



LOUISIANA LEGISLATIVE AUDITOR
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NEW ORLEANS TRAFFIC COURT

Former New Orleans Traffic Court accountant Vandale Thomas received more than \$2.39 million between 2006 and 2011 for services billed to the court, including \$759,065 billed in excess of his court contracts between 2009 and 2011, said a report released Monday by Legislative Auditor Daryl Purpera.

The investigative audit said that between 2008 and 2011, Thomas allegedly billed the court “for working in excess of 24 hours a day, seven days a week during eight different months,” earning a total of \$498,444 in those eight months during which he worked for himself and another firm on court, city and private accounts.

The report stated that he also prepared 42 of his own checks totaling \$348,238, and billed the court at rate in excess of his \$75-an-hour to \$80-an-hour contracted rate.

“Since Mr. Thomas was not entitled to receive \$759,065 of the public funds he was paid by Traffic Court, he may have violated both state and federal laws,” the report by the state auditor said.

Thomas received almost \$2.4 million paid by the court to his own business and another firm where he worked as a subcontractor during a portion of the five-year period, according to the state auditor.

Last November, a federal grand jury in New Orleans returned a 12-count indictment against Thomas charging him with theft from programs receiving federal money, structuring transactions to evade reporting requirements, notice of forfeiture and money laundering.

“During our audit, we noted that Traffic Court had poor internal controls which may have allowed Mr. Thomas to improperly use Traffic Court’s public funds,” the report said. It pointed out that Thomas allegedly stopped all court personnel from entering and reconciling accounting entries and took on those duties himself; printed checks payable to himself and his business; backdated accounting entries for checks payable to himself or his firm; and delivered his own checks for approval by court officials.

The report said that under his Traffic Court contracts from September 2008 to July 2011, Thomas was authorized to earn up to \$552,000 from the court and the City of New Orleans, but instead was paid \$1,311,065. In 2008, he was contracted to charge \$75 an hour, a rate that



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increased to \$80 an hour in 2010. Auditors found 97 instances where Thomas received between \$75.06 to \$107.35 an hour between December 2008 and July 2011.

In 2009, Thomas claimed to have worked on average 31.5 hours a day or 221 hours a week during the month of June, one of the eight months between December 2008 and January 2011 he claimed to have worked more than 24 hours a day as a contractor for Traffic Court and as a sub-contractor of Paillet, Meunier and LeBlanc, a Metairie-based accounting firm. Thomas said his billings included the work of others who worked with him on the accounts, a claim some of the individuals disputed.

Traffic Court Judges Mark Shea and Robert Jones III said they did not regularly review Thomas' invoices before signing his checks, and that Thomas rarely presented the judges with copies of his invoices when he had the checks signed by the judges, sometimes while court was in session.

The state auditor's report said that Thomas worked at the court as an employee of Paillet, Meunier and LeBlanc, from January 2006 through September 2008. Simultaneously, Thomas also was a sub-contractor for Nash Accounting and Tax Service where he received almost \$1.1 million also for working on the Traffic Court books, which set up a possible professional conflict of interest. The two firms together billed the court for more than \$1.7 million in that period.

The Paillet firm had contracts to provide related work for Traffic Court in 2006 and 2007 for compensation totaling \$77,500. However, the court paid the firm nearly \$400,000 more during this period for consulting work without a written contract. The Nash firm had contracts totaling \$166,000 for accounting work at the court from January 2006 to October 2008, but the court wound up paying Nash \$1.06 million "more than the contracts allowed for services that were not listed in Nash Accounting's contract with Traffic Court.

"According to available records and oral statements, Traffic Court paid Nash Accounting and PM&L \$1,462,817 based on oral agreements when Mr. Thomas was a subcontractor of Nash Accounting and an employee of PM&L," according to the investigative report. "Judge Robert Jones III stated that in 2008 he reviewed and questioned the amounts paid by Traffic Court for accounting services and soon after terminated" both firms.

The report also said while the two firms worked for the court, Thomas prepared the invoices for both firms but did not submit "progress reports, evidence of work performed or his working files with the invoices submitted for work performed without a contract." PM&L and Nash Accounting bills just had general terms such as "consulting services rendered" or "services rendered" on them – language auditors said does "not provide enough information for us to determine what specific consulting services were provided and if Traffic Court received a fair value for these services."



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Neither firm could provide working files for the accounting, attestation or consulting work done, the report said.

The state auditor's report also said that between January 2006 and October 2008, Traffic Court issued 25 payments totaling \$466,700 to Nash Accounting and 12 payments totaling \$195,565 to PM&L "for what appears to be overlapping or duplicate services" performed and billed by Thomas.

In another finding at Traffic Court, the state auditor said there were 283 purchases made on the court's credit cards between April 2008 and October 2012, totaling \$51,691. "We noted Traffic Court records did not contain receipts or invoices for 161 purchases totaling \$10,973," according to the report.

The majority of the purchases were for fuel -- 117 charges for \$4,354 -- by the judges or the clerk of court who used credit cards to buy gas instead of fueling their court-provided vehicles at city-operated pumps. The other major items charged on the court credit cards were 15 meals "at local restaurants" totaling \$1,654.

Court employees responsible for paying the bills asked for receipts each month before paying the charges "but did not always receive them," the report said. Traffic Court did not have a credit card policy until August 2012.

"The Traffic Court judges and clerk of court who did not turn in receipts may have violated state law" dealing with the proper keeping of state records.

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On Twitter: Former N.O. Traffic Court accountant billed court for working more than 24 hours a day, 7 days a week.