

## The Failure to follow contract requirements by the City of New Orleans and Center for Employment Opportunities while utilizing Wisner Trust funds.

January 25, 2024

### Purpose of This Report

This investigation was predicated on information received from an anonymous complaint that alleged Wisner Funds were being mismanaged by the City of New Orleans (City) and the Center for Employment Opportunities (CEO) for contracted grass-cutting and lot abatement. The allegation was that the allocated one million dollars in the Cooperative Endeavor Agreement (CEA) between CEO and the City could not be spent in the allotted one-year time frame. Concern was that any unspent funds would not be accounted for properly.

### What the OIG Found

- The City did not follow the Cooperative Endeavor Agreement (CEA) and made quarterly installment payments to CEO totaling \$500,000 in advance of services provided in possible violation of the Louisiana Constitution.
- The City could not accurately track the work provided as described in the terms of the CEA since funds were improperly distributed in quarterly payments without verification of the work performed.
- The City did not utilize its Land Management Software (LAMA) to manage the program in accordance with the terms of the CEA. Additionally, LAMA did not have the capabilities to manage the program in accordance with those terms.

### What the OIG Recommended

- Follow the terms and agreements of all CEA's as written and entered into with the City.
- Determine the best course of business for using LAMA on projects to ensure transparency.
- The City should verify in advance that any systems included in CEAs, such as LAMA, are sufficient to provide transparency and manage programs in accordance with the terms of the agreement.

### Statement of Inspector General

"Adherence to the CEA would have provided the proper oversight of this contract to ensure it was not in violation of the Louisiana Constitution as well as allowed better transparency for the taxpayers" Edward Michel, Inspector General

If you wish to speak to me, I can be contacted at (504) 681-3263 or via email at [emichel@nolaoig.gov](mailto:emichel@nolaoig.gov).



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