on parole. Mr. Stewart met with the victim several times and persuaded her

to withdraw money from her retirement annuity so that her son could participate in a new "early release" program for non-violent offenders. The victim paid Mr. Stewart \$6,890, but eventually became suspicious and called the Pardon Board. Pardon Board officials called the Governor's Office, which immediately referred the matter to the Inspector General.

Twenty-seven copies of this public document were published in this first printing at a cost of \$152.80. The total cost of all printings of this document, including reprints is \$152.80. 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.oig.louisiana.gov. Reference should be made to: Annual Report 2010. If you need any assistance relative to this report, please contact Stephen B. Street, Jr., State Inspector General 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.oig.louisiana.gov
- 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