

MONTHLY REPORT

JANUARY 2024



OIG

**NEW ORLEANS
OFFICE OF INSPECTOR GENERAL**

**EDWARD MICHEL, CIG
INSPECTOR GENERAL**

ADMINISTRATION DIVISION



2,015

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

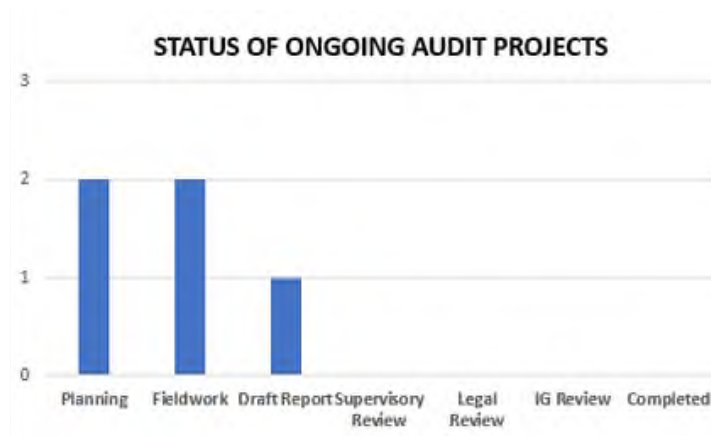
INFORMATION SECURITY

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:

- Orleans Parish Sheriffs Office
- 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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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.

Safety and Permits Third Party Contractors	Planning	Ongoing
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Summary of Objectives: The purpose of the audit is to 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.

New Orleans East Hospital Credit Card	Fieldwork	Ongoing
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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.

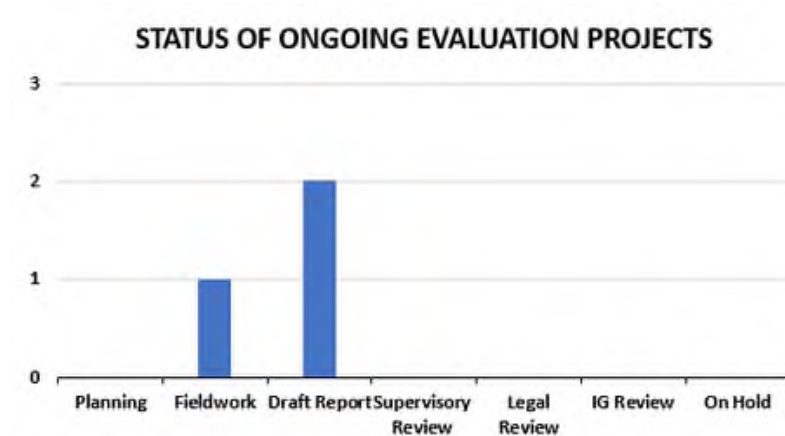
Footnotes:

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.

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:

- OPCD Hexagon Contract
- 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.

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.

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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

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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OPCD Hexagon Contract

Fieldwork

Ongoing

Summary of Objectives: The purpose of the evaluation is to analyze the process used to procure Hexagon On Call Records, review the use of public funds in the project, and assess whether the product was suitable to meet public needs.

EMD Fuel Dispensing
Follow-Up

Drafting

Ongoing

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

Drafting

Ongoing

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.

INVESTIGATION DIVISION

ADMINISTRATIVE INVESTIGATIONS (JANUARY HIGHLIGHTS)

Failure to follow contract requirements while utilizing Wisner Trust funds

Purpose of the 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.

Issued a press release detailing that the City of New Orleans Bureau of Treasury has issued 32 revised real estate tax bills for residential properties that the OIG identified as having benefited from homestead exemptions and a senior freeze reduction despite the listed homeowners being deceased. The Assessor's Office has also removed these properties' homestead exemptions and senior freeze reductions. According to the Bureau of Treasury, the City of New Orleans is due more than \$204,555 in additional property tax revenue from these 32 properties.

INVESTIGATION DIVISION

ADMINISTRATIVE INVESTIGATIONS (JANUARY HIGHLIGHTS)

(Continued)

Issued three requests for documents in ongoing investigations.

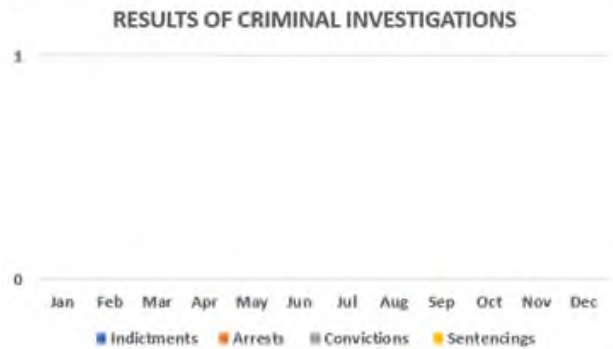
Issued a referral letter to the Department of Safety and Permits regarding a blighted property.

Issued a letter to the S&WB regarding a possible billing error of a customer.

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 MONTHLY BUDGET

Total 2024 Appropriation \$ 4,184,733

Expenditures	Spent YTD
Personnel	\$ 200,033
Operating	\$ 12,388
Total	\$ 212,421
Remaining Balance	\$ 3,972,312

OIG ON SOCIAL MEDIA



New Orleans OIG @NOLAOIG · Jan 25

City of New Orleans & Center for Employment Opportunities breach Cooperative Endeavor Agreement terms! Full accountability is critical when City funds are utilized! #WisnerTrust #NOLA:

nolaig.gov/media/roi-fail...



ROI - Failure to follow contract requirements while utilizing Wisner Trust funds
January 20, 2024

This investigation was prompted by information received from an anonymous contractor that alleged Wisner Funds were being administered by the City of New Orleans (City) and the Center for Employment Opportunities (CEO) in violation of the Cooperative Endeavor Agreement (CEA) between CEO and the City (CEA) and the City (CEA) did not specify in the contract who was to be responsible for the management of the funds.

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New Orleans OIG @NOLAOIG · Jan 18

nolaig.gov/media/public-l...

As stewards of public trust and fiscal responsibility, the OIG is dedicated to ensuring government operations are executed with utmost integrity. The CAO incorporated OIG recommendations today ensuring payroll efficiency for the 2024 Mardi Gras season.



Orleans Parish Communication District Credit Cards Audit
April 1, 2024

The Office of Inspector General (OIG) for the City of New Orleans (City) conducted a performance audit of the Orleans Parish Communication District (OPCD). The purpose of the audit was to determine if OPCD credit card expenditures were business related and allowed by law and if OPCD credit card purchases were consistent with OPCD policy, laws and administrative practices.

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OIG ON SOCIAL MEDIA

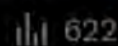


OIG ON SOCIAL MEDIA



New Orleans OIG @NOLAOIG · Jan 10

The Inspector General has issued a comprehensive report and appeared before the City Council today to detail actions by City employees concerning the Smart City Systems Proposal. The City Council is now considering amendments to City ordinances to ensure procurement integrity.



OIG ON SOCIAL MEDIA

 **New Orleans OIG** @NOLA_OIG · Jan 9

The New Orleans Office of Inspector General, Homestead Exemption Fraud Initiative announces an additional \$204,555 in property tax revenue owed to the City.

 **NEW ORLEANS OFFICE OF INSPECTOR GENERAL**

FOR IMMEDIATE RELEASE: 1/9/2024
MEDIA CONTACT: communications@nola.oig.gov

PROPERTY TAX REVENUE OWED TO THE CITY OF NEW ORLEANS

The New Orleans Office of Inspector General released a statement concerning a discovery of \$204,555 of property tax revenue owed to the City of New Orleans arising from Homestead Exemption and Senior Age Freeze removals.

Please review the attached [press release](#).

OIG reports and letters are published on its website nola.oig.gov

Edward Michel, Inspector General

