



Office of Inspector General

City of New Orleans

Report of Inquiry into Actions of the Administrative Judge of New Orleans Municipal Court and the Orleans Parish Sheriff to Retain One Another's Spouses

**E. R. Quatrevaux
Inspector General**

Final Report

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EXECUTIVE SUMMARY

The Office of Inspector General (OIG) conducted an inquiry into the facts surrounding the Administrative Judge of the New Orleans Municipal Court's retention of the wife of the Orleans Parish Sheriff as a consultant, and the Orleans Parish Sheriff's hiring the wife of the Administrative Judge as a consultant shortly before.

The inquiry found no evidence of criminal behavior. The actions taken by the Sheriff and Administrative Judge were within their respective legal authority. However, their actions created an appearance of impropriety, diminished confidence in the integrity of the criminal justice system and government in general, and deprived the public of the benefits of competition in public procurements.

I. INTRODUCTION

The Investigations Division of the Office of Inspector General opened this inquiry after media reports stated that the Administrative Judge of the New Orleans Municipal Court retained the wife of the Orleans Parish Sheriff as a consultant, and that the Orleans Parish Sheriff had hired the wife of the Administrative Judge as a consultant shortly before.

A. INTERVIEW OF THE ADMINISTRATIVE JUDGE OF MUNICIPAL COURT¹

Judge Sens stated that he created a Court Supervised Disposition Program for first offense, non-violent individuals charged with marijuana possession. According to Judge Sens, entrance into the drug counseling program is voluntary, and defendants do not plead guilty if they agree to enroll in the program. Each program participant pays the counselor directly at a rate of \$40 per month, and defendants meet with their probation officers once a month and submit to a drug test.

Judge Sens said the purpose of the program was to provide defendants with the opportunity to avoid having a criminal record. He related that the City Attorney agreed not to prosecute defendants who successfully complete the counseling program.

Judge Sens said he knew the Sheriff's wife, Renee Gusman, and that she had 30 years of experience in the "field." He said he determined that a rate of \$40 per defendant per month was appropriate and asked Ms. Gusman to serve as the counselor for the "pilot" program. The program began on January 13, 2011. He said that there was no written contract for her services. Although the Court Supervised Disposition Program was no longer a pilot and was currently in use in all sections of Municipal Court, Judge Sens said he was unsure how the other three judges arranged for the counseling services.

Judge Sens said that he had not discussed either his hiring of Ms. Gusman with the Orleans Parish Sheriff, or the Sheriff's hiring of his wife, Ms. Ann Sens. He stated that he knew nothing of his wife's working arrangement or compensation. He said that he and the Sheriff hired each other's spouses independently and that there were no prior agreements.

¹ Judge Paul Sens stepped down from the position of Administrative Judge on June 1, 2012. He remains a judge of the New Orleans Municipal Court. He is referred to in this report as the Administrative Judge because he held that position at the time of these events.

B. INTERVIEW OF THE ORLEANS PARISH SHERIFF

Sheriff Gusman said that in October 2010 he received a letter from Ms. Ann Sens who was seeking a job. He said he did not think she was suited for working in the jail but that he knew she was a real estate agent, so he forwarded the letter to Peter Rizzo, Chief Deputy of the Civil Division, Orleans Parish Sheriff's Office. According to Sheriff Gusman, Chief Deputy Rizzo said that he could use her to appraise foreclosed properties.²

Sheriff Gusman said he did not know how much Ms. Sens was paid or how many appraisals she had done. He said he knew she had a real estate license, so she had access to MLS listings. He said that if his Chief Deputy had said he could not use her, the matter would have ended there. He also said he handled the request like he would any letter requesting a job. He further stated that he did not know the details regarding his wife's hiring by Judge Sens, how much she made, or how she was paid. According to Sheriff Gusman, there was no agreement between him and Judge Sens to hire each other's spouses. He said the idea was "ridiculous."

Chief Deputy Rizzo said that the first check issued to Ms. Sens was dated December 8, 2010 . He said that the Orleans Parish Sheriff's Office (OPSO) uses a list of appraisers and that they go down the list in order; the appraiser who is next is assigned the job. The OPSO charges \$150 per appraisal, although state law allows as much as \$350. In the rare circumstance of a "novel property," the OPSO will go to court and get a waiver of the \$350 limit. Rizzo said that Ms. Sens is paid like any other appraiser. He also said that Ms. Sens was the only person the Sheriff added to the list, but the Sheriff later said there were others added at his request.

² The Sheriff said that these are not typical appraisals. Rather, the Creditor and Defendant state their appraisal of the property's value. If the stated values are more than 10% apart, then a third independent appraisal is conducted and comparables researched through the Multiple Listing Service.

II. DISCUSSION

The OIG was unable to substantiate whether or not these transactions were related. The inquiry found no evidence of criminal behavior; both officials had legal authority for the actions they took. Both officials denied that they colluded or that the hiring of either's spouse was a favor in expectation of a benefit. The only documentation found was Ms. Sens' letter seeking employment.

Nonetheless, these actions took place barely a month apart, and both officials were unaware of or ignored the appearance of impropriety created by their actions. The appearance of impropriety undermines confidence in government, and both the Judge and the Sheriff are elected officials in a city in which there is substantial and warranted mistrust of government. The appearance of impropriety leads citizens to believe that the criminal justice system is corrupt and exemplifies questionable government practices. The officials' actions were poorly documented and provided little information.

Legality is an essential baseline, but it is an insufficient standard for elected officials. The public has a right to expect that public funds are spent in an efficient and effective manner.³ The public also has a right to expect its government to seek contractors with at least as much diligence as they might when hiring a contractor to repair their home. The Administrative Judge's engagement of Ms. Gusman did not meet that standard. She may be qualified and her fee may be appropriate, but the public could not determine these facts: the Administrative Judge excluded all other competition and selected a contractor he knew personally.

A. PROCUREMENT OF PROFESSIONAL SERVICES

The selection of a professional to provide counseling services for drug abuse should have been open to competition. The Administration said it urged the Municipal Court to adopt the City's procurement policy but did not require its use in this City court.

The Administrative Judge said publicly that Ms. Gusman was "uniquely qualified" to perform this service. Her website advertised services in many categories of counseling, but drug counseling was not among them. At the same time, there were more than one hundred entries advertising drug counseling services in telephone directories. Ms. Gusman's unique qualification for the contract appears to be her friendship with the procurement official, the Administrative Judge.

³ The funds to pay Ms. Gusman did not come from the City General Fund or the Judicial Expense Fund. However, they are public funds because they were legally coerced by the Court, and defendants had no choice in the counselor they could use. The Court could just as well have paid the counselor with fees collected from the defendants.

B. BENEFITS OF OPEN COMPETITION

A fair and open procurement process promotes vigorous competition by qualified vendors, motivates suppliers to provide the best value at the best price, and helps ensure that the City receives the best possible value. A transparent selection process based on pre-established objective criteria and sound professional judgment increases confidence in the procurement process, guards against favoritism and collusion, and assures the public that the government is safeguarding public funds. The public deserves and should expect open competition for government contracts, because it results in a more effective and efficient use of public funds.

A city's reputation for a fair and transparent procurement process encourages competition and promotes the public interest, even as a reputation for capricious processes and obscure decisions discourages participation by legitimate businesses and undermines the public trust. In a fair and open procurement process, prospective vendors know they will be subject to the same terms, conditions, and requirements as any other bidder, which encourages honest firms to compete vigorously for government contracts. A transparent procurement process engenders trust that public servants are working to get the most value for taxpayers' dollars and strengthens the public's faith in government. Honest and open government procurement creates a positive synergy around the process; confident of a level playing field, business participation increases and greater competition results in the best value at the best possible price. As a result, citizens gain confidence in the integrity and effectiveness of their elected officials.

III. CONCLUSION

The inquiry found no evidence of criminal behavior. The actions taken by the Sheriff and Administrative Judge were within their respective legal authority. However, their actions created an appearance of impropriety, diminished confidence in the integrity of the criminal justice system and government in general, and deprived the public of the benefits of competition in public procurements.
