

ROBERT BURNS

NUMBER 624531 DOCKET: 27

19TH JUDICIAL DISTRICT COURT

VERSUS

PARISH OF EAST BATON ROUGE

LOUISIANA AUCTIONEER'S LICENSING BAORD,
CHARLES "HAL" McMILLIN, JAMES M SIMS,
DARLENE JACOBS-LEVY, GREGORY L. "GREG"
BORDELON, CHARLES "CLAYTON" BRISTER,
TESSA STEINKAMP, LARRY S. BANKSTON,
BANKSTON AND ASSOCIATES, LLC

STATE OF LOUISIANA

MEMORANDUM IN OPPOSITION TO EXCEPTION OF NO CAUSE OF ACTION AND SPECIAL MOTION TO STRIKE

NOW UNTO COURT comes Plaintiff, Robert Edwin Burns, in proper person, who submits to this Honorable Court this Memorandum in Opposition to an Exception of No Cause of Action and Special Motion to Strike filed by attorney Jenna Linn on behalf of Defendants Larry S. Bankston and Bankston and Associates, which is scheduled for hearing on Monday, February 3, 2014 at 9:30 a.m.

Plaintiff has already fended off two (2) identically-captioned motions in other LALB-related cases (both of which were denied) and Defense Counsel's arguments closely parallel those of the previous cases before Judges Morvant and Fields, so Plaintiff will merely parallel (but make far briefer) his prior arguments in those cases.

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First, Docket # 603248 still pending before Judge Caldwell entailed an identical set of motions by LALB Attorney Anna Dow. In rendering the reason for his denial of Ms. Dow's Special Motion to Strike (which was argued on September 26, 2011), Judge Caldwell stated, verbatim: "Ms. Dow, you **clearly** are not entitled to any protection under LA CCP 971 since you are not an employee of the LALB." Given that a Judge who is as well-respected as Judge Caldwell and who researches his matters himself and does so very thoroughly ruled as he did and for the reason just relayed, Plaintiff will begin his argument for Denial of the Special Motion to Strike by merely stating that Mr. Bankston has the same identical employment status as Ms. Dow. He is a contract attorney, nothing more. Judge Caldwell DENIED Ms. Dow's Special Motion to Strike in stating she failed to meet the criterion for such protection and, thus, Defendant Bankston likewise fails to meet the criterion. Furthermore, Judge Caldwell, as requested by Plaintiff in his prayer for relief and as stipulated by LA CCP 971(B), also awarded Court Costs to Plaintiff and admonished Ms. Dow that, had Plaintiff employed an attorney, she

would have been assessed his legal fees for defeating the Motion as well. Plaintiff attaches hereto and makes a part hereof, Exhibit P-2, a copy of the Judgment rendered by Judge Caldwell in that matter which was signed by him on October 7, 2011. Because Ms. Dow chose not to include Judge Caldwell's reason for his Judgment and Ms. Dow and Ms. Linn likely have little, if any, communication with each other, Ms. Linn was likely oblivious to Judge Caldwell's ruling prior to initiating her present filing; nevertheless, Plaintiff feels he can have no better argument than a Judge of Judge Caldwell's caliber stating his case, so he'll leave it for this Court to decide if it wishes to concur with Judge Caldwell or issue a ruling contradicting Judge Caldwell's ruling.

Similarly, Docket # 602922, Robert Burns v. Sandy Edmonds (Malicious Prosecution) entailed the same Motions argued before Judge Fields on November 14, 2011. Plaintiff relied upon the same arguments he posed to Judge Caldwell in pleading his case for DENIAL of that Special Motion to Strike. Judge Fields DENIED the motion from the bench; however, Defense Counsel Rodney Ramsey requested that the Court pretermitt the matter given that Judge Fields permitted Plaintiff 30 days in which to amend his Petition to clearly state a Cause of Action for Malicious Prosecution. Mr. Ramsey relayed to Judge Fields that, since the Petition could be amended, he wanted the right to reassert the Special Motion to Strike (thus the pretermitt request); however, despite Plaintiff amending his Petition, Mr. Ramsey never reasserted his Special Motion to Strike. Judge Fields' Judgment, signed on November 30, 2011, is attached hereto and made a part hereof as Exhibit P-3.

Plaintiff, in defeating each respective Special Motion to strike, argued only one court case: *Davis v. Benton*. Defendant Bankston wants to assert that LA CCP 971 gives him and his co-defendants the right to say anything they want about Plaintiff merely by the LALB's regulatory role and the fact Plaintiff was a licensed auctioneer at the time (Plaintiff subsequently declined to renew his auction license rather than incur more and more legal fees defending witch hunt Administrative Hearings). A statement is deemed to be made in good faith when it is made with reasonable grounds for believing it to be true: *Davis v. Benton (La.App. 1 Cir. 2/23/04), 874 So.2d 185*. Such reasonable grounds were **completely** nonexistent in this case!

Defendants issued a “public reprimand” (with three stating in an illegal Executive Session – Docket # 619707 pending before this Honorable Court – that Plaintiff should have his **auction license revoked**) for “going after our employee.” Subsequent to making such blatantly defamatory statements about Plaintiff, the Louisiana Office of Inspector General (OIG) issued a report dated December 9, 2013, which is attached hereto and made a part hereof as Exhibit P-4.

In that report, the OIG cites the LALB and the Interior Design Board for “wasting public funds” through their practices of permitting their shared Executive Director, Sandy Edmonds, to be on extensive out-of-state vacations yet claim she is “on the clock.” So, Plaintiff **was actually subjected to a full-blown hearing for disciplinary action against his license for pointing out the very findings of the OIG report and warning Defendants of same nearly two (2) years before the report was issued!** In fact, in an email dated Thursday, July 12, 2012 and sent to Defendant Greg Bordelon (whose LALB Membership has recently been severed), Defendant Vice Chairman James Sims, and Defendant Charles “Hal” McMillin, with said email being attached hereto and made a part hereof as Exhibit P-5, Plaintiff Burns stated (see item # 3 in the email) that, “As LAPA has advised each of you in emails soon after the 5/21/12 LALB meeting, Chief of Civil Service Accountability, Patrick Lowery, has indicated that the LALB (and IDB) work arrangements constitute ‘blatant payroll fraud.’” Ms. Edmonds, as of the date of that email, July 12, 2012, had historically routinely taken vacations (often for a week at a time) yet claimed she was on the clock. **Incredibly, Mr. Bankston was formally hired by the LALB at its May 21, 2012 meeting (though somehow he began working for Defendant LALB to begin pursuing Plaintiff on March 9, 2012). Two days later, May 23, 2012, Defense Counsel Bankston sent Plaintiff Burns a letter laying the foundation for the aforementioned hearing. As readily cited in the OIG report, Exhibit P-4 [see table at top of page four (4)], Ms. Edmonds was actually engaging in an episode of payroll fraud the very next day, May 24, 2012!!** So, rather than Defendants taking Plaintiff Burns’ warnings to heart and adhering to their fiduciary duties to the auction licensees of Louisiana, they actually had their attorney, Larry S. Bankston, lay the groundwork for an Administrative Hearing for action against Plaintiff’s license while Ms. Edmonds was **simultaneously committing even more payroll fraud!!**

Instead of heeding Plaintiff's polite warnings, Defendants actually ended up having the whole matter blow up in their collective faces by necessitating that a law-enforcement agency, the OIG, investigate the matter and issue a report chastising Defendants publicly for the **very same issue** for which Plaintiff had given them a courtesy warning!!

Furthermore, Defendants ignored Plaintiff's verbal statement to them at the Administrative Hearing that the Louisiana Legislative Auditor's Office, which had completed a review with accompanying damning report on the LALB payroll practices days before Defendant LALB launched its pursuit of Plaintiff, stated that "we do not consider this matter closed, but we are not at liberty to divulge where we may proceed from here." Where the Legislative Auditor proceeded from there was to refer the matter to EBRP District Attorney Hillar Moore's Office for potential criminal prosecution of Ms. Edmonds. It was then Mr. Moore who forwarded the matter on to the OIG which ultimately culminated in the issuance of their report.

Interestingly enough, Exhibit P-4 (the OIG report) clearly indicates that Ms. Edmonds didn't even tell either of her "superiors" that she was taking the vacations. Furthermore, she lied to the OIG investigators when they interviewed her in the presence of Defense Counsel Bankston and Ms. Anna Dow (the LALB's other attorney). For that deception to the OIG, as evidenced at the bottom of page six (6) of the OIG report, the OIG recommended each Board, "**consider appropriate disciplinary action, up to and including termination.**" It is just this type of corruption that the LALB seeks not only to block from seeing the light of day but to in fact conduct itself in a Mafia-like manner to cram its corruption down the throats of the licensees it regulates as well as the public at large. Any licensee who dares challenge its Mafia-like practices as Plaintiff did quickly finds himself appearing before Defendant LALB's Membership for an Administrative Hearing!

Further, Mr. Bankston, through obtaining legal contracts such as the one he has with the LALB (illegality of the circumstances of him obtaining it notwithstanding), is fortunate to have the opportunity to repair a severely-tarnished public perception of him resulting from his prior Federal prison stint. Instead, proving that a zebra truly isn't capable of changing its stripes, Mr. Bankston is hell-bent on aiding and abetting his LALB clients in perpetrating their corrupt and Mafia-like propensities!

From the preceding, it should be abundantly clear that it would be a most inappropriate ruling by this Honorable Court to grant Defendant's Special Motion to Strike. Doing so would send a chilling message that any attempt on the part of a member of the public to expose governmental corruption (including Ms. Edmonds' engaging in payroll fraud) would be in vain. Instead, it would send the message that the public member would simply be forced to submit to such harassment and intimidation on the part of a public body. In fact, such a ruling by this Honorable Court would actually **encourage** Gestapo tactics on the parts of public bodies to quiet public members from exposing corruption within public agencies.

Regarding Defendants' Exception of No Cause of Action in which Defendant asserts Plaintiff's Petition states little to substantiate that Defendant Bankston defamed Plaintiff, the evidence is clear, as stated in the Petition, that Mr. Bankston had **nothing** whatsoever to substantiate Mr. Stewart Peck's complaint. Understandably, Mr. Peck served as the trustee for a bankrupt client, New Orleans Auction Galleries (NOAG), for whom Defendant Tessa Steinkamp served as Vice President, Secretary, Director, and Treasurer, and as such, he had a difficult job in trying to recover even a penny or two on the dollar for unsecured creditors (NOAG had over \$5 million in liabilities and slightly over \$250,000 – excluding a worthless intercompany receivable -- in assets at the time of its bankruptcy filing). NOAG had numerous auction statute violations such as \$600,000 in unpaid consignors at the time of bankruptcy, company operating expense being paid out of consignor escrowed funds, and fake paintings (authenticated as such by Christie's) being auctioned for six-figure amounts when they were nearly worthless. Mr. Peck's job was to maximize the return to unsecured creditors, and he had one more mess on his hands in dealing with the spoils left behind by the irresponsible (and illegal) acts of Jean Vidos (owner of NOAG) and the, at a minimum, failure of LALB Chairman (and Defendant) Tessa Steinkamp to report these statute violations. Had she done so, many consignors and bidders (most notably Danny Pun, who lost approximately \$110,000 bidding at NOAG's last auction before bankruptcy on a fake Chicken Blood Stone and another item which were worth only a tiny fraction of what he bid) from losing the staggering sums that they did.

Mr. Peck is **NOT** named as Defendant in Plaintiff's Petition because, absurd and baseless as Mr. Peck's complaint was, Plaintiff defends his right to file the complaint with Defendant LALB. Plaintiff further believes that **he** (Mr. Peck) **would** likely be afforded the protection offered by LA CCP 971, for **that** is the **core purpose** of LA CCP 971 (protecting the right of a **member of the public** to lodge complaints without fear of lawsuits thereafter), and **that** is the rationale the for why the Courts ruled as they did in granting Defendant Benton's right to file such a complaint in the Davis v. Benton case. LA CCP 971 was **never** intended to afford public bodies to conduct themselves in a reckless manner as they have in this instance and then try and hide behind the cover of LA CCP 971. For Defendant Bankston to even assert that he has such protection is tantamount to saying to this Honorable Court, "We're the Sheriff in town, Your Honor, we can do whatever the hell we want to do! We have no obligation whatsoever to use logic or common sense! We have no obligation to listen to Mr. Burns' counsel, Robert Loren Kleinpeter, when he told us this whole matter was akin to the excrement of a bull (using the graphic language instead), and we certainly don't have any obligation to adhere to our fiduciary duty to the licensees of this state. This Court is duty-bound to stand as our reinforcement to conduct reckless operations just as we see fit, and you should therefore grant our Special Motion to Strike, Your Honor." That is just how utterly absurd it is for Defendant Bankston to be in this Court arguing what he is arguing!

Defendant Bankston has the responsibility to ferret out frivolous complaints from substantive ones and ones he has at least a modicum of a chance of proving. Nevertheless, Mr. Bankston went headstrong forward with nothing more than a written complaint from Mr. Peck without: #1) obtaining from Mr. Peck whatever financial analysis he purported Plaintiff performed that was misleading, #2) failing to subpoena Mr. Peck for the sham Administrative Hearing (notwithstanding that Peck purported that he would be willing to attend), #3) failing to obtain a single sworn statement from Mr. Peck to substantiate anything Mr. Peck alleged in his complaint (nor obtain any further supporting evidence whatsoever).

Plaintiff wishes to emphasize that he is a CPA (inactive) who successfully passed the CPA examination on his **first** attempt, which less than 3% of those who sit for the CPA exam succeed at accomplishing. Further, Plaintiff had scores among the highest in

the nation of 92 on practice and 90 on theory. Further, Plaintiff graduated from LSU with a 4.000 GPA, and he is prepared to call several current and former FDIC examiners to testify to Plaintiff's accounting and financial analysis skills.

Nevertheless, Defendant Bankston issued an **unsigned** "Notice of Failure to Comply" letter to Plaintiff on May 23, 2012, when there was **nothing with which to comply!!** Mr. Peck was never an auction client of Plaintiff; furthermore, as Plaintiff's legal counsel, Robert Loren Kleinpeter, told Mr. Bankston, if Mr. Peck felt he had cause to have pursued Plaintiff, as Peck himself noted in his letter to Plaintiff, the appropriate venue for that was Federal Bankruptcy Court for the Eastern District of Louisiana. Mr. Peck wasn't about to pursue any such action in Federal Court because he knew full well it would be **him** whom the Bankruptcy Judge would sanction and not plaintiff.

Plaintiff did nothing but reproduce numbers which NOAG presented in its bankruptcy filings. If any such numbers were "misleading," they were NOAG's numbers and thus NOAG who mislead (which some creditors, most notably M. S. Rau, did in fact accuse NOAG's Peck of doing in their own filings)!! To suggest that a reproduction of accounting financial statements which have been filed into the public record for the world to see is an action for which the Bankruptcy Court would sanction someone is absurd on its face and would have been laughed out of court with Peck being the one sanctioned, and he knew that when he drafted his letter to Plaintiff (which incidentally, Rev. Freddie Phillips also received a copy addressed to him). How Defendant Bankston could not have recognized same (or perhaps he did but figured Plaintiff would never in a million years hold him accountable for his inexcusable actions in this case) is mind boggling!

Mr. Peck had a "free shot" in filing a complaint with Defendant LALB, and he likely figured that, since Defendant LALB has two lawyers, it was unlikely they would be so foolish as to advance such an absurd complaint (particularly since it was **totally** outside the LALB's jurisdiction, not to mention the complete lack of mental capacity for the "jurors," LALB members, to grasp such bankruptcy concepts, with the exception of Member Darlene Jacobs-Levy, who, as has been referenced, **repeatedly** called for Directed Verdict for Plaintiff). His "free shot" paid off, however, because in a zealous effort to not lose his contract with the LALB Members (all of whom hold great disdain for Plaintiff and fellow auctioneer and friend Rev. Freddie Lee Phillips), Defendant

Bankston not only advanced it, but he, in stating the full Board's position, sent Plaintiff a certified letter and "Notice of Hearing" dated August 14, 2012 in which he, again with no supporting documentation whatsoever, asserted that Plaintiff was "incompetent and/or grossly negligent," and he further asserted that Plaintiff was "rendering, submitting, subscribing, or verifying false, deceptive, misleading, or unfounded opinions or reports."

Plaintiff will be delighted to amend his pleadings to incorporate Mr. Bankston's libelous letter, for which he had zero foundation whatsoever! As part of those Amended Pleadings, Plaintiff will also incorporate the fact that Defendant Bankston said, as captured on videotape (and Defendant LALB hired a Certified Videographer for the hearing, so said video can be obtained and used as evidence by Plaintiff) that there was "no question" that Plaintiff's pleadings in 19th JDC were "false and misleading" regarding Ms. Edmonds' payroll fraud. Mr. Bankston made this statement despite the extensive documentation obtained from Ms. Edmonds from Public Records Requests to substantiate the payroll fraud which was included with the court filing (and which every Defendant was provided copies at the sham Administrative Hearing). Obviously, the aforementioned OIG report validates Plaintiff's contention that Ms. Edmonds has in fact committed payroll fraud (and continued to do so without even informing her superiors she was doing so); moreover, as Plaintiff referenced at his Administrative Hearing, Plaintiff's major bone of contention regarding the payroll fraud was that Defendants were granting Ms. Edmonds carte blanche authority to commit the payroll fraud!

As Plaintiff has indicated to Mr. Bankston, truth is an absolute defense to a defamation case, so Mr. Bankston need only come into this Honorable Court and, during trial, substantiate his allegations, which he failed miserably to do at the Administrative Hearing (so much so that Defendant Darlene Jacobs-Levy urged Administrative Judge Vallan repeatedly to issue a Directed Verdict and dismiss the whole matter), and he'll be fine. Perhaps Defendant Bankston may even feel compelled to subpoena Mr. Peck and have him serve as a witness at the trial. Plaintiff certainly hopes this is the case because PLAINTIFF CANNOT WAIT for an opportunity to cross-examine Mr. Peck! Plaintiff was anxiously awaiting the opportunity to do so at the September 17, 2012 Administrative Hearing, only to find that Mr. Bankston was so negligent and so derelict in his duty to adhere to his burden of proof that he didn't even subpoena Mr. Peck nor obtain any sworn statement from Mr. Peck! In a nutshell, Defendant Bankston actually expected Plaintiff to get on the stand at the

Administrative Hearing and self-incriminate with imaginary “false, misleading, or unfounded reports.” Did Mr. Bankston not realize that he has the burden of proof to produce such reports? He certainly failed to do so at the Administrative Hearing, so perhaps he’ll introduce them as evidence at trial regarding the present matter! That is how utterly pathetic Defendant Bankston’s performance was on September 17, 2012. He can now have a second shot, however, in proving the case (as a defense to this Defamation Petition) which he so miserably failed at on September 17, 2012! When he fails to do so, as he will, this Honorable Court will be compelled to award Plaintiff damages for the slanderous remarks made by LALB Members about Plaintiff on September 17, 2012, with said remarks emanating from the libelous material of August 14, 2012 (along with the Findings of Fact which reduced the “reprimand” to writing) and Defendant Bankston’s reinforcing of that libelous letter with his slanderous statements at the September 17, 2012 Administrative Hearing,

When this Honorable Court awards Plaintiff damages for the Defamation to which he has been subjected, Plaintiff asserts that it is Defendant Bankston who should be assessed the largest portion of contributory negligence regarding the defamation. He was in the superior position to have analyzed the material (weak as it was) and to have gathered supporting evidence, and he did neither. Furthermore, his aforementioned statements during the hearing likely influenced the votes of the Defendant LALB Members when they heard him say there was “no question” that Plaintiff’s pleadings pertaining to Ms. Edmonds’ payroll fraud were “false and misleading.” Defendant Steinkamp should have the second most contributory negligence because, despite her obligation to recuse herself from the Administrative Hearing altogether due to her obvious conflict entailing NOAG, she nevertheless, as referenced by Plaintiff in his pleadings as per Exhibit P-1, made the disastrous decision to include the “blatant payroll fraud” aspect of the hearing which has now imploded in all Defendants’ faces.

Plaintiff’s stellar business reputation has been severely tarnished by a Mafia-like public agency which insists upon cramming its corrupt activities down the throats of its licensees and members of the public at large, and for that tarnishing of his stellar reputation, Plaintiff intends to seek the maximum recovery possible from this Honorable Court.

WHEREFORE, Plaintiff, ROBERT EDWIN BURNS, prays that this Honorable Court DENY Defendants’ Exception of No Cause of Action and Special Motion to Strike for the foregoing reasons. Plaintiff further prays that Plaintiff’s Court

Costs, minimal as they are for this particular filing, be assessed against Defendants Larry S. Bankston and Bankston and Associates as provided for under LA CCP 971(B).

Respectfully Submitted,

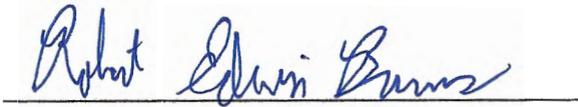
Robert Edwin Burns, in proper person
4155 Essen Lane, Ste 228
Baton Rouge, LA 70809-2152
(225) 636-5500 (home) (225) 235-4346 (cell)
E-mail: rburnsbtr@hotmail.com



Robert Edwin Burns

Certificate of Service:

I hereby certify, on this 13th day of January, 2014, that a copy of the foregoing has been served upon counsel for all parties to this proceeding by submitting a copy of same via electronic mail, facsimile, or First Class United States Mail, properly addressed and postage prepaid.



Robert Edwin Burns

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ROBERT BURNS OCT - 4 2011

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DIVISION 24

VERSUS BY Em
BY CLERK OF COURT

NINETEENTH JUDICIAL DISTRICT COURT
IN AND FOR THE PARISH OF EAST BATON
ROUGE

ANNA DOW

STATE OF LOUISIANA

JUDGMENT

This matter came on for hearing on defendant's Special Motion to Strike and Exception of No Cause of Action on September 26, 2011, the law and the pleadings, including but not limited to the petition and all attachments being in favor thereof, it is hereby

ORDERED, ADJUDGED AND DECREED that the Special Motion to Strike is denied, at the cost of defendant; it is further

ORDERED, ADJUDGED AND DECREED that the exception of No Cause of Action is granted, and the matter is dismissed; it is further

ORDERED, ADJUDGED AND DECREED that plaintiff has 15 days from the date of hearing in which to amend the petition to assert any cause of action not already expressed in the petition, memoranda and attachments filed already herein.

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Rendered this 26th day of September, 2011, and signed at Baton Rouge, Louisiana, this
th day of October, 2011.

R. Michael Caldwell
JUDGE

Respectfully submitted,

Anna E. Dow
Counsel for Defendants
Bar Roll Number 5040
1434 North Burnside Avenue
Suite 14
Gonzales, Louisiana 70737
(225) 644-1865
(225) 644-1860

I HEREBY CERTIFY THAT ON THIS DAY A COPY OF
THE WRITTEN REASONS FOR JUDGMENT/DISMISSAL/
JUDGMENT/ ORDER/ WAS MAILED BY ME, WITH
SUFFICIENT POSTAGE AFFIXED TO:

DONE AND SIGNED ON October 12, 2011
Anna Dow
DEPUTY CLERK OF COURT

Anna Dow
Robert Burns

OCT 06 2011



EBR914698

P-2

ROBERT BURNS

NUMBER 602,922 SECTION 25

VERSUS

19TH JUDICIAL DISTRICT COURT

SANDY EDMONDS

PARISH OF EAST BATON ROUGE

STATE OF LOUISIANA

JUDGMENT

NOV 20 2011
BY _____
CLERK OF COURT

This matter came for hearing on November 14, 2011, pursuant to a regularly scheduled hearing on an Exception of No Cause or Right of Action, Special Motion to Strike and Motion to Stay Discovery Filed on Behalf of Defendant, Sandy Edmonds.

Present in Court were: Rodney A. Ramsey and Valencia J. Vessel for defendant, Sandy Edmonds, and plaintiff, Robert Burns, in proper person.

After hearing oral arguments, examining all pleadings, exhibits offered into evidence and memoranda on file, the Court ordered as follows:

IT IS ORDERED, ADJUDGED, AND DECREED that defendant's Exception of No Cause of Action is **GRANTED**, at plaintiff's costs;

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that plaintiff is granted 30 days from the hearing date of this matter to file an Amended Petition for Damages.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the Motion to Stay Discovery is denied and that defendant's Special Motion to Strike is pretermitted, as the Court considers this particular motion moot in light of its Judgment. Defendant may reurge her Special Motion to Strike, should plaintiff timely file an Amended Petition.

EBR1023250

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JUDGE FIELDS

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Judgment rendered in Open Court on November 14, 2011, in Baton Rouge, Louisiana.

Judgment read and signed on the 30 day of November, 2011, in Baton Rouge, Louisiana.

I hereby certify that on this day a notice of the above judgement was mailed by me, with sufficient postage affixed, to: R. Ramsey, V. Vessel, R. Swan
done and signed on 08 December 2011

HONORABLE WILSON FIELDS
JUDGE, 19th JUDICIAL DISTRICT COURT

COSTS DUE: \$ <u>394.84</u>	AMOUNT:
PARTY: <u>Sandy Edmonds</u>	\$ <u>394.84</u>
	\$
<input checked="" type="checkbox"/> Are hereby assessed to in the amount of \$ <u>394.84</u>	
<input type="checkbox"/> Are hereby assessed to the party who incurred the costs.	
<u>[Signature]</u> JUDGE	Date: <u>30 Nov 11</u> BY: <u>[Signature]</u>

Deputy Clerk of Court

Respectfully submitted,

JAMES D. "BUDDY" CALDWELL
ATTORNEY GENERAL

[Signature]
Rodney A. Ramsey (#18674)
Valencia J. Vessel (#32261)
Assistant Attorney General
DEPARTMENT OF JUSTICE
LITIGATION DIVISION
1885 North 3rd Street (70802)
Post Office Box 94005
Baton Rouge, Louisiana 70804
Telephone (225) 326-6386
Facsimile (225) 326-6494

19th JUDICIAL DISTRICT
CLERK OF COURT
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[Signature]
DOUG WELDON
CLERK OF COURT E.N. PARISH

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NOV 21 2011

DIVISION OF
JUDGE FIELDS

STATE OF LOUISIANA

OFFICE OF STATE INSPECTOR GENERAL



Louisiana Auctioneers' Licensing Board and Louisiana State Board of Interior Designers

Date Released:

December 9, 2013

File No. CID-13-032

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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

December 9, 2013

Honorable Bobby Jindal
Governor of the State of Louisiana
Post Office Box 94004
Baton Rouge, LA 70804-9004

Re: Case No. CID-13-032

Dear Governor Jindal:

This report addresses concerns raised regarding the work agreements of Sandy Edmonds, the Executive Director of both the Louisiana Auctioneers' Licensing Board and the Louisiana State Board of Interior Designers. This report includes seven recommendations. As a result of our investigation, some of these recommendations have already been implemented. If implemented, these recommendations will serve to help prevent future waste of public funds.

We provided drafts of the report to the Louisiana Auctioneers' Licensing Board, the Louisiana State Board of Interior Designers, and to Ms. Sandy Edmonds. The responses we received are included as Appendix A.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Stephen B. Street, Jr.", written over a light blue background.

Stephen B. Street, Jr.
State Inspector General

SBS/rfc

Enclosure

Executive Summary

The Office of the State Inspector General received a complaint concerning the payroll practices of Sandy Edmonds, the part-time Executive Director of both the Louisiana Auctioneers' Licensing Board (LALB) and the Louisiana State Board of Interior Designers (LSBID). The complaint alleged that Ms. Edmonds is compensated for time when she does not perform work for the agencies. This includes days when she is on vacation and when she tends to personal business.

Our investigation revealed the following:

- Ms. Edmonds is the only paid employee at the LALB and the LSBID and has little day-to-day supervision. Both boards meet on a bi-monthly basis. Between meetings, Ms. Edmonds handles all the boards' business. The terms of Ms. Edmonds' work agreement allow her to be compensated during the times that she is available for cell phone calls on her board issued cell phones.
- Prior to our investigation, Ms. Edmonds' work agreement with both boards allowed her to be paid while out of the office performing no public purpose. LALB and LSBID Board members were aware of Ms. Edmonds' work schedules and approved her work agreements, which facilitated her failure to take appropriate leave while on vacation. She failed to take leave and was paid \$1,628 for seven days in 2012 when she was on vacation out of state.
- The LALB's and LSBID's joint office has no set, staffed, business hours during the regular work week. Because Ms. Edmonds is not required to be present at the office for any number of hours per week, the boards are unable to service members of the public who wish to conduct business at the office. Both boards forward their phone calls to Ms. Edmonds' board issued cell phones.

Background

The Louisiana Auctioneers' Licensing Board is a statutory body with the authority to make reasonable rules and regulations relating to the form and manner of filing applications for licenses, and the issuance, denial, suspension, and revocation of licenses of auctioneers in the State of Louisiana. The LALB also may investigate alleged violations of Chapter 42 by any licensed or unlicensed auctioneer, auction house, any applicant, or any apprentice auctioneer or applicant. The LALB is also authorized to appoint an Executive Secretary/Director. Sandy Edmonds has been the LALB's Executive Secretary/Director since August 2009.

The Louisiana State Board of Interior Designers is a statutory body with the authority to make and enforce rules in accordance with La. R.S. 40:3174. This statute allows the LSBID to adopt, promulgate, and enforce rules and regulations governing the standards of education, service, conduct, and practice and procedure; establish criteria for eligibility for licensing; and to provide for the taking of examinations. The statute also allows the LSBID to employ an executive director, legal counsel, and other employees it deems necessary. Sandy Edmonds has been the LSBID's Executive Director since February 2007.

The LALB and LSBID share an office in Baton Rouge. Collectively, they pay monthly rent of \$960.

Sandy Edmonds is the part-time Executive Director for both boards. Per her work agreement with the boards, the LALB is responsible for 38 percent (3 hours of an eight hour day) of all her leave taken and the LSBID is responsible for the remaining 62 percent (5 hours of an eight hour day). The purpose of this arrangement was to eliminate additional staff and control expenses. Ms. Edmonds' daily schedule appears to be 8:00 AM to 4:00 PM, split between each board, but she responds to phone calls and emails after those hours.

Ms. Edmonds' job descriptions for both boards are virtually identical.

Scope and Methodology

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

The scope of the investigation was limited to Ms. Edmonds' 2012 work schedules and timesheets for both the LALB and LSBID. The investigation consisted of a review of AT&T cell phone records for Ms. Edmonds' board issued cell phones, various business records, and interviewing officials from each board.

Sandy Edmonds' Leave Use

Sandy Edmonds' original, undated work agreements with the LALB and LSBID required that she perform her duties "in a timely fashion" but did not require that she account for her time on a time sheet. Also, she was not required to seek approval for leave taken. The agreements stated that Ms. Edmonds may be asked to account for all leave accrued and used. Ms. Edmonds agreed to take leave on the days that she does not answer the telephone or return emails. The chairpersons of each board are her supervisors.

LALB Chairperson Tessa Steinkamp and LSBID Chairperson Deborah Steinmetz approve Ms. Edmonds' timesheets before each board meeting. Ms. Edmonds stamps her own timesheets with her supervisors' signature stamps before Ms. Steinkamp and Ms. Steinmetz see them. Ms. Edmonds stated that she discusses schedule changes, sick days, and vacation plans with her supervisors.

Undated employment contracts with both boards required that Ms. Edmonds "take leave for those dates on which she does not answer the telephone or return emails." She stated that when the Louisiana Legislative Auditor reviewed the terms of her employment in February 2012, they did not agree with her work agreements which allowed her to claim work hours while accessible by mobile phone, even while on vacation out of state. In our initial interview with Ms. Edmonds, she stated that since February 2012, she has used annual leave while on vacation, even though she continues to work during these times. Ms. Edmonds stated that she answers or returns calls while out on annual leave because she believes it is "rude" to not return a call for several days while she is on vacation.

Ms. Edmonds stated that she normally goes on vacation two times per year. She disclosed that during 2012, she went to Lake Tahoe over the Thanksgiving week and to Oklahoma in the summer. She took annual leave for the three workdays during the Thanksgiving week, but failed to take leave while traveling to Lake Tahoe on November 16; she was paid \$230 on this date. Edmonds indicated that she handled office business during these trips by answering emails and phone calls, in accordance with her board work agreements.

Ms. Edmonds stated that she visited a relative in Oklahoma in the summer of 2012. According to cell site records obtained by OIG investigators, Ms. Edmonds began her travel for this trip on May 24, 2012. Cell phone records also indicate that this trip lasted until around May 30, 2012 and that Ms. Edmonds may have visited the state of Kansas as well.

Ms. Edmonds failed to mention at least two other trips that she took in 2012. Cell phone records show the GPS locations of the cell towers with which Ms. Edmonds' board issued cell phones connected during this period. Both phones connected to towers in or near New Jersey, New York, and Orange Beach, AL on days in which Ms. Edmonds claimed regular working hours for both boards.

Between May 2012 and November 2012, Ms. Edmonds claimed regular working hours while traveling out of state for personal business on at least seven days. Although Ms. Edmonds' work agreements with both boards may have allowed this,

Ms. Steinkamp stated that she was unaware that Ms. Edmonds claimed work hours while on vacation. Ms. Steinkamp believed that Ms. Edmonds claimed annual leave for all vacations because Ms. Edmonds had included annual leave on her timesheets in the past.

Date	LALB Hours Claimed	LSBID Hours Claimed	Google Maps Location LALB / LSBID Mobiles	LALB Hours Total at \$25.00 per hour	LSBID Hours Total at \$31.00 per hour	Total value of hours claimed out of state
4-May	3	5	New York, NY New York, NY	\$75.00	\$155.00	\$230.00
24-May	3	5	Lottie, LA Prairieville, LA	\$75.00	\$155.00	\$230.00
25-May	0	8	Jefferson, TX Waskom, TX	N/A	\$248.00	\$248.00
29-May	3	5	Liberal, KS Liberal, KS	\$75.00	\$155.00	\$230.00
30-May	3	5	Dodge City, KS Meade, KS	\$75.00	\$155.00	\$230.00
1-Aug	3	5	Orange Beach, AL Orange Beach, AL	\$75.00	\$155.00	\$230.00
16-Nov	3	5	Reno, NV Bapchule, AZ	\$75.00	\$155.00	\$230.00
Totals:				\$450.00	\$1,178.00	\$1,628

Ms. Steinkamp stated that she did not approve of claiming regular hours while on vacation. Ms. Steinkamp was made aware of the potential for the waste of public funds due to this practice and understood the potential. She stated that her board needed to address Ms. Edmonds' work agreement and the policy allowing her to claim work hours while only available by cell phone.

During our meeting with Ms. Edmonds on August 9, 2013, she admitted in the presence of board attorneys that she had been untruthful during a previous meeting when she stated that she had claimed no compensation while on personal vacations since February 2012. Ms. Edmonds stated that she was not trying to steal from the state, but was doing what the boards told her that she could do. She referred to her work agreements which allowed her to claim compensable hours if she answered her phones and emails while vacationing out of state.

Ms. Edmonds stated that she answered the board phones and emails during vacations while taking annual leave. Instead of claiming the specific times worked each day, Ms. Edmonds claimed an entire regular work day as compensation for her time spent working during each trip. She kept no logs of the work she performed or the times worked during her vacations. Ms. Edmonds stated that during her New York trip, she claimed eight working hours but did not do eight hours' worth of work. Phone records indicate that Ms. Edmonds made and received calls on her board issued cell phones while on vacation.

When she and her family went to Disney World in 2010, Ms. Edmonds stated that she was unable to do certain activities at the park with her family because she was taking notes on work related phone calls. When asked whether the work she performed while at Disney World was commensurate with the actual pay she received, Ms. Edmonds refused to answer.

Ms. Steinmetz, the LSBID Chairperson, stated that LSBID Treasurer Karen Hazel approves Ms. Edmonds' timesheets. Ms. Steinmetz also stated that she does not approve leave for Ms. Edmonds but stated that Ms. Edmonds asks permission before taking leave. Ms. Hazel stated that she has been approving Ms. Edmonds' timesheets since March 2013. Ms. Hazel stated that Ms. Steinmetz eventually approves of everything.

As a result of our investigation, both boards created new work agreements with Ms. Edmonds in June 2013 requiring that annual leave "be taken if traveling out of state unless on board business." These agreements were changed to require Ms. Edmonds to account for her time on a time sheet. The agreements, however, did not specifically address Ms. Edmonds' ability to work away from the office and claim regular working hours by simply being accessible by cell phone.

LALB and LSBID Office Hours

The LALB and LSBID have no regular, posted, office hours. Ms. Edmonds explained that her work times vary at the office because she does not work in "the kind of office where there is a lot of walk-by or stop-by traffic," which is why the boards have allowed her to work away from the office as long as she is accessible by cell phone. However, Ms. Edmonds believes the majority of her time is spent at the office. She stated that she does not consider the office to be open on an appointment only basis because she is at the office most days, even though she has no regular office hours. Ms. Edmonds keeps no logs of the work she performs outside the office. She prefers to work away from the office due to her own safety concerns.

Ms. Edmonds stated that she is an unclassified state employee with no set schedule who can work from home or the office. She further stated that she usually performs her job duties between 9:30 am and 4:00 pm on the days that she goes into the office. Ms. Edmonds has two cell phones, both of which are provided and paid for by each board. She stated that the office calls are continuously forwarded to her cell phones. Ms. Edmonds stated that she responds to calls before and after her work hours.

LALB Chairperson Tessa Steinkamp stated that Ms. Edmonds is not required to be in the office every day. This is partly for Ms. Edmonds' safety because Ms. Edmonds is the only employee on duty at the LALB and LSBID office. Ms. Steinkamp stated that the LALB is considering allowing Ms. Edmonds to work nearly exclusively from home because the board is concerned for her safety at the office. Ms. Steinkamp also stated that she may hire a security guard if Ms. Edmonds must work in the office.

According to Ms. Steinkamp, Ms. Edmonds has a laptop to send and receive email, a cell phone that receives office calls, and "goes in everyday and gets the mail." Ms. Steinkamp verified that Ms. Edmonds is considered at work when she has her cell phone with her to conduct business. Ms. Steinkamp stated that she speaks with Ms. Edmonds daily and knows where Ms. Edmonds is each day.

Recommendations:

1. We found that Sandy Edmonds was paid \$1,628 for seven days in 2012 while she was out of state on personal vacations. Both the LALB and LSBID allowed these payments based on Ms. Edmonds' work agreements. Article 7, Section 14 of the Louisiana constitution prohibits the donation of public assets. Public funds should not be expended without the achievement of a corresponding public purpose. The LALB and LSBID should consider recovering those funds from Ms. Edmonds.
2. LALB and LSBID should document its Executive Director's work hours using time sheets and keep an accurate log of accrued and used leave. The timesheets should be reviewed and approved by a board appointed supervisor at the end of each pay period. All leave requests should be approved before the leave is taken. The boards should also consider notifying its Executive Director that her state issued cell phones will be GPS monitored during work hours and require that she keep an itemized log of all tasks performed during paid hours spent outside the office.
3. Ms. Edmonds' work schedule allows her to work from anywhere when accessible by cell phone and email. There is a potential for abuse with this arrangement. The June 2013 work agreement revisions may partly address this by adding that "Annual leave will be taken if traveling out of state unless on board business." However, the board should ensure that Ms. Edmonds is only compensated while accomplishing a public purpose, regardless of which state she is in.
4. According to Ms. Edmonds and Ms. Steinkamp, their office has less customer traffic than other state agencies. Regardless, the LALB and LSBID are state agencies and exist to provide a service to the public. Both boards should consider establishing regular, posted office hours and staff its offices during those hours.
5. Due to workplace security concerns, the LALB and LSBID should consider installing door locks with buzzer access or relocating to a facility where security is provided, such as in a state owned building. Doing so would increase safety and encourage employees to work at the office.
6. The LALB and LSBID provide limited supervision of their Executive Director. Irrespective of the shortcomings of her work agreements, it appears that Ms. Edmonds used the lack of supervision to receive compensation for time spent on personal business and personal vacations. The boards should exercise adequate supervision over its Executive Director to ensure that compensation is commensurate with work performed.
7. Ms. Edmonds admitted in the presence of board attorneys that she failed to tell the truth to OIG investigators. The boards should consider taking appropriate disciplinary action against Ms. Edmonds, up to and including termination.

APPENDIX A

Responses



Louisiana

Office of the Governor
State Board of Examiners
of Interior Designers

Bobby Jindal
Governor

October 24, 2013

BOARD MEMBERS

CHAIR
Deborah Steinmetz, FIIDA, FASID

VICE CHAIR
T.L. Ritchie, IDEC

TREASURER
Karen Hazel

SECRETARY
Carolyn Sawyer, ASID

Stephen B. Street Jr.
State Inspector General
P O Box 94095
Baton Rouge, Louisiana 70804

RE: Investigation

Dear Mr. Street:

Jo Ann Hymel
Andrea 'Dru' Lamb, IIDA
Marion Johnston, ASID

EXECUTIVE DIRECTOR
Sandy Edmonds

LEGAL COUNSEL
Anna E. Dow

I have been asked to draft this reply to your report by the Louisiana State Board of Examiners of Interior Designers. This is a response to the complaint that you have been investigating now for at least nine months. We have been allowed only 10 days in which to respond, so the entire board has not had an adequate opportunity to review this response. However, we do ask that the information contained herein be submitted with your report. We also ask that you remove certain untrue allegations as stated below.

As a summary, the Board does agree to review all of the allegations and recommendations. The suggested responses are contained herein. Further, we believe that many of the statements in your report are not substantiated by fact or by law. We do reserve the right to answer this report further, and to ask for further investigation of the basis for the complaint herein. Please be advised that the arrangement entered into by this Board was reviewed and approved by Civil Service as an unclassified position. The entire agreement was based upon an annual salary being paid by the Board to Ms. Edmonds for a part-time position in which performance was paramount, not a minute by minute examination of what was done. She was asked to perform certain duties, which she has done admirably.

Because her working arrangement was contemplated as an annual salary based upon performance, many of the items you mentioned are not applicable to her situation. However, as I mentioned earlier, we are reviewing all of the elements of your report and performing an internal investigation as a Board to remedy these misconceptions for both the Board and Ms. Edmonds.

The Board feels that Ms. Edmonds has done an excellent job in the position, superior to others who have held similar positions. She responds to requests by email and telephone outside of regular work hours, and she always provides quality work. The Board believes that telecommuting is an appropriate way to handle part of Ms. Edmonds working arrangement. This allowed the Board to hire someone of Ms. Edmonds' quality and experience for the job, which is really only part-time. The state encourages

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Mr. Street
October 24, 2013
Page 2

telecommuting as a means to provide a more flexible and more productive work environment and promote a more productive workforce.

It should be noted that your investigation concerned only 2012 events. We have already remedied some of these issues.

Response to Recommendations:

1. Leave for personal vacations. The original work agreement executed by the Board and Ms. Edmonds specifically stated that Ms. Edmonds would take leave for those dates on which she does not answer the telephone or return emails. Because she was available for these actions, and has answered the telephone for the Board and returned email for the Board while out of town, we did not penalize her for these actions. Prior to the issuance of the report, Ms. Edmonds agreed to take leave for that time she is out of town. The Board will decide whether to allow her to work while she is on vacation when it reviews this report. The work agreement would have to be revised for that purpose. Ms. Edmonds has already adjusted her accumulated leave for the days suggested in your report.
2. Time sheets and leave. In 2013 the Board revised the agreement with Ms. Edmonds that states as follows;

Edmonds will be required to have leave slips approved by her supervisor. She will be asked to account for all leave accrued and all leave used. When on annual or sick leave the Board will be responsible for 62 percent of all leave taken. The other board for which she is employed, the Louisiana Auctioneers Licensing Board, will be responsible for 38 percent of all leave. Therefore, if she takes leave for an eight hour day, the Board will be responsible for 5 hours only. Annual leave will be taken if traveling out of state unless on board business.

This should resolve the issue of leave. This procedure has been put in place for 2013.

With regard to time sheets, the following agreement has also been adopted by the board and Ms. Edmonds:

Edmonds is required to account for her time on a time sheet. Time sheets will be sent to chairman or treasurer before any payment is made.

This procedure was also adopted by the Board for 2013. Prior to that date, because this is

a salaried position, time sheets were not required. The point of the contract was performance, and Ms. Edmonds performed to the requirements of the Board. The Board has always expressed its satisfaction with her performance.

3. As stated above, the Board has already adopted the change in leave and time sheets mentioned in this paragraph. This should remedy the issue. The Board is cognizant of the issue, and may further address this at a future meeting of the Board.
4. The Board has never had foot traffic of any measurable amount since the inception of the Board. Most licensees regulated by the Board do not live in the Baton Rouge area, and would not make a trip to visit the office without making an appointment. Ms. Edmonds is available for appointments with anyone in the public who requests one. This is a part time position, and Ms. Edmonds is not expected to be in the office from 9 - 5. She often may be at another state agency for state reasons. As stated earlier, telecommuting is an approved method of allowing Ms. Edmonds to work from home or elsewhere to maintain a full time response to inquiries or requests from the public without having to pay her or another employee to be in the board office. It should be noted that prior to the re-combination of the two board jobs, the Board's employee was in the office in the morning only, and did not respond to inquiries in the afternoon or on weekends. The decision by the Board to allow her to work at home as well as the office was one to provide service to the public on a more full time basis, as opposed to the limited services provided prior to her hiring.
5. The Board is always conscious of security issues and will address the issues at a future meeting.
6. This statement is wrong. Ms. Edmonds is the Executive Director, and, as such, is the highest ranking individual who works day to day for the Board. Ms. Edmonds is in communication with other board members or responding to board members with issues. The board chairman and treasurer are in frequent communication with and knowledgeable of the work of the executive director. As a result, she is in fact supervised by the board and she is fulfilling her requirements of performance in the job as opposed to a minute-by-minute study of what she has done. She gives a report at every board meeting of her accomplishments.
7. The Board takes the statement of her misstatements seriously. We have spoken with Ms. Edmonds regarding those statements. In part these statements were not correct but we believe that there was a reason for her statements. Further, she did retract those statements as soon as she could in the next meeting with investigators, which indicates her lack of intent to deceive you.

OTHER RESPONSES

Again, we would ask that this response be added to your report. We would ask that your report be corrected to remove unsubstantiated allegations and innuendo that should not be part of the report of any investigation. For example:

1. You stated in the executive summary that "according to her work agreement, Ms. Edmonds is allowed to tend to personal business while being compensated to work from home." The work agreement does not allow this. This statement is not repeated or substantiated anywhere else in the body of the report. Apparently, this is not true based upon your own report and should be removed.
2. The work agreements to which you refer in the executive summary both recognized that Ms. Edmonds was on a salary basis and that she did not have to take leave as long as she was available to the Board. The Board made the decision that the need to respond to the public and to the licensees was more important than where she was at the time she made that response. That has been changed prior to the issuance of your report. You have noted this fact in the report.
3. In the executive summary you state that there are no set, staffed business hours during the regular work week. As noted above, that is a decision the Board made when it created the work agreement so that Ms. Edmonds could respond to the 9-5 workday inquiries and tasks on a flexible part-time schedule through telecommuting. This allows the Board to pay only a part-time salary but the communication is available on a full-time business hours schedule. Appointments are scheduled for those who wish to meet with the Director to insure that she is there when needed and that the required service is provided to the public.

This Board has never had a full time employee, and has never seen the need for a full-time employee to be in the office. The Board feels that this statement does not recognize the Board's decision in entering into this decision. Further, there is no legal basis for requiring such a full time office hour arrangement. A review of other state boards indicates that there are other boards that do not even have employees in a board office during business hours.

4. You note that Ms. Edmonds stamps the time sheets with the chairman's signature stamp at each meeting. Ms. Edmonds has always submitted her pay requests for this Board to the Treasurer. The Treasurer reviews all bills. Prior to this year, however, no time sheets were required pursuant to her work agreement.

Mr. Street
October 24, 2013
Page 5

Sincerely,

A handwritten signature in black ink, appearing to be "Anna E. Dow", written over a light blue rectangular highlight.

Anna E. Dow
General Counsel to the Board



Louisiana

Office of the Governor
Auctioneers Licensing Board

Bobby Jindal
Governor

October 25, 2013

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Web Address: www.LALB.org

Mr. Stephen B. Street, Jr.
Inspector General
P.O. Box 94095
Baton Rouge, Louisiana 70809-9095

Re: Louisiana Auctioneers' Licensing Board (LALB) and
Louisiana State Board of Interior Designers (LSBID)

Dear Mr. Street:

As chairman of the LALB, I have reviewed your draft investigative report. It is our belief that our Board has previously addressed all of the issues raised in your report. Since our Board only meets every other month, the full Board has not had the opportunity to officially review this response. I have reviewed the response prepared on behalf of the Interior Designers Board. I would adopt the responses of LSBID that are general in nature.

As we have discussed with your staff, the LALB and LSBID are public entities with only one shared staff member. This arrangement between the two boards was to eliminate unnecessary, duplicative costs related to staff and expenses. Previously, each board employed one full-time staff member and a student worker. Now our staff member Sandy Edmonds performs all of her duties for both boards under a work agreement that was prepared by our legal counsel.

This contractual arrangement presented to Sandy Edmonds was to save the licensees and state fisc by having Edmonds perform the administrative functions for both boards. The boards share office space in order to reduce expenses. There are no other employees. Edmonds responds to telephone calls and emails even outside normal work hours. As you are aware, both boards only meet every other month. As board chairman, I am in contact with Sandy Edmonds nearly every day dealing with questions and responding to issues related to LALB. All of the work performed by Edmonds has been consistent with the work agreement provided to her by each board. I believe that I can speak for all the members of our board; Sandy Edmonds has been an outstanding employee.

The only complaint concerning Edmonds has come from Robert Burns. Mr. Burns is the same individual who has filed at least five lawsuits against Edmonds, the board, and the board's legal counsel. Mr. Burns is proud of the fact that he has cost our board thousands of dollars in legal fees defending these cases and has bragged about it to at least one other board.

It appears that the initial work agreements prepared by the boards were seen as deficient by your office. We have amended those agreements on June 4, 2013, to provide greater detail of our arrangement. It is clear from the telephone records of both boards that while on vacation Edmonds continued to perform work in accordance with her duties as executive director. Your office examination of the telephone records confirms that even on days in which she took annual leave; Edmonds continued to respond to all inquiries. Your investigator stated during his interview that, "We have no problem if she wants to work for free on her vacation." Hiring an additional employee does not seem to be solution to your office's concerns. We believe that the current arrangement with Edmonds has been acceptable to the board and the licensees. This is due to the fact that she takes her job seriously and responds to calls and emails even when she is away from the office and on vacation. We do not expect Edmonds to "work for free."

As indicated, we have reviewed the report and make the following specific responses to your office's recommendations.

Recommendation #1:

Corrective Action Response:

Sandy Edmonds was paid in accordance with the terms of the initial work agreement. During the seven days in question, Edmonds performed all of her functions related to both boards while on vacation. In an effort to fairly attribute a portion of her vacation to work, Edmonds claimed a portion of time while out of state. Because of the unclear nature of the work agreement, Edmonds has taken annual leave to offset any claim for work performed during this period of time. In the future, annual leave will be taken by Edmonds for any vacation and there will be no obligation for the employee to perform services during this time period. The boards have now been fully compensated by Edmonds for any time suggested in the report.

Recommendation #2:

Corrective Action Response:

The Boards have previously amended the work agreement with Sandy Edmonds to provide more direction to Edmonds. Edmonds is presently maintaining time sheets, work hours and the board chairman is reviewing leave and time for each pay period. The new work agreement has dealt with this issue.

Recommendation #3

Corrective Action Response:

The board has already made changes in the work agreement that insures that there is appropriate supervision. We believe that there is sufficient documentation from the records that Ms. Edmonds is being compensated only for "public purpose" work.

Recommendation #4

Corrective Action Response:

There is no legal or mandatory requirement that the office have set hours. There is literally no foot traffic with this office. The job is getting done and we have had no complaints concerning the issue of regular office hours. While I do recognize that these boards are state agencies, it does not mean that it must maintain an additional office staff simply to indicate that you are "open to the public". We will examine the possibility that our office could be moved to a location with a common receptionist that could receive packages and provide some limited information.

Recommendation #5

Corrective Action Response:

Your recommendation of increased security is under consideration. The two boards will discuss the feasibility of making these changes. There is a real concern for the safety of our sole employee. The past actions of some individuals make this a real concern. In the past we have surveyed the possibility of relocating our office to another facility. In the past we have been unable to locate a suitable arrangement for office space.

Recommendation #6

Corrective Action Response:

Sandy Edmonds reports directly to me as chairman of LALB. The board does adequately supervise Edmonds. I speak to Edmonds on nearly a daily basis. Having not received any complaints concerning her work, I believe we are adequately supervising the sole employee of these two boards.

Recommendation #7

Corrective Action Response:

It was clear to me that Edmonds was of the belief that the performance of work while on vacation was authorized and available. Her desire to be responsive while even on vacation was something we should honor. Because of previous actions the board has expressed concerns for Edmonds' safety while working alone in the office. These are real concerns that both boards are aware.

We appreciate the efforts of your staff in preparing this report and if there is further assistance we can provide please feel free to contact me directly.

Sincerely,



Tessa Steinkamp, Chairman

Eleven copies of this public document were published in this first printing at a cost of \$59.00. The total cost of all printings of this document, including reprints is \$59.00. 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 Case No. CID-13-032. 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

Robert Burns

From: Robert Burns <robert@auctionsellsfast.com>
Sent: Thursday, July 12, 2012 12:42 AM
To: Greg Bordelon (greggca@bellsouth.net); James Sims (jamessims@hughes.net); Hal McMillin (hal.mcmillin@levingston.com)
Cc: Freddie Phillips (freddiephillips@bellsouth.net); Sherrie Wilks (sherriemwilks@cox.net)
Subject: Condensed LAPA Related Issues for 7/16/12 LALB Meeting
Attachments: Newcastle_lease_flyer.pdf

Greg, James, & Hal:

In speaking with LAPA President Rev. Freddie Phillips, he requested that a recap of relevant LAPA-related issues be presented to you prior to Monday's LALB meeting:

1. Resolving the issue of whether Ms. Dow carries malpractice insurance. [LALB response to FOIA on same.](#) LALB bears responsibility for ensuring its attorney has this insurance coverage, and Ms. Dow should be required to provide documented evidence of the coverage.
2. If Ms. Dow **DOES** happen to have malpractice insurance and can provide evidence of same, based on other Louisiana Boards' past litigation problems (Board of Dentistry, Chiropractic Board, Board of Ethics, etc.) entailing the same attorney serving as both general counsel and prosecuting attorney (recall I sent each of you the letter I received from the AG's Office on that issue from when I was a Board Member), LAPA **strongly** urges the Board to consider expanding newly-hired outside legal counsel Larry Bankston's role to handle **all** disciplinary matters (and not merely those in which Ms. Dow has a conflict). It should save you considerable money which the LALB will otherwise **HAVE** to spend defending appeals wherein Ms. Dow served both roles.
3. Discussion and modification of Sandy Edmonds' employment agreement. [Current employment agreement.](#) As LAPA has advised each of you in emails soon after the 5/21/12 LALB meeting, Chief of Civil Service Accountability, Patrick Lowery, has indicated that the LALB (and IDB) work arrangements constitute "blatant payroll fraud." Further, the LAO was FAR, FAR less than impressed at the LALB's discussion of her employment agreement prior to approval of same (<http://youtu.be/44-IT-Yb28w> and <http://youtu.be/Ztly8tGrD04>).
4. LAPA firmly believes the LALB should approach Mr. Mock (owner/agent of the Newcastle building) and ask him if he is willing to release the LALB from the obligation of paying the lease on the Boardroom, which will save the LALB approximately \$14,000 going forward through the remainder of the lease. The **WORST** that can happen is that he says, "no," in which case you're no worse off than the LALB is now!! There were numerous problems entailing the circumstances under which this lease was entered into, but I won't itemize all of them but rather merely rely that the whole scenario was a "cluster f---" under which the LALB is ended up being stuck paying \$17,000 for space it neither needs nor wants. If Mr. Mock will not agree to a voluntary release of the Boardroom, we believe comparable office space is readily available (absent the need for a Boardroom) from the State (thus enabling the LALB to break the lease) at less than the LALB is paying now. Furthermore, Mr. Mock is begging for tenants now (see attached flyer advertising the space right next to LALB/IDB) and the LALB/IDB space had been vacant for an **EXTENDED** period prior to the LALB/IDB coming along to lease it from him. I SERIOUSLY doubt he wants yet ANOTHER vacancy on his hands and, again, the LALB has NOTHING to lose in asking!!!!

Those are the principal items of interest for LAPA. In speaking with Rev. Phillips, he has some other items he may address in light of him not being able to attend the last meeting, but he will address them during his 5-minute period at the outset of the meeting.

Thanks, and I hope you guys have an enjoyable weekend, and we look forward to seeing you on Monday.



Robert Edwin Burns

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