

August 22, 2018

Flora Tran, AIG Peer Review Team Leader
Office of Inspector General
Florida Department of Children and Families
375 Commerce Parkway, Suite 101
Rockledge, FL 32955

Dear Ms. Tran:

I want to take this opportunity to again thank you and the members of the Association of Inspectors General Peer Review Team for the valuable feedback provided to the City of New Orleans Office of Inspector General (OIG) as the result of the recent assessment of the OIG's adherence to all applicable professional standards. An external peer review process is critical to the OIG's overall program of quality assurance, and provides the citizens of New Orleans a level of confidence that all OIG activities adhere to the highest standards of professional conduct. We are extremely pleased, as stated in your June 11, 2018 letter, that the OIG's Audit (AD), Inspections and Evaluations (I&E) and Investigations (ID) divisions met all relevant and applicable professional standards during the previous three-year period.

In your July 16, 2018 letter to the OIG you noted ten areas of distinction which highlight the efficiency and effectiveness of existing policies and procedures and six (6) areas of consideration which, if adopted, may enhance or improve current processes. We thank you for noting those areas you concluded were worthy of commendation. In addition, we agree with your recommendations regarding specific areas of consideration and, as set forth below, present the OIG's plan to implement changes designed to enhance existing processes for our AD, I&E, and ID divisions.

Peer Review Area of Consideration: The AD met all training requirements on a continual basis to fortify the AD's training efforts and maintain compliance with Generally Accepted Government Auditing Standards (GAGAS 3.76). Although the Audit Manual included CPE [continuing professional education] required by GAGAS, the AD should consider updating the Audit Manual to also include specific language requiring auditors to align their CPE training with the certifications they hold (i.e. CPAs [Certified Public Accountant], CFEs [Certified Fraud Examiner], etc.). The AD staff is highly

certified and it is important the training they receive supports the benefits the office gains from these certifications.

OIG Response: The AD implemented this recommendation. The AD updated the audit manual to include specific language requiring auditors to obtain CPE in accordance with their certifications. AD staff possess many highly respected certifications, and we fully acknowledge the importance they receive training to maintain certifications, which benefit the quality and validity of the reports issued by the OIG.

Peer Review Area of Consideration: The engagement binder contained evidence of supervisory reviews, which included multiple sign-offs on each workpaper. Although the AD electronically maintains the cleared review notes on a secured network drive, [the] AD should consider uploading the cleared notes to the Engagement System.

OIG Response: The AD implemented this recommendation. The OIG updated the audit manual to require review notes to be maintained in the engagement binder instead of the secured drive. On existing and future engagements, the Audit Division will upload cleared review notes to the Engagement System instead of the secured drive.

Peer Review Area of Consideration: GAGAS 5.63 indicates, "Due to the objective and public accountability of GAGAS agreed-upon procedures engagements, additional consideration for agreed-upon procedure engagements in accordance with GAGAS may apply. These considerations relate to (a) establishing an understanding regarding services to be performed; and (b) reporting on agreed-upon procedure engagements." AD, ID, and I&E should consider developing formalized documents outlining the objectives, scope, and expected deliverables related to non-audit procedures that AD performs for either ID or I&E.

OIG Response: The AD implemented this recommendation. In conjunction with ID and I&E, the AD created an Audit Support Plan. This form will be used to document the objectives, scope, and methodology for any substantial audit support provided to other divisions within the OIG. The OIG also updated the audit manual to ensure this policy is memorialized and that all Audit Division members are aware of the new requirement.

Peer Review Area of Consideration: [Case Management Tracking System] CMTS is currently utilized by ID as a central point for electronic case management. While the current ID team has created useful templates and formats for its day-to-day operations, ID should consider using CMTS to its fullest potential (i.e., drop-downs, supervisory reviews, signature lines) as discussed in our management briefing.

OIG Response: The ID implemented this recommendation. The ID updated our electronic case management system to enable our investigators to access a document templates folder within each open investigation and added an OIG letterhead template to the folder. Although we had access to a document templates folder in previous versions of our electronic case management system, the folder itself did not appear in each open investigation.

The ID enabled the system to populate the investigation case number into the Memorandum of Interview (MOI) template and the Investigative plan for each case. In addition, the ID modified the MOI template to include a space in the document footer to add the initials of the Assistant Inspector General, or other designee, as part of our review process.

Peer Review Area of Consideration: I&E should consider developing a continual follow-up plan (i.e., 60, 120 days) in order to ensure City Departments address corrective action recommendations.

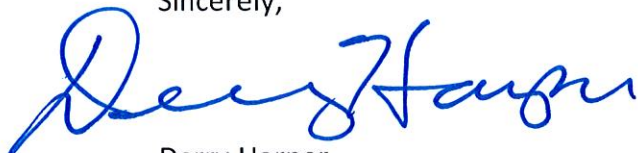
OIG Response: I&E will implement this recommendation. I&E will develop a process to change follow-up reports into a series of regular check-ins with the agency to ensure that solving problems identified by OIG reports remain a priority. Once we develop a formal process for continuous follow-up, we will include the new approach in the new I&E manual to ensure this policy is memorialized and that all I&E members are aware of this revised process.

Peer Review Area of Consideration: I&E should consider removing [the technical assistance] section from [the] I&E [manual] as it is an overall office function and can be utilized to track all OIG activities related to technical guidance, outreach, training, etc.

OIG Response: I&E will implement this recommendation. I&E will remove "technical assistance" as a project category in the new I&E manual. Additionally, the Inspector General, General Counsel, and division heads will develop a plan on how to institutionalize technical assistance to outside agencies as a general OIG function that can be carried out by any OIG department.

We appreciate all of the information provided to us during the peer review process. If you have any additional comments or questions, please do not hesitate to contact me.

Sincerely,



Derry Harper
Inspector General

cc: James Mazer, AIG Peer Review Team Member
Edyth Porter-Stanley, AIG Peer Review Team Member
City of New Orleans Ethics Review Board