

Office of Inspector General
City of New Orleans and
Orleans Parish

**Annual Report
Fiscal Year 2007**

ROBERT A. CERASOLI
INSPECTOR GENERAL

Omnibus ad quos praesentes literae pervenerint, salutem.

September 5, 2007

Robert A. Cerasoli begins employment as the first Inspector General of the City of New Orleans and Orleans Parish. On June 12, 2007 he was unanimously appointed on a 7-0 vote by the Ethics Review Board. The Inspector General is appointed for a term of four years, which term shall begin when the Inspector General begins employment with the City.

This brief report covers the period of the creation of the Office of Inspector General between September 5, 2007 and December 31, 2007.

Inspector General Cerasoli created a nineteen page budget proposal with detailed job descriptions and an organization chart for the establishment of the Ethics Review Board (ERB) and the Office of Inspector General (OIG) (Appendix A). This budget was presented to the City Council budget committee within the proper deadlines. The budget proposal requested \$300,000.00 for the ERB and \$2,930,718.00 for the OIG. On December 1, 2007 upon the adoption of the City budget the ERB was granted a \$300,000.00 appropriation and the OIG was granted a \$3,130,000.00 appropriation. The budget included \$2,797,000.00 in personnel services or salary for the OIG and \$633,000.00 in operating expenses. Operating expenses equals \$300,000.00 for the ERB and \$333,000.00 for the OIG. All salaries will be paid out of the OIG budget. There is no salary account for the ERB. (Appendix B).

Inspector General Cerasoli rewrote the initial ordinance establishing the OIG with City Councilors James Carter and Shelley Midura. This new ordinance was refined to make the OIG more effective and accountable to the citizens of New Orleans. It also strengthened the powers of the OIG. On November 1, 2007 the initial ordinance was repealed and the new ordinance was adopted. The new ordinance was approved by the Mayor on November 8, 2007 (Appendix C).

After the election of a new Governor of the State of Louisiana, Inspector General Cerasoli sought out the Ethics Transition Team of Governor-Elect Bobby Jindal. The Governor-Elect had made ethics in government an integral plank in his campaign platform. The Inspector General appealed to the transition team to support a legislative proposal strengthening the powers of the OIG in New Orleans. After four visits to the State Capitol, the efforts were proven successful. The Governor included this subject matter within the call of the 1st 2008 Extraordinary Session of the 2008 Louisiana Legislature.

Inspector General Cerasoli co-authored a legislative proposal with Professor David Marcello of Tulane University Law School that would further strengthen the powers of the OIG. This proposal was supported by a resolution of the New Orleans City Council and the Governor. The legislation was championed in the state legislature by Representative J. P. Morrell, and sponsored by J. P. Morrell and Representatives Neil Abramson, Damon Baldone, Walt Leger, Nicholas Lorusso, Karen Carter Peterson and Senator Steve Scalise. The legislation was saved with an essential amendment in the Senate by Senator Julie Quinn and strongly supported by Senator A.G. Crowe. This work resulted in the creation of a new state law in the form of Act No. 18 of the First Extraordinary Session, 2008 (Appendix D).

On December 20, 2007 the City Council adopted an ordinance that created the positions of First Assistant Inspector General for Audit and Review and First Assistant Inspector General for Criminal Investigations (Appendix E). After the adoption of the budget, Inspector General Cerasoli worked with the Director of Civil Service and the Civil Service Commission to expedite the creation of positions for the OIG. This required the Inspector General to write at least 118 pages of minimum job qualifications and specifications in the month of December 2007. These positions were subsequently approved by a unanimous vote of the Civil Service Commission and the City Council after testimony of the Inspector General at separate hearings before each of these bodies. During this period the Inspector General was able to work on recruiting his two First Assistants who would be hired in 2008 (Appendix F).

The Inspector General worked with the City Department of Property Management to secure a lease for office space for the OIG. Many requirements had to be met in order to secure a valid lease. The ordinance prohibits the OIG from having office space in City Hall. The office must also be in a building that was not evacuated during Katrina in a location that was not affected by water. The building must also have 24/7 security personnel that have passed Federal background checks. The building must also have a secure evidence room. Inspector General Cerasoli was able to identify such a building with the 10,073 square feet needed to house a staff of over 30 employees. A four year lease was signed by the Mayor to be effective on December 31, 2007. The cost of the lease includes a central downtown location within five blocks of city hall, employee parking, heating, air conditioning, cleaning services, furniture, cubicles, offices, carpeting, security cameras, security guards, and 24 hour access.

In the year 2007 the ERB carried out a nationwide search to appoint the first ever Inspector General of New Orleans. The ERB spent a grand total of \$8,645.11 to carry out this search. Many expenses were donated to the City by Loyola University of New Orleans. Inspector General Cerasoli spent the first

four months of his tenure in a donated cubicle in the Monroe Library at Loyola University. The University also was generous enough to allow the Inspector General to use a computer and desk in the Library. The Inspector General used his own cell phone during this whole period and paid for all of

his own travel out of pocket and did not seek any reimbursement. His earnings during the fiscal year 2007 amounted to \$42,317.37. (Appendix G). The fringe benefit costs on salary are based on a number of rates. These figures are based on four months of work.

9.00% for retirement	\$3,808.51
6.20% for FICA	\$2,623.67
1.45% for Medi-Care	\$ 613.60
\$250.00 per year for Workman's Compensation	\$ 62.50
\$46.00 per year for Life Insurance	\$ 11.50
\$90.00 per year for Unemployment Insurance	\$ 22.50
Based on these rates the Inspector General should have	
cost the city	\$7,142.28

It appears that the total budget spent in 2007 amounts to \$58,104.76 out of a total of \$250,000 appropriated for the office. The rest of this money should have reverted back into the General Fund of the City. Please note the following caveat. Until the OIG gains sole control over its finances these numbers must be listed as approximations.
