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**OIG FOUND WEAKNESSES IN GOVERNANCE AND INVESTMENT POLICIES OF THE  
FIREFIGHTERS' PENSION FUND**

As detailed in the Firefighters' Pension Governance & Investment Policies report released today, the Office of Inspector General (OIG) conducted an evaluation of the New Orleans Firefighters' Pension and Relief Fund's (NOFFPF) governance and investment policies. The OIG concluded the NOFFPF did not comply with all provisions of a binding agreement with the City of New Orleans (City) and lacked sufficient criteria for performance monitoring and oversight.

The NOFFPF is responsible for paying retirement, disability, and survivor benefits for local firefighters, funded by contributions from the City and employed firefighters. The entity had a prior history of poor investment performance, but recently showed signs of improved financial stability and governance. However, after years of poor performance, the fund was significantly underfunded. Pursuant to a settlement agreement between the NOFFPF and the City, the entities entered into a Cooperative Endeavor Agreement (CEA) that included several provisions pertaining to the governance of the NOFFPF.

In its latest report, the OIG found the NOFFPF did not comply with all of the CEA provisions and recommended that the entity work with the City and other parties to revise the CEA as needed, and fully comply with all provisions. The OIG also identified areas in which the NOFFPF lacked sufficient criteria for performance monitoring and oversight, as well as a documented risk policy and decision-making process. To address these weaknesses, the OIG made recommendations for the NOFFPF to create formal processes, policies, and performance measures that support effective decision making in the future. Ensuring that its practices are fully documented and monitored will increase the likelihood that the NOFFPF manages its assets efficiently and effectively.

Inspector General Ed Michel stated:

*"Effective governance and well-designed and documented policies are vital in the NOFFPF's efforts to improve financial stability in the future. This will help to ensure the payment of benefits to retired firefighters while minimizing the financial burden on the City. Firefighters risk their lives in service to the city of New Orleans, and they deserve a fully functional retirement system."*

The NOFFPF has accepted three of the OIG's four recommendations and has indicated steps it will take to address these issues.

In addition to today's report, the OIG released a brief with highlights. Go to [www.nolaog.gov](http://www.nolaog.gov) to view all OIG reports.

The report, news release and all other OIG work products associated with this report are **EMBARGOED FROM PUBLICATION UNTIL 12:01 A.M. FRIDAY, MARCH 18, 2022. THE OIG PROVIDES THIS INFORMATION IN ADVANCE FOR EDITORIAL PLANNING PURPOSES ONLY.**