

**FOR IMMEDIATE RELEASE**  
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**PAYROLL AUDIT REVEALS EXCESSIVE EXECUTIVE SALARIES AND MORE QUESTIONABLE  
SPENDING BY THE AUDUBON NATURE INSTITUTE**

As detailed in the Audubon Commission (Commission) and Audubon Nature Institute (Institute) Payroll Audit report released today, the Office of Inspector General (OIG) conducted a performance audit of the Institute's payroll processes and expenses for the period of January 1, 2012, through December 31, 2014.

The Institute used Commission funds to pay \$430,720 in employee bonuses during the period of January 1, 2013, through December 31, 2014, which may have violated Louisiana Constitution art. VII §14(A). The Institute also paid \$16,975 in on-call pay to five information technology employees during 2014 without adequately restricting their time.

The Institute may have also violated La. Const. art. VII, §14(A) because the executive compensation was not comparable to other similar sized organizations and, therefore, may have been gratuitous in nature. The Institute Compensation Committee commissioned an independent assessment of executive compensation – The HTAC Report. The OIG also used the HTAC Report in its analysis and calculated all salaries to account for cost of living, a widely accepted adjustment. When the OIG compared the peer group's revenues and assets to those generated and managed by the Institute, the Institute was in the 50th percentile and the 38th percentile, respectively. However, when the compensation of the CEO and EVP were compared to the peer group, the CEO was in the 85th percentile and the EVP was in the 92nd percentile.

The OIG found the executives' compensation was paid in accordance with the terms of their employment contracts; however, the executives' additional pay and fringe benefit payments totaling \$826,461 during the audit period may have violated La. Const. art. VII, §14(A) because no additional performance or duties were required of the executives to receive the additional compensation.

Despite the findings noted above, the Institute developed and adopted new hire and termination policies that complied with recognized best practices. The Institute's internal controls over new hire and termination processing were designed properly and implemented and operating effectively.

*“Today’s release of the Audubon Commission and Audubon Nature Institute Payroll Audit is the last of three reports issued by the OIG. It also marks the end of what was a five-year project that focused on conditions and circumstances that existed from 2012 through 2014. This fact does not diminish the value or impact of the issues identified by our detailed analysis because, despite assurances, many of these issues remain unresolved. On behalf of the Office of Inspector General, I thank the leadership and staff of the Audubon Nature Institute and the Audubon Commission for their cooperation.” – Derry Harper, Inspector General*

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

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