

Office of State Procurement  
State of Louisiana  
Division of Administration

JOHN BEL EDWARDS  
GOVERNOR




JAY DARDENNE  
COMMISSIONER OF ADMINISTRATION

**MEMORANDUM OSP 19-03**

TO: All Registered Vendors

CC: State Agency Heads, Department Undersecretaries, and Business Managers

FROM: Paula Tregre   
Director of State Procurement

DATE: November 27, 2018

RE: Fraudulent Purchase Orders

In recent weeks, the Louisiana Office of State Procurement (OSP) was made aware of two instances of fraudulent purchase orders being issued. One was using a State contract created and maintained by OSP and the other was to a non-contract vendor. In both cases, the person engaging in the fraudulent activity identified himself as a State employee purchasing on behalf of a State agency, but provided a fraudulent purchase order and e-mail address. Both orders involved the purchase of IT equipment. On one of the orders, the person requested to have a courier pick up the large order of IT equipment at the seller's location rather than deliver it to the agency's customary address. Fortunately, neither attempt was successful.

Out of an abundance of caution, OSP recommends that contract-holders consider taking the following steps to protect themselves from similar attempted instances of fraud:

1. Consider follow-up screening (such as a confirmation phone call to a reputable point of contact at the agency) regarding suspicious orders, especially those where familiar agencies are suddenly using unfamiliar processes, forms, or points of contact.
2. Be on the lookout for purchase orders from an individual using an alias of "Jonathan Kearney" or "Stanley Wilson". Recent instances of fraud have used this information. Contract-holders are authorized to decline orders from these aliases. To be clear, there is no reason to believe that any actual State employee is engaging in fraud at this time – only that the perpetrator has chosen to use such aliases.

3. Be skeptical of any order which requests courier pickup at the seller's location. The State's nearly universal shipping practice is to have purchases shipped FOB destination directly to the end user agency, not to use an intermediary courier hired by the agency.
4. To the extent possible, try to verify that any new address entered is that of a government office, rather than a personal residence, post office, or courier location.

If you receive any fraudulent purchase orders, now or in the future, please contact Karen Loftin, OSP Assistant Director over Legal Affairs, **immediately** at (225) 342-8010 or [Karen.Loftin3@la.gov](mailto:Karen.Loftin3@la.gov). If an actual or attempted theft occurs, you should file a police report in the appropriate jurisdiction. OSP will continue to coordinate with the Louisiana Attorney General's Office and the Baton Rouge Police Department.

These simple steps will help the Office of State Procurement sustain the integrity of State contracts, and ensure that neither agencies nor contract-holders are victims of abusive theft in violation of the public trust.