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EASTERN DISTRICT OF LOUISIANA
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UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

FELONY

BILL OF INFORMATION FOR MAIL FRAUD AND NOTICE OF FORFEITURE

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|--------------------------|---|--------------------------------|
| UNITED STATES OF AMERICA | * | CRIMINAL NO. 14-189 |
| v. | * | SECTION: SECT. H MAG. 5 |
| PATRICIA BLANCHARD | * | VIOLATION: 18 U.S.C. §1341 |
| | * | |
| | * | |
| | * | |

The United States Attorney charges that:

COUNT ONE - MAIL FRAUD

A. AT ALL TIMES MATERIAL HEREIN:

1. Charity A was a not-for-profit organization headquartered in New Orleans, Louisiana, within the Eastern District of Louisiana, that raised, collected, and distributed funds to local charities through workplace giving campaigns. Charity A received pledges from federal civilian, postal, and military donors to support eligible non-profit organizations.

2. Charity A maintained four bank accounts at Whitney National Bank ("Whitney"), bearing account numbers XXXXX379, XXXXX950, XXXXX969, and XXXXX942 (collectively, the "bank accounts").

3. In about 2000, **BLANCHARD** and her husband, G.B., formed a limited liability company, Association Management, LLC (“Association Management”).

4. In about 2000, G.B. was hired, through Association Management, as the Executive Director and President of Charity A. In that capacity, G.B. was responsible for soliciting money, fundraising, executing fiduciary duties such as insuring the completion and submission of financial forms, ensuring Charity A’s financial books were in order, and reporting to Charity A’s Board of Directors.

5. In about 2005, G.B. arranged for his wife, **BLANCHARD**, to be hired, through Association Management, to provide bookkeeping services for Charity A.

6. **BLANCHARD** was responsible for, among other things, overseeing Charity A’s finances and accounts, including reconciling accounts payables and receivables. **BLANCHARD** also had access to Charity A’s bank accounts.

7. As part of the contract between Association Management and Charity A, Charity A agreed to reimburse Association Management or its representatives (*i.e.*, G.B. or **BLANCHARD**) for expenses incurred on behalf of Charity A. Reimbursements had to be approved by a member of the Executive Committee of Charity A with check signing authority. All checks over \$1,000 required two signatures from authorized signatories, including G.B. Typically the checks were signed by (or using stamped signatures of) the Chairman and G.B. Additionally, Charity A’s Board of Directors annually voted to give G.B. a budget. Within the budget was an allotted amount for fuel, typically approximately \$4,500 per year. G.B. and/or **BLANCHARD** incurred these expenses on their personal credit cards, including a Shell-branded credit card (the “Shell card”) and then sought reimbursement from Charity A.

8. **BLANCHARD** maintained numerous bank accounts and VISA-branded credit cards, including one issued by Capital One Bank, N.A. (“Capital One”), whose account number was XXXX-XXXX-XXXX-1131.

B. THE SCHEME TO DEFRAUD:

9. Beginning at a time unknown, but not later than 2006, and continuing through in or about November 2011, in the Eastern District of Louisiana and elsewhere, the defendant **PATRICIA BLANCHARD**, did willfully and intentionally devise and attempt to devise a scheme and artifice to defraud for the purpose of obtaining money and property by means of false and fraudulent pretenses, representations, and promises by falsely and fraudulently, and without authorization, withdrawing approximately \$715,000 of funds from Charity A’s bank accounts, located at Whitney National Bank, and using the money for unauthorized personal expenses unrelated to her employment with Charity A.

10. It was further part of the scheme and artifice to defraud that **BLANCHARD** generated checks in Charity A’s name and drawn on Charity A’s bank accounts to pay her personal expenses without Charity A’s authorization or knowledge. To obtain the requisite number of signatures on checks, **BLANCHARD** used a stamp to place the Chairman’s signature and G.B.’s signature on each check. **BLANCHARD** used the unauthorized funds to pay personal expenses she incurred using her personal Capital One and American Express credit cards.

11. It was further part of the scheme and artifice to defraud that **BLANCHARD** used Charity A’s funds to repay personal expenses she incurred on her personal credit cards by placing into the United States mail dozens of separate checks between March 2006 and

November 2011. In total, **BLANCHARD** embezzled approximately \$462,338.92 in this manner.

12. It was further part of the scheme and artifice to defraud that **BLANCHARD** sought to disguise her behavior and to make the fraudulent, unauthorized transactions seem legitimate by making the checks payable to “Capital One” or “American Express” and adding fictitious notes on the checks, such as “Cancer Research Institute,” “AIDS Research Foundation,” “MARCH OF DIMES,” “NO AIDS/TASK FORCE,” “American Heart Assoc.,” and “AMERICAN CANCER SOCIETY.”

13. It was further part of the scheme and artifice to defraud that **BLANCHARD** obtained cash advances unrelated to her employment at Charity A using the Shell card without authorization. **BLANCHARD** then caused checks to be written from one of Charity A’s bank accounts to pay off the amount of the cash advances from the Shell gas credit card. In total, **BLANCHARD** embezzled approximately \$65,698.55 in this manner between August 2008 and November 2011.

14. It was further part of the scheme and artifice to defraud that **BLANCHARD** paid for additional expenditures without Charity A’s authorization. Typically, **BLANCHARD** accomplished this by causing balance transfers to be made from one of Charity A’s bank accounts to Association Management’s Whitney Bank account, account number XXXXX3896, without authorization. In total, **BLANCHARD** embezzled approximately \$186,962.53 in this manner between about July 2009 and May 2011.

C. THE MAILING:

15. On or about October 1, 2010, in the Eastern District of Louisiana, the defendant, **PATRICIA BLANCHARD**, for the purpose of executing and attempting to execute the scheme

and artifice to defraud as alleged in Section B above, did knowingly cause to be delivered to the bill payment center of Capital One, through the United States mail according to the direction thereon, check number 2770 of Charity A, made payable to Capital One but bearing the note "Cancer Research Institute," for the purpose of paying down the outstanding personal expenses on the personal credit card of the defendant, **PATRICIA BLANCHARD**, with account number XXXX-XXXX-XXXX-1131, in the amount of \$7,847.21.

All in violation of Title 18, United States Code, Section 1341.

NOTICE OF MAIL FRAUD FORFEITURE

1. The allegations of Count 1 of this Bill of Information are realleged and incorporated by reference as though set forth fully herein for the purpose of alleging forfeiture to the United States of America pursuant to the provisions of Title 18, United States Code, Sections 1341 and 981(a)(1)(C), made applicable through Title 28, United States Code, Section 2461.

2. As a result of the offense alleged in Count 1, the defendant, **PATRICIA BLANCHARD**, shall forfeit to the United States pursuant to Title 18, United States Code, Sections 1341 and 981(a)(1)(C), made applicable through Title 28, United States Code, Section 2461, any and all property, real or personal, which constitutes or is derived from proceeds traceable to a violation of Title 18, United States Code, Section 1341.

3. If any of the property subject to forfeiture pursuant to Paragraph 2 of this Notice of Forfeiture, as a result of any act or omission of the defendant:

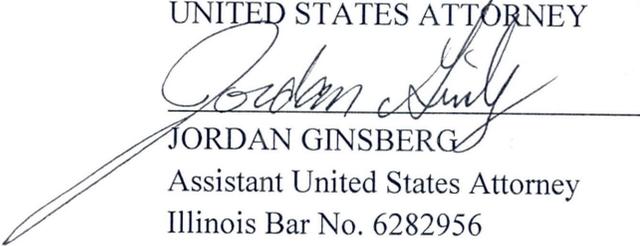
- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third person;
- c. has been placed beyond the jurisdiction of the Court;
- d. has been substantially diminished in value; or

e. has been commingled with other property which cannot be subdivided without
difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to
seek forfeiture of any other property of said defendant up to the value of the above forfeitable
property.

All in violation of Title 18, United States Code, Section 1341 and 981(a)(1)(C), made
applicable through Title 28, United States Code, Section 2461.

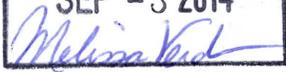
KENNETH ALLEN POLITE, JR.
UNITED STATES ATTORNEY


JORDAN GINSBERG

Assistant United States Attorney
Illinois Bar No. 6282956

New Orleans, Louisiana
September 3, 2014

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Eastern District of Louisiana
New Orleans, LA