

MONTHLY REPORT

JULY 2023



OIG

**NEW ORLEANS
OFFICE OF INSPECTOR GENERAL**

**EDWARD MICHEL, CIG
INSPECTOR GENERAL**

ADMINISTRATION DIVISION



1,970

Number of registered Twitter followers

ADMINISTRATION

The Office Manager is responsible for the following ongoing tasks:

- Human Resources
 - Coordinating the hiring process
- Finance
 - Managing and refining the OIG budget
- Procurement Process
 - Communicating with OIG vendors
 - Processing requisitions to create purchase orders
 - Overseeing the timely payment of OIG expenditures
- Operations
 - Coordinating with the OIG's landlord and various City departments on administrative matters

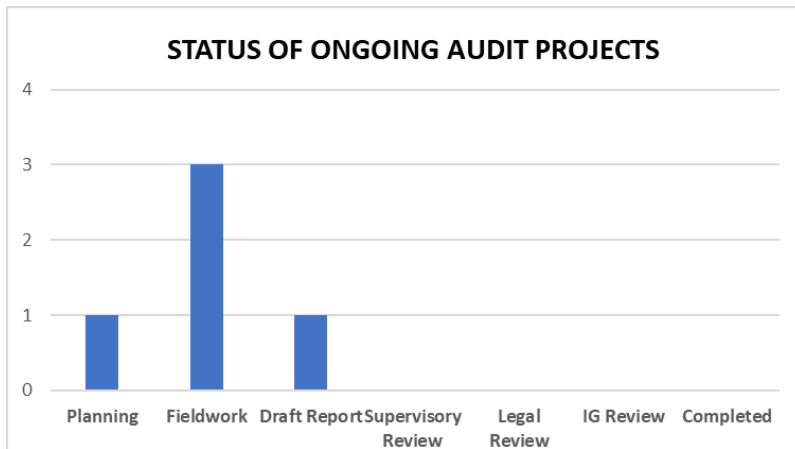
INFORMATION SECURITY

The OIG Information Security Specialist is responsible for the following tasks to maintain the OIG's information technology (IT) integrity

- Technical Support
- Hardware and Software Updates
- Communication and Coordination
- Consultation for IT Purchases

AUDIT & REVIEW DIVISION

The Audit and Review Division conducts financial audits, attestations, compliance, and performance audits of City programs and operations. Auditors test for appropriate internal controls and compliance with laws, regulations and other requirements.



The Audit and Review Division has the following projects in process:

- Wisner Fund
- Orleans Parish Sheriffs Office
- Short Term Rentals
- Safety and Permits Third Party Contractors
- New Orleans East Hospital Credit Card

Project Phase Descriptions:

Planning - includes background research, data gathering, initial interviews, and/or internal controls assessment.

Fieldwork - includes data and statistical analyses, interviews, testing of procedures, onsite observations, and/or physical inspections.

Draft Report - includes data and statistical reviews, documenting fieldwork results, initial report writing, revisions and internal Quality Assurance Review (QAR) prior to supervisory review.

Supervisory Review - includes the review by both Deputy Inspector General and First Assistant Inspector General to ensure sufficiency and appropriateness of evidence, adequate fieldwork procedures, and proper conclusions, content, presentation and readability.

Legal Review - Report review by in-house General Counsel and/or outside Legal Counsel to ensure appropriate and proper legal citations and/or interpretations.

IG Review - Report review by the Inspector General based on corrections and recommended changes resulting from the Legal Review.

30-Day Comment Period - 30-day deadline for the department to review the draft report and submit management responses for inclusion in the final report.

MEASURING PROGRESS

AUDIT AND REVIEW DIVISION

The following information provides a summary of the Audit Division's project phase and a summary of the audit objectives.

Project Name	Project Phase ¹	Anticipated ² Completion Date
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Wisner Fund	Draft Report	Ongoing
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Summary of Objectives: The OIG will be releasing a letter explaining why the 2020 Extension of the Wisner Trust was not proper, violating City Code and prior court rulings concerning the Trust.

Orleans Parish Sheriffs Office	Fieldwork	Ongoing
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Summary of Objectives: The purpose of the audit is to evaluate the operating effectiveness of the Orleans Parish Sheriff Office's controls and expenditures related to payroll and paid details.

Short-Term Rentals	Fieldwork	Ongoing
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Summary of Objectives: The OIG will be releasing a letter suggesting that the City increase its efforts to levy fines on illegal short-term rentals.

Safety and Permits Third Party Contractors	Planning	Ongoing
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Summary of Objectives: The purpose of the audit is determine the adequacy of S&P policies and procedures related to Third Party Inspections and verify that residential inspections performed by Third Party Inspectors were in compliance with those policies and procedures.

Footnotes:

1 - Project phase determination is based on the objective(s), scope, and methodology for each project. It is not determined by a standard set of hours and/or phase deadline.

2 - The completion date may be re-evaluated if necessary.

MEASURING PROGRESS

AUDIT AND REVIEW DIVISION

The following information provides a summary of the Audit Division's project phase and a summary of the audit objectives.

Project Name	Project Phase ¹	Anticipated ² Completion Date
New Orleans East Hospital Credit Card	Fieldwork	Ongoing

Summary of Objectives: The purpose of the audit is to determine whether New Orleans East Hospital credit card purchase were business-related and allowed by law, and that these purchases followed relevant agency policies.

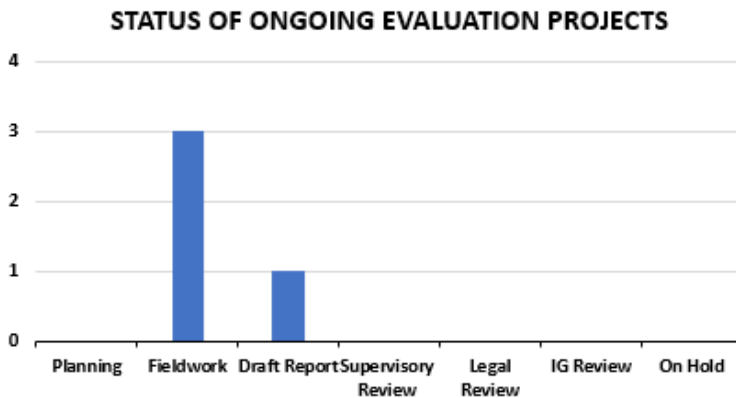
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INSPECTIONS & EVALUATIONS DIVISION

The Inspections and Evaluations Division works to increase the efficiency, effectiveness, transparency, and accountability of City programs, agencies, and operations. Evaluators conduct independent, objective, empirically based and methodically sound inspections, evaluations, and performance reviews.



The Inspections & Evaluations Division has the following projects in process:

- New Orleans Police Department (NOPD) Violent Crime Response Analysis
- City of New Orleans Employee Time and Attendance Reporting
- EMD Fuel Dispensing Follow-Up
- Sewerage and Water Board Water Loss Control

Project Phase Descriptions:

Planning - includes background research, data gathering, initial interviews, and/or internal controls assessment.

Fieldwork - includes data and statistical analyses, interviews, testing of procedures, onsite observations, and/or physical inspections.

Draft Report - includes data and statistical reviews, documenting fieldwork results, initial report writing, revisions and internal Quality Assurance Review (QAR) prior to supervisory review.

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MEASURING PROGRESS

INSPECTIONS AND EVALUATIONS DIVISION

The following information provides a summary of the Inspections and Evaluations Division's project phase and a summary of the each project's objectives.

Project Name	Project Phase ¹	Anticipated ² Completion Date
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City of New Orleans Employee Time and Attendance Reporting	Draft Report	Ongoing
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Summary of Objectives: To determine whether the City has policies, procedure, and controls to ensure that Time and Attendance is reported accurately.

NOPD Violent Crime Response Analysis	Fieldwork	Ongoing
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Summary of Objectives: To assess the NOPD's response to violent crimes in the City in relation to best practices and industry standards.

EMD Fuel Dispensing Follow-Up	Fieldwork	Ongoing
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Summary of Objectives: This follow-up evaluation seeks to determine if the City implemented the corrective actions to which it agreed in June 2016 in response to the OIG's initial evaluation, and whether the deficiencies identified in the original report still exist.

Sewerage & Water Board Water Loss Control	Fieldwork	Ongoing
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Summary of Objectives: To evaluate S&WB's policies and practices related to water loss control management.

Footnotes:

1 - Project phase determination is based on the objective(s), scope, and methodology for each project. It is not determined by a standard set of hours and/or phase deadline.

2 - The completion date may be re-evaluated if necessary.

INVESTIGATIONS DIVISION

ADMINISTRATIVE INVESTIGATIONS (JULY HIGHLIGHTS)

On July 25, 2023, the OIG issued a news release concerning \$187,000 of property tax revenue owed to the City of New Orleans arising from Homestead Exemption and Senior Age Freeze removals.

Issued two Requests for Documents in ongoing investigations.

Issued two OIG Subpoenas for records and documents.

Issued a letter and related documents to the Assessor's Office concerning 25 residential properties that continued to receive a homestead exemption and senior freeze reduction despite the listed homeowner reportedly being deceased. The total number of residential properties submitted for 2023 is 100. The Assessor's Office acknowledged receipt of the letter.

An employee assigned to the Department of Safety and Permits was placed on a thirty-day emergency suspension without pay for a potential violation of Employee Policy Memorandum 21-01: Standards of Professional Behavior.

INVESTIGATIONS DIVISION

ADMINISTRATIVE INVESTIGATIONS (JULY HIGHLIGHTS)

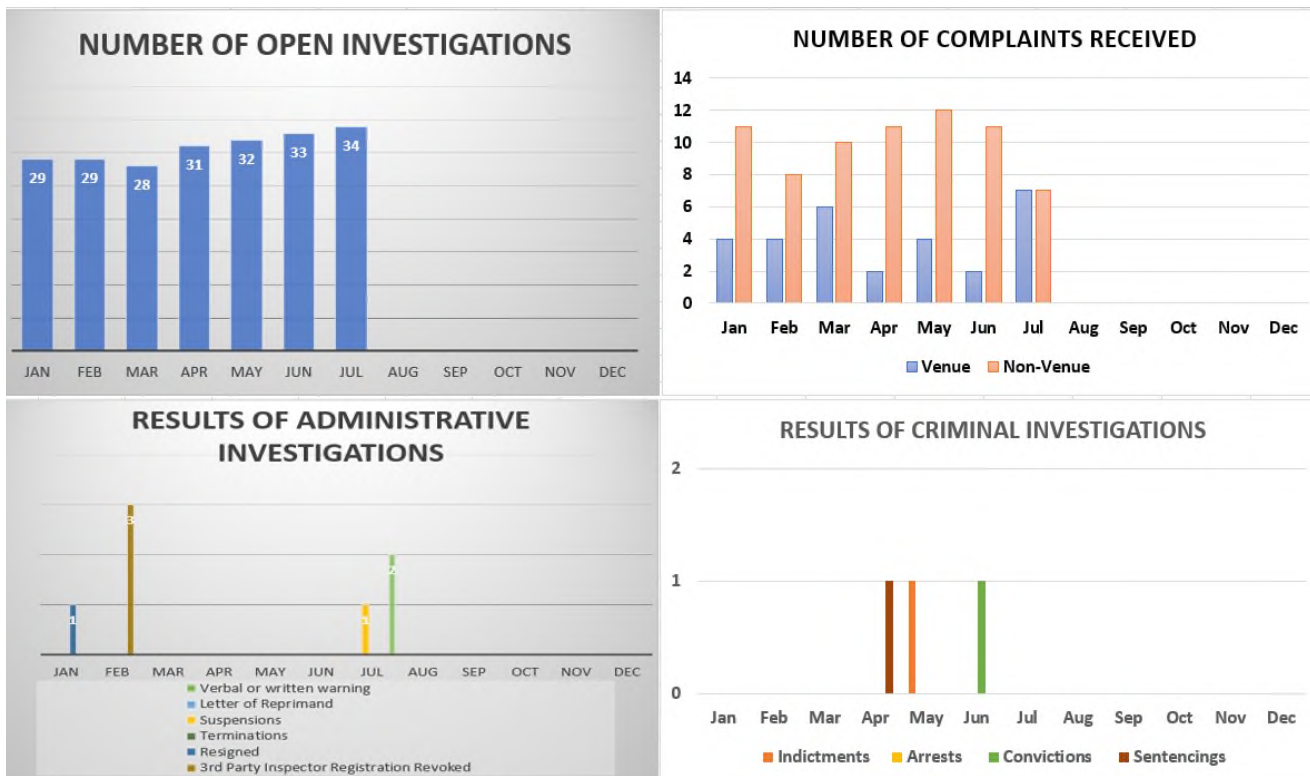
On July 20, 2023, the Louisiana State Licensing Board for Contractors (LSBLC) accepted a plea of No Contest from Juan J. Arriago of Moreno Electric. Arriago also pleaded No Contest on behalf of Moreno Electric. The LSBLC accepted the surrendering of both Moreno's license and the qualifying party status of Arriago for a period of one year. This is a result of information developed during a joint investigation between the OIG and LSBLC. The pleas accepted were based on the violation of LA RS 37:2150-2165, titled Requirements for Issuance of a License.

According to information on the LSBLC website, a "Qualifying Party" means a natural person designated by the contractor to represent the contractor for the purpose of complying with the provisions in the Contractors Licensing Law, Rules and Regulations, including without limitation meeting the requirements for the initial license and/or any continuation thereof. A qualifying party is the person who holds the exam scores, and is not the owner of the license unless he/she is a sole proprietor.

MEASURING PROGRESS

INVESTIGATIONS DIVISION

The Investigations Division conducts criminal and administrative investigations involving City of New Orleans employees, contractors, and vendors that receive City funds. Investigators also work with local, state, and federal partners to conduct joint investigations. The Investigations Division is also available to provide fraud awareness training to City employees and to engage in other outreach programs with businesses and citizens.



Venue: Matters that the OIG has the jurisdiction to investigate

Non-Venue: Matters outside of the OIG's jurisdiction

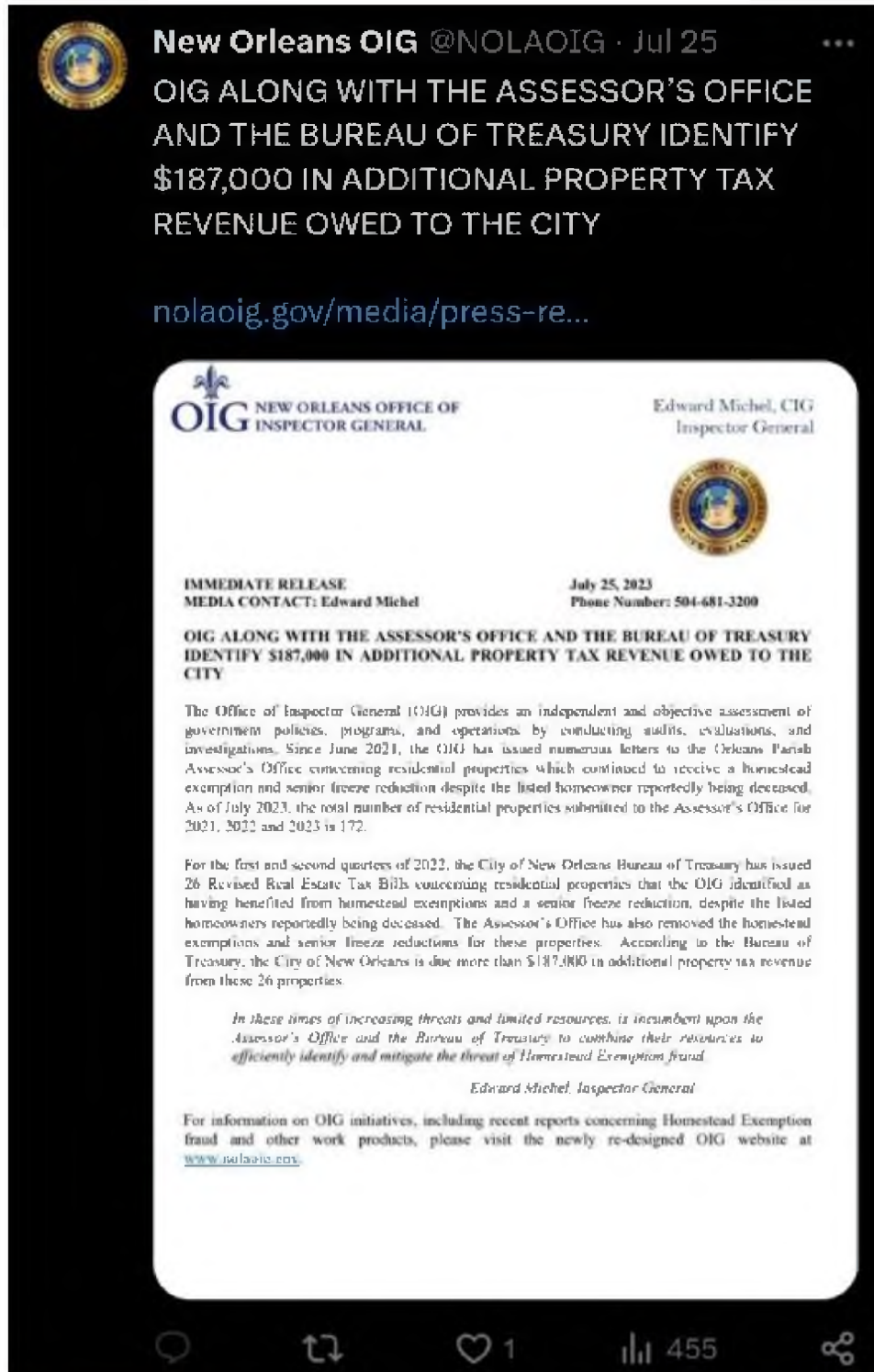
2023 BUDGET

Total 2023 Appropriation \$ 4,020,437

Expenditures	Spent YTD	Projected Expenditures FY 2023
Personnel	\$ 1,466,456	\$ 3,209,430*
Operating	\$ 253,832	\$ 743,368
Total	\$ 1,720,287	\$ 3,952,798
Remaining Balance	\$ 2,300,150	\$ 67,639

As of 8/1/2023


OIG ON SOCIAL MEDIA




New Orleans OIG @NOLAOIG · Jul 25

OIG ALONG WITH THE ASSESSOR'S OFFICE AND THE BUREAU OF TREASURY IDENTIFY \$187,000 IN ADDITIONAL PROPERTY TAX REVENUE OWED TO THE CITY

nolaoig.gov/media/press-re...



OIG NEW ORLEANS OFFICE OF INSPECTOR GENERAL



Edward Michel, CIG
Inspector General

IMMEDIATE RELEASE July 25, 2023
MEDIA CONTACT: Edward Michel Phone Number: 504-681-3200

OIG ALONG WITH THE ASSESSOR'S OFFICE AND THE BUREAU OF TREASURY IDENTIFY \$187,000 IN ADDITIONAL PROPERTY TAX REVENUE OWED TO THE CITY

The Office of Inspector General (OIG) provides an independent and objective assessment of government policies, programs, and operations by conducting audits, evaluations, and investigations. Since June 2021, the OIG has issued numerous letters to the Orleans Parish Assessor's Office concerning residential properties which continued to receive a homestead exemption and senior freeze reduction despite the listed homeowner reportedly being deceased. As of July 2023, the total number of residential properties submitted to the Assessor's Office for 2021, 2022 and 2023 is 172.

For the first and second quarters of 2023, the City of New Orleans Bureau of Treasury has issued 26 Revised Real Estate Tax Bills concerning residential properties that the OIG identified as having benefited from homestead exemptions and a senior freeze reduction, despite the listed homeowners reportedly being deceased. The Assessor's Office has also removed the homestead exemptions and senior freeze reductions for these properties. According to the Bureau of Treasury, the City of New Orleans is due more than \$187,000 in additional property tax revenue from these 26 properties.

In these times of increasing threats and limited resources, it is incumbent upon the Assessor's Office and the Bureau of Treasury to combine their resources to efficiently identify and mitigate the threat of Homestead Exemption fraud.

Edward Michel, Inspector General

For information on OIG initiatives, including recent reports concerning Homestead Exemption fraud and other work products, please visit the newly re-designed OIG website at www.nolaoig.org.

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OIG ON SOCIAL MEDIA



New Orleans OIG @NOLAOIG · Jul 20



The New Orleans OIG issued a letter to the City Council today reiterating the recommendation to relinquish the Upper Pontalba Apartment back into commerce, which would generate an additional \$36,000 in annual income for the City.

nolaig.gov/media/city-cou...



↻ 16

♥ 36

📊 8,636

