



**OFFICE OF INSPECTOR GENERAL
City of New Orleans**

STRATEGIC PLAN

2015-2018

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**STRATEGIC PLAN
2015-2018**

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I. INTRODUCTION

This Strategic Plan of the City of New Orleans Office of Inspector General (NOLA OIG) covers the period 2015-2018 and is updated annually as the plan for the next year is created.

Strategic planning identifies missions and goals, and develops priorities and strategies to accomplish those goals within available resources. Strategic planning is a cyclical process that assesses performance and reconsiders operational methods and work plans in order to obtain our goals in a changing environment.

The purpose of this plan is to define the direction of NOLA OIG activities. It sets forth the OIG mission, the risk assessments that determine OIG priorities, and strategies for accomplishing our goals within resource constraints. The strategic plan is a means to ensure that resources remain focused on the most important issues and to guide future resource allocations.

Mission of the Office of Inspector General

The mission of the City of New Orleans OIG is: to deter and detect fraud, waste, and abuse; and to promote efficiency and effectiveness in the operations administered or funded by the City. The NOLA OIG finds facts and reports them to the Ethics Review Board and the public.

The establishing ordinance provides the Office of Inspector General unique operational independence from the City's Executive and Legislative branches and encourages the OIG to work cooperatively with the Ethics Review Board. The ultimate customers of the NOLA OIG are the citizens and businesses that receive City services and pay City taxes.

II. RISK ASSESSMENT

The purpose of this assessment is to guide the OIG in its selection of projects and priorities for future work. It is neither a definitive analysis nor a comprehensive assessment. It is a listing of the concerns that guide OIG planning.

ENVIRONMENT

The Administration

The Administration provided information and assistance in detecting and deterring fraud and abuse. It also was receptive to suggestions for procedural changes that would aid in reducing fraud and abuse by City employees.

Internal controls over aspects of the City's financial systems remained weak. Corrective actions were dependent on the development of an enterprise-wide IT system, which has not been funded.

The U.S. Justice Department (DOJ) and the Administration entered into a consent decree that will require many changes to the NOPD and its operations.

Corruption

Former Mayor C. Ray Nagin was found guilty on federal corruption charges stemming from an OIG-FBI investigation and was sentenced to ten years imprisonment.

Public corruption drives away legitimate businesses, lowers standards, puts public safety at risk, demoralizes civic workers and denies services to the most vulnerable citizens. *In extremis*, corruption alienates citizens from their government to the detriment of all.

ASSESSMENT CATEGORIES

The risk assessment considers the universe of City programs and operations, and uses the following criteria in order of priority: public safety or public health risk; potential revenue increases or potential cost reductions; concerns expressed by City officials; and, sources of widespread public concern.

Public Safety Risks

Public safety is the responsibility of the criminal justice system, which is composed of the New Orleans Police Department, prosecutors, courts, public defenders, corrections officials and the medical examiner (coroner).

The violent crime problem demands that New Orleans have an excellent police force, one with an effective chain of command, a sufficient number of trained and fit officers, adequate equipment and technology, sufficient community support, and officers acting in compliance with the law and the Constitution of the United States.

Prosecutors and the courts must operate efficiently and effectively, have sufficient resources and comply with the law. The medical examiner must have sufficient resources, operate efficiently and effectively and comply with the law.

The inspection of the City's funding to the Orleans Parish Sheriff's Office illuminated the finances of that entity and provided critical information for decision-makers with respect to the consent decree. The OIG has received grant funding to examine the finances of the other justice-related entities: the courts including the Juvenile Court and the Youth Study Center, the coroner's office, the NOPD, District Attorney's Office, Public Defender's Office, and the City Attorney's Office.

Potential Revenue Risks

- The City may not collect all funds due.
- Property Tax assessments may be understated.

Potential Cost Reduction Risks

- Some of the City's internal controls over accounts payable, payroll and purchasing are weak and present opportunities for fraud.

Public Concerns

- Blight continues to exist on a large scale
- Many streets remain in poor condition
- The Orleans Parish School Board may not have eliminated the fraud, waste and abuse that were rampant before Hurricane Katrina

III. STRATEGIES

The OIG strategy to prevent and detect fraud and abuse in City operations and entities includes:

- (1) Conducting Fraud Awareness seminars;
- (2) Conducting seminars based on OIG's Handbook for Boards and Commissions;
- (3) Conducting proactive analyses to identify potential fraud indicators;
- (4) Screening new procurements exceeding \$100,000 in value;
- (5) Monitoring high-risk City contracts; and
- (6) Conducting investigations into allegations or indications of fraud and abuse, and refer credible evidence of fraud or abuse to prosecutors and City officials, as appropriate.

While performing those tasks, the OIG will also devote significant resources to the Sewerage & Water Board and the Orleans Parish School Board. (A legal challenge to OIG jurisdiction of the OPSB is pending.) Reviews also will be conducted at the Audubon Commission/ Institute and the Regional Transit Authority.

The Construction Fraud Division will provide fraud deterrence activities for the construction of a new terminal at Louis Armstrong International Airport throughout this period.

The strategy to promote efficiency and effectiveness consists of reviewing those areas of City operations or programs that may offer opportunities to improve public safety, to increase City revenues or reduce City expenditures, and to assess widespread public concerns.

IV. RISK MITIGATION ACTIVITIES

The projects listed below implement the strategy above and are intended to mitigate the risks identified in the assessment. The schedule of activities will be reviewed and modified as circumstances warrant during 2015. The nature and associated entity of some planned projects will remain confidential until executed.

2014 ACTIVITIES

The following projects were completed by August 31, 2014:

1. Review of New Orleans Firefighters' Pension Credit Card and Expense Reimbursement Transactions
2. Audit of NOPD Uniform Crime Reporting of Forcible Rapes
3. Audit of NOPD Grant Management
4. NOPD Staffing & Deployment: Meeting the Demand of Citizen Calls for Service with Existing Resources
5. Performance Audit of NOPD Payroll
6. Evaluation of the City's Electronic Monitoring Program Administered by Orleans Parish Sheriff's Office – Part I, Budget and Billing
7. Audit of Uniform Crime Reporting Accuracy – Robbery
8. Audit of Bureau of Revenue's Internal Controls
9. Follow-up on Internal Controls over Payroll
10. Follow-up on New Orleans Aviation Board Month-to-Month Contracts
11. Follow-up on City Employee Life Insurance

The following projects were underway at August 31, 2014:

1. Funding Inspections of:
 - a. NOPD Funding
 - b. Traffic Court
 - c. Municipal Court
 - d. City Attorney's Office
 - e. Orleans Public Defenders
2. Audit of NOPD Evidence Management
3. Evaluation of City Regulation of Utilities
4. Evaluation of the City's Electronic Monitoring Program Administered by the Orleans Parish Sheriff's Office – Part 2, Administration and Supervision
5. Evaluation of DWI Case Processing
6. Review of 2013 Procurements
7. Audit of Sewerage & Water Board Use of Funds
8. Audit of Sewerage & Water Board Expense Reimbursements
9. Audit of Sewerage & Water Board Fee Collection and Controls
10. Audit of Sewerage & Water Board Payroll
11. Follow-up on Arrest and Detention Policies
12. Follow-up on Coroner's Office Supplemental Pay

2015-2018 ACTIVITIES

The projects shown in bold are programmed to begin in 2015; the remaining projects in the following years. Projects may be delayed due to carryover of 2014 projects or actions beyond the control of the OIG such as delays in receiving requested documents.

PUBLIC SAFETY

NOPD

- **Audit of Uniform Crime Report Data Accuracy - Rapes**
- **Evaluation of Retention of Patrol Officers**
- **Inspection of Signal 21 Calls for Service**
- Audit of Off-duty Details

CORONER

- Funding Inspection
- Evaluation of the Medical Examiner Function
- Audit of the Coroner's Use of Funds in Separate Account

COURTS

- Funding Inspections of:
 - **Criminal District Court**
 - **Juvenile Court & Youth Study Center**
 - 1st & 2nd City Courts Clerks and Constables
 - Municipal Court
 - Traffic Court
 - Civil District Court (voluntary)

CRIMINAL JUSTICE ATTORNEYS

- Funding Inspections of:
 - **Office of District Attorney**
 - Office of Public Defender
 - City Attorney

SEWERAGE & WATER BOARD

- Evaluation of Procurement
- Evaluation of Sewerage & Water Board Operations & Costs

CITY OF NEW ORLEANS

- **Evaluation of Fuel Controls – Consumption**
- **Audit of ADP Payroll System Procurement**
- **Monitoring of Grant Subrecipients**
- **Payroll Affidavits – continuous monitoring**
- Evaluation of Red-Light Camera Program
- Audit of Payroll Controls in ADP System
- Evaluation of Commercial Building Permitting Process
- Evaluation of Residential Safety & Permitting Process
- Evaluation of Disadvantaged Business Enterprise Program
- Audit of Public Works Controls & Processes
- Evaluation of 911 Call Operations including Computer Aided Dispatch System
- Evaluation of Use of Outside Counsel
- Audit of Orleans Parish Hospital Service District Procurement
- Audit of Equipment Management Division Controls & Processes

ORLEANS PARISH SCHOOL BOARD

- **Audit of Controls over Payroll**
- **Audit of Charter School Controls**
- Audit of Use of Funds
- Audit of Credit Card and Expense Reimbursement
- Review of Take Home Car Usage
- Audit of Procurement

AUDUBON COMMISSION and AUDUBON NATURE INSTITUTE

- **Audit of Credit Card Use and Expense Reimbursement**
- Evaluation of City Funding
- Audit of Use of Funds
- Audit of Controls over Payroll
- Evaluation of Procurement
- Audit of Fees Collection

REGIONAL TRANSIT AUTHORITY

- Audit of Use of Funds
- Audit of Veolia Contract Administration
- Evaluation of RTA / Veolia Public-Private Partnership

TOURISM

- **Aviation Board Construction Fraud Deterrence Program – ongoing**
- **French Quarter Citizen Reporting Initiative - ongoing**
- Evaluation of Tourism Promotion Funding

REVENUE INCREASES

- Evaluation of Property Tax Assessments

PROCUREMENT OVERSIGHT

- Screen high value solicitations to assess risk and offer comments
- Monitor high-risk contracts, including conducting audits and/or inspections

PUBLIC CORRUPTION

- Conduct Fraud Awareness seminars for employees and contractors
- Conduct investigations and refer evidence to appropriate prosecutors

LEGISLATIVE REVIEW

- Review pending and existing ordinances, statutes and regulations, and make recommendations relating to fraud and abuse, or efficiency and effectiveness, in City programs and operations.

V. VISION

The NOLA OIG vision is ***to be an organization that serves all the citizens of New Orleans – one that makes a positive difference in the integrity, efficiency, effectiveness, and fairness of City government.***

The OIG serves its clients as constructive critic, helpful advisor, and positive change agent. While maintaining our independence, we work in a cooperative fashion with others to improve governance of the City of New Orleans.

Our aim is to deter those who would defraud or abuse their position. Failing that, our aim is to cause them to be held accountable for their misconduct. Similarly, we seek to make a material contribution to government efficiency and effectiveness -- to make a positive difference in the delivery of services to the City's citizens.

VI. GOALS

The OIG is an oversight organization and accomplishes its missions principally through audits, evaluations, investigations, and other fact-finding and reporting activities. OIG mission effectiveness is guided by the following goals:

- **RELEVANCE:** Focusing OIG activities on the right issues at the right time;
- **CREDIBILITY:** Performing the work in a professional manner; and
- **COMMUNICATION:** Reporting the results of our work in a manner that achieves maximum impact and encourages expeditious action.

We believe that accomplishing these broad goals represents the best performance possible by an OIG.

VII. PERFORMANCE MEASURES

One or more sub-goals are presented for each goal, and performance measures and validation means are identified for each.

GOAL: RELEVANCE – OIG resources are directed to the issues of greatest concern in time to be useful.

SUBGOAL 1: *Importance* – The right projects are selected for review.

Performance Measures:

- Strategic plan assessed risks for the universe of City of New Orleans and its component and satellite entities responsibilities and operations. (Y/N)
- Resources were assigned according to priorities based on a risk assessment. (Y/N)

SUBGOAL 2: *Timeliness* – OIG reports are delivered at the right time.

Performance Measure:

- OIG reports issued after important milestones.

GOAL: CREDIBILITY – Reviews are performed by independent staff of sufficient competence to achieve review objectives, and in accordance with professional standards.

SUBGOAL 1: *Independence* – OIG staff is organizationally and personally independent.

Performance Measures: IG Certification of Independence prior to commencement of projects and in final reports. (Y/N)

SUBGOAL 2: *Competence* – OIG staff possesses the knowledge and skills to achieve the objectives of OIG projects.

Performance Measures:

- Percentage of staff meeting continuing professional education requirements.
- Percentage of audit and investigative staff with national certification(s).
- Percentage of audit and evaluation staff with advanced degrees.

SUBGOAL 3: *Methodology* – The methodology employed meets professional standards and is appropriate to review objectives.

Performance Measures:

- Percentage of reviews meeting applicable professional standards.
- Percentage of draft findings sustained in final reports.

GOAL: COMMUNICATION – Findings and recommendations reported achieve maximum impact and encourage corrective action.

SUBGOAL 1: *Quality*: Information presented is accurate and complete; findings identify underlying causes of reported problems; and recommendations are effectively communicated to decision makers.

Performance Measures:

- Instances of factual errors or material omissions in final reports.
- Percentage of recommendations accepted.
- Annual Quality Assurance Review reports.

SUBGOAL 2: *Form and Content* – OIG reports meet all form and content expectations established by City ordinance and professional standards.

Performance Measure:

- Identified instances of failure to meet or satisfy form and content requirements.