

A FORENSIC ACCOUNTANT FOLLOWS THE MONEY TRAIL OF EDWIN EDWARDS

Laura J. East

[Editor's note: One of the investigators and the expert witness against former Louisiana governor Edwin Edwards was Laura East. What follows is her first hand account of her forensic adventure in tracking Edwards' cash trail. She used Edwards' own methodical ledgers and receipts to show that he laundered or tried to hide illegal proceeds from a scheme to extort riverboat licenses. She says that Edwards was an excellent bookkeeper, providing his own paper trail.]

I began my employment with the FBI on April 13, 1997, which was about two weeks before the search warrants were executed on the Edwin Edwards case on April 28, 1997. I was first assigned to the Edwards investigation a week after the search. I worked primarily on this case from May 1997 until April of 1999, when I left the FBI.

When I first became involved in the investigation, I was asked to go through the records and gain an understanding of Edwin Edwards' financial affairs.

In order to accomplish this task, I first read the affidavit from the search. I reviewed and inventoried the boxes from the search records, which

included the following: bank statements, canceled checks, investment accounts, loan documents, loan books, fixed asset records, purchase agreements, loan agreements, an income book, a personal financial statement file, a ledger detailing the construction of his personal residence and various other financial files. Initially, I reviewed and inventoried the records from Stephen Edwards, Marion Edwards, and Wanda Edwards.

Tracking Edwin Edwards With Spread Sheets

Once I finished my initial review and inventoried the search records, I began to analyze the financial information. Edwin Edwards maintained a Cash Management Account with Merrill Lynch which was used both as an investment account and a checking account. He used the account to make deposits and write checks.

The monthly statement for this account was approximately ten pages. There was a great deal of financial activity on this statement due to the amount of investments that were bought and sold on a monthly basis.

The records from the search ranged from 1992 through 1996. I decided to prepare spread sheets to analyze the financial activity because the

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