

NEW ORLEANS OFFICE OF
INSPECTOR GENERAL



ANNUAL REPORT

2024

EDWARD MICHEL, CIG
Inspector General

Prevention  Efficiency  Integrity 

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This report complies with City Code Sec. 2-1120(9), which directs the Inspector General to “report annually to the Ethics Review Board on the activities of the Office of Inspector General for the preceding calendar year.” Copies of the report are to be distributed to the Mayor, City Council, the media, and the public according to the ordinance’s directives.

Pursuant to the New Orleans Home Rule Charter and applicable ordinances, the Office of Inspector General is honored to provide you with a copy of our 2024 Annual Report. The Annual Report summarizes the full scope of work and other activities engaged in by the OIG during the previous calendar year.

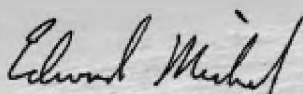
The 2024 Annual Report highlights 16 projects and initiatives, which have resulted in meaningful change to policies and procedures, resignations, and indictments of corrupt City staff and contractors.

In 2024, our office identified more than *\$27.1 million in potential savings and/or economic loss prevented (PELP). The OIG 2024 budget of *\$3.7 million places the City's Return on Investment at more than 739.1%.

This report also showcases the professionalism and commitment of OIG staff, as evidenced by the quality and impact of their work. The projects described on the following pages demonstrate our dedication to identifying and preventing fraud, waste, abuse, and public corruption in City government and by City contractors.

Thank you for your support and dedication to ensuring the success of the OIG. I also extend our sincere appreciation to the City agencies, boards, commissions, and other external stakeholders to include the U.S. Attorney's Office, Louisiana Attorney General, U.S. Department of Homeland Security/Office of Inspector General, Federal Bureau of Investigation, Louisiana State Police, Louisiana State Licensing Board for Contractors, and Metropolitan Crime Commission that support our efforts to mitigate fraud, waste, and abuse. My office is honored to serve the City and its taxpayers by ensuring good stewardship over their funds and resources.

Sincerely,



Edward Michel, CIG
Inspector General

*Total figures:
\$27,151,976
\$3,673,294

MESSAGE FROM THE INSPECTOR GENERAL

We are excited to share that we have announced and/or released 16 reports, public letters, and initiatives in 2024.

Through these projects, our staff has identified more than *\$27.1 million in potential savings and/or economic loss prevented, a substantial amount of taxpayer money. The OIG budget for 2024 was *\$3.7 million, placing the City's 2024 Return on Investment at 739.1%, ensuring that the OIG continues to be a great investment for the City.

A few highlights of our work in 2024:

- Thousands of New Orleans residents saw credits to their Sewerage and Water Board of New Orleans (SWBNO) accounts after OIG staff found miscalculations that resulted in overbilling.
- A third-party inspector for the Department of Safety and Permits (DSP) was indicted on 25 federal counts, increasing the total number of DSP employees arrested, indicted, terminated, or resigned under investigation to nearly 20 over the past decade. The OIG provided information and resources to help remove corrupt employees, protecting our homes and businesses from fraudulent work that has devastating and even lethal consequences.
- The OIG continued to support local, state, and federal agencies in holding accountable City workers, including New Orleans Police Department (NOPD) officers and the former Executive Director of the Orleans Parish Communication District (OPCD) who fraudulently used their offices for personal gain. The result: indictments of several NOPD reserve officers and the former OPCD Executive Director.
- The OIG issued guidance to support the recruitment of traffic signal maintenance workers after our team found the Department of Public Works was severely understaffed in this area. Once enacted, our recommendations will improve safety and the ability to conduct commerce.
- Our work identified and helped mitigate overpayments by the Orleans Parish Sheriff's Office (OPSO) to deputies working Carnival season, including a projected \$250,000 in overtime overpayments.

*Total figures:



- An OIG evaluation found the SWBNO lost approximately 70% of total water treated and produced each year for over a decade. For 2021 and 2022 alone, the losses cost the City more than \$19 million in expenditures to treat water that was ultimately never billed. Once enacted, our recommendations will improve the SWBNO's ability to track and address water loss.
- OIG staff found the OPCD spent nearly \$3 million as part of a contract for a data management system for the NOPD, but the system never launched. Our report found no services were delivered to the City despite this multimillion-dollar expenditure. The OPCD is taking steps to improve policies and procedures for contracting. The former OPCD director was indicted on state charges to include insurance fraud, malfeasance in office, impersonation of a police officer, and injuring public records, along with retaliatory termination of a whistleblower, which are unrelated to the software contract issue.

The OIG was able to accomplish this level of work through the creation of a work environment that embodies our values, embraces diversity, and prioritizes the recruitment of highly skilled staff. The OIG staff has doubled since my arrival, with six new hires in 2024 alone. Our newest staff members contribute a range and depth of experience, including the sophisticated technological skills required for our newest position, that of Intelligence Analyst. We also continue to invest in current staff through the encouragement of continuing education and training, as well as well-deserved promotions.

In accordance with our values of transparency and accountability, the OIG is also taking steps to raise awareness of our role, mission, initiatives, and tip line through an increase in presentations, outreach, social media, and marketing. Community input is vital to achieving our mission.

The impact of our work reaches beyond saving taxpayer dollars to also focus on improving services, operations, and quality of life in our City. Corruption impedes the local economy and negatively impacts daily life for residents, visitors, and businesses. Our work is enhancing citizens' confidence and trust in the City to efficiently and effectively provide essential services.

I am extremely proud of our work, and invite you to learn more about our mission, our staff, our initiatives, and how you may join us in improving business and quality of life in the City we call home.



Sincerely,

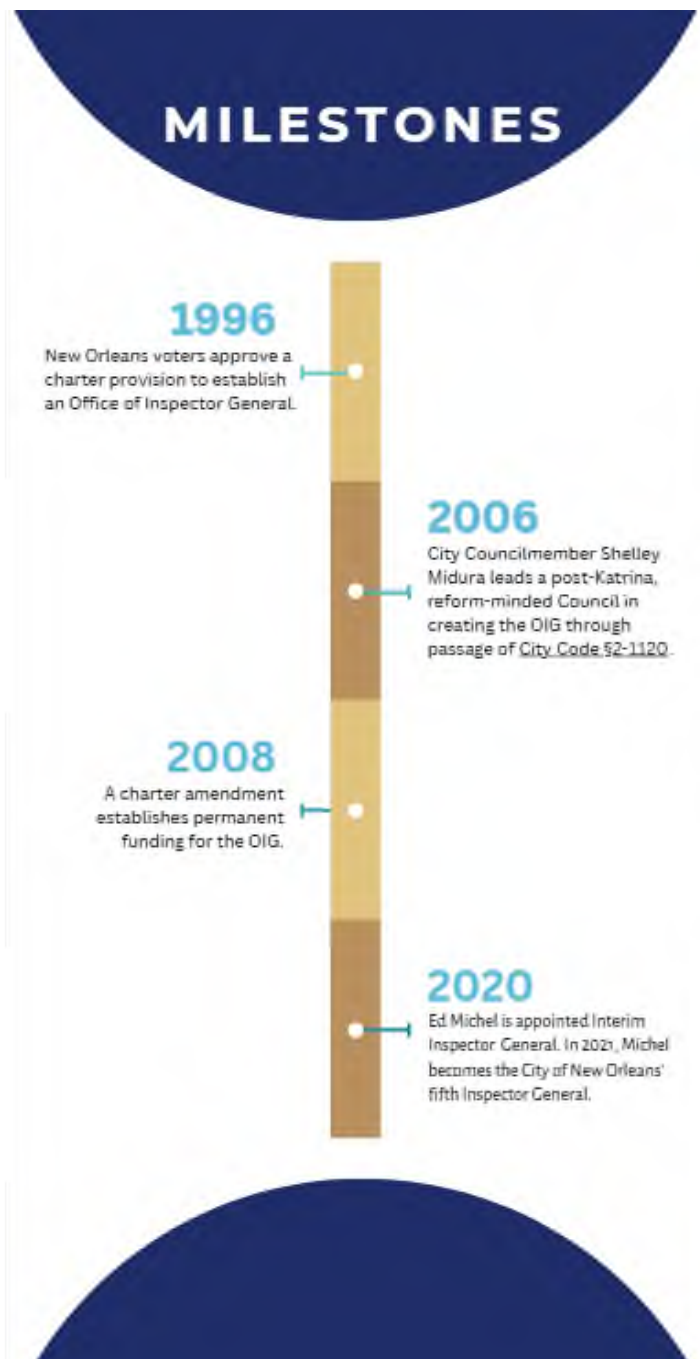
A handwritten signature in black ink that reads "Edward Michel". The signature is written in a cursive, flowing style.

Edward Michel, CIG
Inspector General

HISTORY OF THE OIG

Sec. 2-1120. - Office of inspector general.

(1) *Creation of the city office of inspector general.*



Establishing Ordinance

The history of the New Orleans Office of Inspector General began in 1996, when the City's voters approved a charter provision allowing for the establishment of an OIG.

The City Council created the OIG over 10 years later as part of a post-Katrina push for improved government accountability.

The establishing legislation, City Code §2-1120, clearly outlined the purpose of the New Orleans Office of Inspector General: to establish and maintain a full-time program of oversight to prevent and detect fraud, waste, and abuse and to promote efficiency and effectiveness in city programs and operations. This oversight included audits, criminal and administrative investigations, inspections and evaluations, and monitoring.

Permanent Funding

A 2008 amendment established permanent funding for the OIG, with 0.75% of the City's general fund dedicated to the OIG, Independent Police Monitor, and Ethics Review Board. In 2016, a charter amendment separated that allocation among the three entities, with the OIG receiving 0.55% of the City's general fund.



MISSION

The OIG is an **independent, nonpartisan** body created to promote accountability, integrity, and efficiency in City government operations by **preventing and detecting fraud, waste, and abuse**. The OIG fulfills our mission by performing audits, inspections, evaluations, and investigations. In addition, the OIG routinely refers allegations of fraud or misconduct that may be criminal in nature to the appropriate federal, state, or local law enforcement agencies. In many instances, the OIG assists in the continuing investigation of these matters.

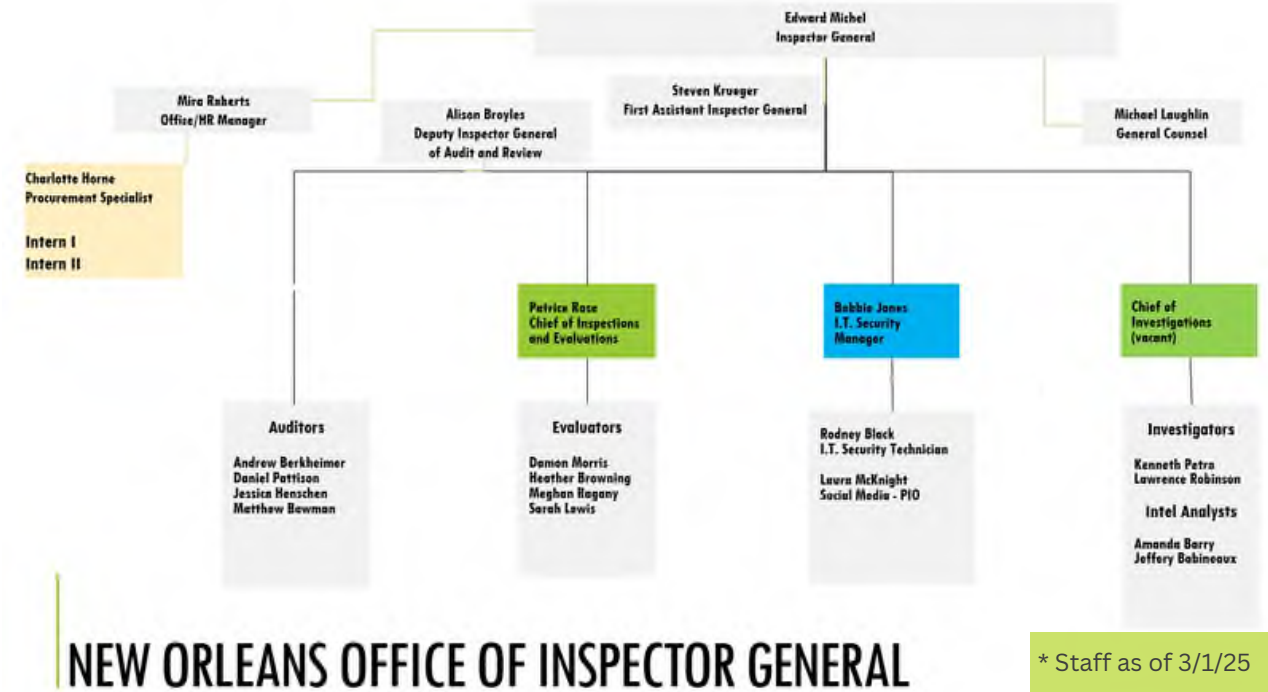
VISION

The vision of the OIG is to leverage limited resources by **incorporating ingenuity and intelligence** into every aspect of our operations. We achieve this through:

- An **office culture** that facilitates innovation, accountability, and transparency.
- A **workforce** of highly qualified staff with diverse skill sets bolstered by training and other learning opportunities.
- An **infrastructure** continually enhanced to better secure digital data and improve our technological capabilities.

Our state-of-the-art infrastructure combines with a diverse workforce to accomplish this vision.

CURRENT STAFF



NEW ORLEANS OFFICE OF INSPECTOR GENERAL

* Staff as of 3/1/25

EDUCATION AND EXPERIENCE

The OIG staff collectively possess a wide range of skills, experience, and expertise, with backgrounds including law enforcement, information technology, accounting, political science, public administration, and communications. Our staff hold a number of undergraduate, graduate, and juris doctorate/doctoral degrees, as well as professional designations. We continue to enhance our workforce by seeking and hiring the most qualified candidates and increasing employees' technical skills through trainings and collaboration among departments.

PROFESSIONAL DESIGNATIONS HELD

- Certified Inspector General
- Certified Inspector General Auditor
- Certified Inspector General Evaluator
- Certified Inspector General Investigator
- Society for Human Resources Management
- Certified Fraud Examiner
- Certified Public Accountant
- Certified Internal Auditor
- Certified Fraud Specialist
- Cellebrite Mobile Forensics
- Cellebrite Certified Physical Analyst
- Certified Compliance and Ethics Professional

What makes the New Orleans OIG stand out?

Our office combines a broader array of capabilities than most OIGs. For example, a typical OIG may perform audits or conduct evaluations. The New Orleans OIG is among a small number of OIGs to include audit, inspection and evaluation, investigation, information technology analysis, and intelligence analysis departments. Our office integrates all of these capabilities, which has resulted in the mitigation of threats at unprecedented levels.

EXECUTIVE LEADERSHIP

* As of 3/1/25

INSPECTOR GENERAL ED MICHEL, CIG



Inspector General Ed Michel is a New Orleans native with more than 30 years of experience in law enforcement, largely in the U.S. Department of Justice (DOJ). During his 23-year tenure with the DOJ, Michel served in several leadership roles within the FBI, including Unit Chief of the Foreign Terrorist Tracking Task Force, Special Assistant to the Assistant Director, and Assistant Special Agent in Charge.

He holds a Master of Professional Studies and Bachelor of Arts in Paralegal Studies from Tulane University, where he shares his expertise as an adjunct instructor.

Michel joined the New Orleans OIG in 2019 as First Assistant Inspector General for Criminal Investigations and IT Program Manager. He was appointed Inspector General in 2021 after serving as interim Inspector General.

Michel has a track record of leading diverse teams to identify and mitigate public corruption. During his tenure as the FBI's Supervisory Senior Resident Agent in Baton Rouge, he established FBI Baton Rouge as the primary law enforcement leader in the area and was awarded the Integrity Award from the Office of Inspector General, U.S. Health and Human Services for his relentless pursuit of fraud, waste, and abuse.

As Inspector General, Michel determines the strategic direction of the OIG and directs staff in achieving our mission to identify and mitigate fraud, waste, abuse, and public corruption.

“The Metropolitan Crime Commission and the OIG share similar missions to expose criminal, administrative, and ethical wrongdoing in the public sector. In 2024, the OIG identified waste and abuse that saved the City millions of taxpayer dollars and documented criminal wrongdoing that resulted in five felony indictments. The OIG continues to perform its duties consistently and effectively.”

-Rafael C. Goyeneche, III, President, Metropolitan Crime Commission

FIRST ASSISTANT INSPECTOR GENERAL STEVEN KRUEGER



First Assistant Inspector General Steven Krueger holds more than 30 years of experience in federal law enforcement, including five years as a Forensic Chemist for the U.S. Drug Enforcement Administration (DEA) and more than 25 years as a Special Agent with the FBI.

He has investigated various crimes, including public corruption, and traveled the world managing post-blast crime scenes for the FBI Laboratory. He managed FBI Counterterrorism WMD Operations and Countermeasures programs at FBI Headquarters, supervised two FBI Resident Agencies in Southern Louisiana, and managed all criminal FBI investigations in Arkansas while overseeing the budget and administration of the FBI's Little Rock Division as the Assistant Special Agent in Charge.

He entered the ranks of the Federal Senior Executive Service in 2011, managing all instruction at the FBI Academy to new agents, the National Academy, and other instruction/training by FBI personnel.

Krueger holds a Master's in Inorganic Chemistry from the University of Maryland at College Park and a Bachelor's in Chemistry from the State University of New York at Fredonia. Subsequent to his retirement from the FBI, he taught Chemistry at the University of Louisiana at Lafayette.

As First Assistant Inspector General, Krueger provides direct support to the Inspector General in guiding the OIG's efforts to identify and mitigate public fraud, waste, and abuse.

FIRST ASSISTANT INSPECTOR GENERAL FOR LEGAL AFFAIRS/GENERAL COUNSEL MICHAEL LAUGHLIN



First Assistant Inspector General for Legal Affairs/General Counsel Michael Laughlin joined the OIG in 2022. He holds more than 42 years of trial and appellate experience in state and federal courts throughout Louisiana.

His background includes providing legal expertise and representation for the City of New Orleans, notably serving as lead defense counsel for the City.

Laughlin earned a Bachelor's degree in Political Science from the University of New Orleans and a Juris Doctor from Loyola University School of Law.

In his role, Laughlin represents the OIG's interests in court proceedings, assists in the review and development of OIG policies and practices, and provides legal advice and counsel to OIG staff, legal review of OIG reports and letters, and legal support in critical day-to-day operations.

EXECUTIVE LEADERSHIP

DEPUTY INSPECTOR GENERAL OF AUDIT AND REVIEW ALISON BROYLES



Deputy Inspector General of Audit and Review Alison Broyles

is the highest-ranking Classified Civil Service member in the OIG with 14 years of experience in our office, including two years as Chief of Audit and Review and a 2024 promotion to her current position. Her background also includes experience as internal auditor and senior auditor for firms and other businesses.

Broyles graduated with an Accounting degree and also received a Master's in Accounting from Louisiana State University. She is a Certified Public Accountant, Certified Fraud Examiner, and Certified Inspector General Auditor.

As Deputy Inspector General of Audit and Review, Broyles plans and supervises all OIG audits, establishes Audit and Review Division priorities, develops and implements audit strategies, and guides a team of auditors in performing their work.

CHIEF OF INSPECTIONS AND EVALUATIONS PATRICE ROSE



Chief of Inspections and Evaluations Patrice Rose has nine years of experience with the OIG, including two years in her current position. Rose contributes 10 years of experience as an attorney. Prior to the OIG, she spent nearly 15 years as a program evaluator in both public and private sectors.

She holds a Bachelor's degree in Biology from Hampton University in Virginia, a Bachelor's degree in Interdisciplinary Natural Sciences (Chemistry), and a Master of Public Health from the University of South Florida. Rose earned her Juris Doctor from Southern University Law Center in Baton Rouge.

Rose is a Certified Fraud Examiner, Certified Inspector General Evaluator, and Certified Compliance and Ethics Professional.

As Chief of Inspections and Evaluations, Rose assists in providing strategic direction for the OIG and supervises a team of inspectors and evaluators in planning, development, and implementation of projects.

EXECUTIVE LEADERSHIP

OFFICE AND HUMAN RESOURCES MANAGER MIRA ROBERTS



Office and Human Resources Manager Mira Roberts joined the OIG team in 2024, contributing years of administrative and civil service experience to our office.

She holds Bachelor's and Master's degrees in Business Administration from the University of New Orleans, and she has earned several certifications in disaster management.

Mira's role with the OIG centers on administrative, operational, and HR management duties. These include managing recruitment and onboarding processes, creating and coordinating reports and training, performing HR-related tasks, and serving as the lead on performance planning and evaluations.

INFORMATION TECHNOLOGY MANAGER BOBBIE JONES



Information Technology Manager Bobbie Jones has been with the OIG since 2017.

Jones's background includes extensive information technology leadership experience, with more than a decade of civil service in information technology administration roles.

She holds a Bachelor's degree in Political Science and a Master of Business Administration in Management Information Systems from the University of New Orleans. She is a Certified Cyber Crime Investigator and Examiner, a Certified Fraud Examiner, a CJIS Security Officer (LASO) for the OIG's NCIC accounts and a Forensic Analyst.

In her role as Information Technology Manager, Jones leads and develops the OIG's IT strategies and ensures the office's computer and telecommunications systems, programs, and other technology remain current, operational, and secure.

STAFFING UPDATES

The OIG continues to grow, adding six new staff members in 2024. Our new staff contribute a wide array of education, experience, and expertise to our office, enhancing our ability to identify and mitigate fraud, waste, and abuse in City government and by City contractors.

OATH OF OFFICE



In a December ceremony at Gallier Hall, the OIG swore in new staff, including First Assistant Inspector General Steven Krueger, Forensic Auditor Jessica Henschen, Office and HR Manager Mira Roberts, Public Information Officer Laura McKnight, and Intelligence Analysts Amanda Barry and Jeffery Babineaux.

The event included remarks by Inspector General Ed Michel as well as Dr. Michael Cowan and Dr. Dawn Broussard of the Ethics Review Board. Remarks stressed the importance of the OIG’s role and mission in fighting corruption and improving operations, services, and quality of life in New Orleans.



PROMOTION: ALISON BROYLES

In November 2024, the OIG announced the promotion of **Alison Broyles** to Deputy Inspector General of Audit and Review.

NEW POSITION: INTELLIGENCE ANALYST

NEW!



Amanda Barry and **Jeffery Babineaux** joined the OIG team in the Fall of 2024, becoming the OIG’s first-ever Intelligence Analysts.

This position provides valuable support to the OIG by conducting highly complex data analyses. Their work involves analyzing data from a variety of sources to identify trends, patterns, profiles, estimates, studies, and tactical information using established intelligence techniques.

PROMOTION



2024 PROJECTS

To view all OIG Reports and Letters, visit nola.aoig.gov/investigations/

AUDIT & REVIEW DIVISION

Public Letter: Overtime Pay Calculation for Public Employees Receiving Premium Pay

Audit: New Orleans East Hospital Credit Card Audit

Public Letter: Overbilling of New Orleans Sewerage and Water Board Customers

Public Letter Follow-up: Potential Orleans Parish Sheriff's Office Use of BRASS ERP System

Audit: Orleans Parish Sheriff's Office Off-Duty Details and Mardi Gras Pay

INSPECTIONS & EVALUATIONS DIVISION

Evaluation: Sewerage and Water Board of New Orleans Water Loss Control

Evaluation: Fuel Dispensing Follow-up Report

Public Letter: HVAC Maintenance and Repair Policies and Procedures

Public Letter: Industrial Development Board Payments in Lieu of Taxes (PILOTS) Agreements

Report: Traffic Signals Maintenance

Report: Orleans Parish Communications District Hexagon Contract

Public Letter: New Orleans Police Department Secondary Employment Policies and Procedures

INVESTIGATION DIVISION

Initiative: Long-term Project to Help Improve Department of Safety and Permits Processes

ROI: Failure to Follow Contract Requirements While Using Wisner Trust funds

Public Letter: New Orleans Sewerage and Water Board Employee Billing Issues

ROI: Mayor's Office of Youth and Families Was Directing Monies to Forward Together New Orleans

2024 POTENTIAL SAVINGS IDENTIFIED:

\$27.1 MILLION

WHAT IS PSI?

Potential Savings Identified refers to expenditures that could be reduced if proper and/or more efficient measures are used.

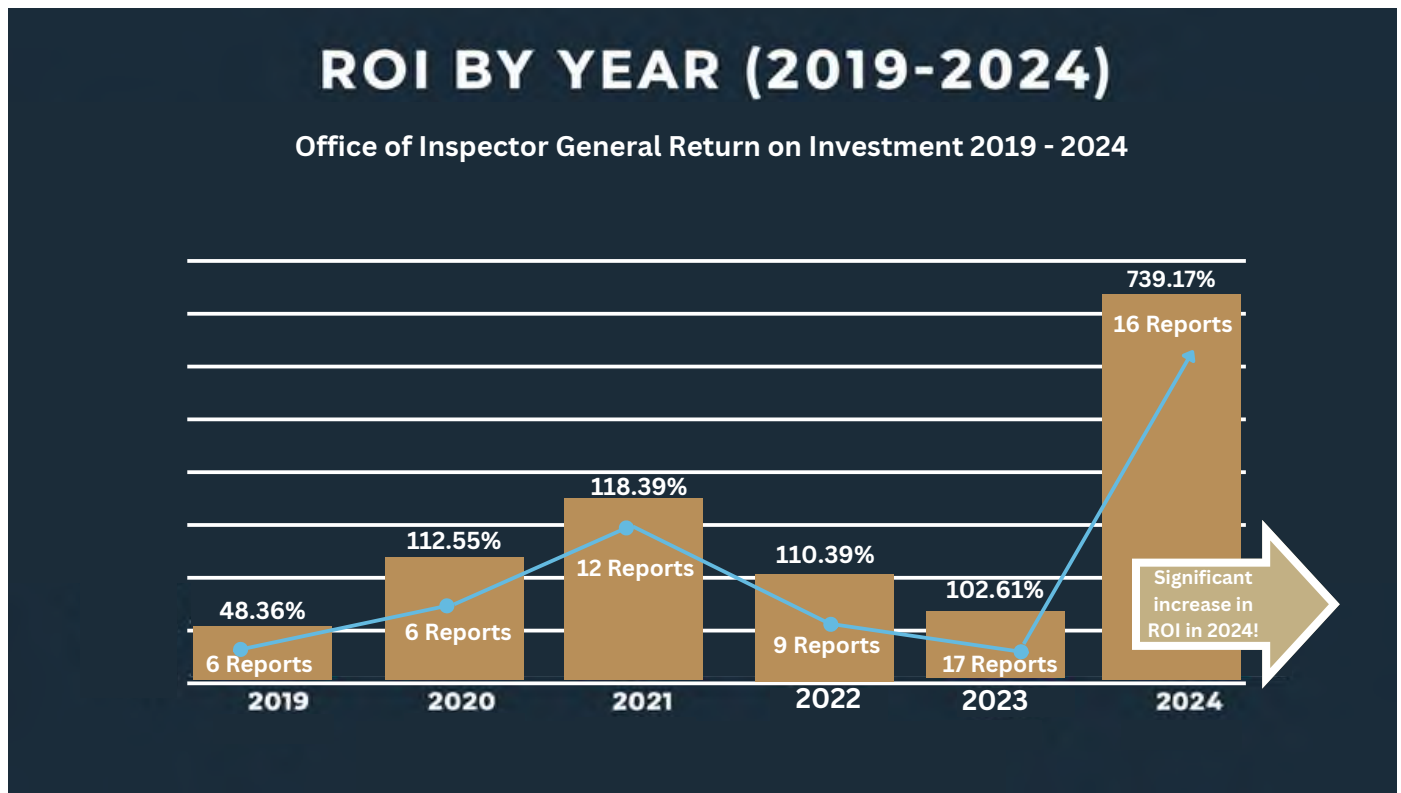


Return On Investment = the amount of profit or loss directly related to an expense

DID YOU KNOW?



In 2024, the OIG cost the taxpayers of New Orleans **\$3.7 million**, which is equal to the cost of each citizen of New Orleans purchasing one order of beignets and a large café au lait from Café Du Monde.



The OIG’s productivity has grown substantially during the past five years and continues to move upward as Inspector General Ed Michel guides a diverse and driven staff to mitigate fraud, waste, and abuse at unprecedented levels.

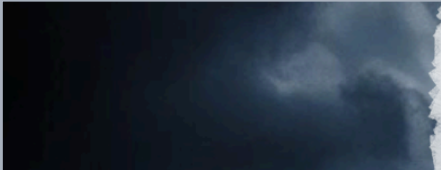
The OIG’s productivity under Michel, who has led the office since 2020, shows an exponential increase in the number of reports, letters, and investigations. More importantly, the OIG is producing impactful work, reflected not just in number of projects and initiatives but in the amount of potential savings identified and real-life results. Return On Investment (ROI) is one important way of gauging the impact of our work. From 2019 to 2020, the OIG’s ROI rose from about 48% to about 112%. Our ROI remained above 100% until 2024 when the potential savings identified by our staff surged to 739%. An increase in ROI translates into better and more efficient use of City resources, to the benefit of residents, visitors, and businesses.



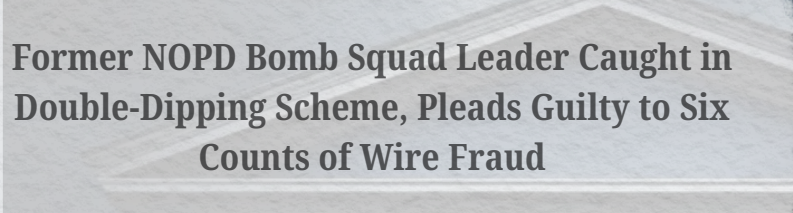
“Under the leadership of Ed Michel and his staff, the New Orleans Office of Inspector General has experienced a substantial increase in productivity in its mission to root out fraud, waste, abuse, and corruption. The results speak for themselves.”

-Stephen Street, Louisiana State Inspector General


OIG AT THE COURTHOUSE




Former Sewerage and Water Board Senior Special Agent, NOPD Reserve Officer Accused of Using Her Positions in Multiple Fraud Schemes



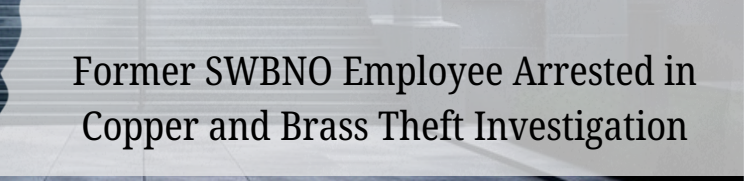
Former NOPD Bomb Squad Leader Caught in Double-Dipping Scheme, Pleads Guilty to Six Counts of Wire Fraud



Metairie Contractor and His Company Charged in Explosive 25-Count Fraud Conspiracy



Former Orleans Parish Communication District Director Indicted on State Fraud and Malfeasance Charges



Former SWBNO Employee Arrested in Copper and Brass Theft Investigation

The OIG does not have the power to arrest, charge, or prosecute bad actors, but our strong investigative work and partnerships with law enforcement agencies have resulted in criminal charges and convictions. In 2024 alone, OIG investigations have led to one arrest, five indictments, and one conviction. In addition, our 2024 investigative work led to loss of professional licensure for fraudulent contractors and their companies. Our work has helped to prevent more New Orleans citizens and businesses from falling prey to faulty and dangerous contract work.

FLEXIBILITY & RESPONSIVENESS

OIG quickly identifies \$2.5 million in PELP

The OIG carefully selects goals and priorities for each year, but our strategy also leaves space for flexibility and a more immediate response to needs as they arise.

For example, in late November 2024, the OIG quickly responded to a complaint of miscalculations in a City contract, identifying millions of dollars in PELP.

The OIG received the complaint from a concerned citizen on Thursday, Nov. 21. The complaint went through our intake process for Audit and Review. Auditors reviewed the contract and sent an interoffice memo with recommended contract changes to the City Council on Tuesday, Nov. 26. Council members amended the contract, saving the City \$2.5 million in taxpayer-generated funds.

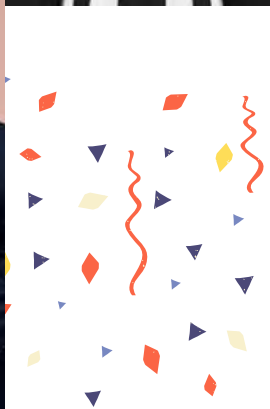


MEMORANDUM

The Office of Inspector General highly recommends revising the contract with the correct total payment for the Leased Premises to prevent the City of New Orleans from losing \$2,521,077.84 in revenue.

PARTNERSHIP & COLLABORATION

Partnerships are key to the OIG's objectives to accomplish our mission as efficiently and effectively as possible. Collaboration with local, state, and federal agencies allows the OIG to leverage our limited resources in ways that fulfill our goals to identify and mitigate fraud, waste, abuse, and corruption.



ABOUT: Audit and Review Division conducts performance audits, financial audits, compliance audits, and attestations of City programs and operations, as well as tests for appropriate internal controls and compliance with laws, regulations, and other requirements.

MEET THE TEAM

Alison Broyles
Deputy Inspector
General of Audit
and Review

Auditors

Andrew Berkheimer
Daniel Pattison
Jessica Henschen
Matthew Bowman

Andrew Berkheimer, Forensic Auditor

- Joined OIG in 2021
- Experience as Sole Proprietor of auditing firm, Louisiana Legislative Financial Auditor, City of New Orleans Auditor
- Certified Public Accountant, Certified Fraud Examiner, and Certified Inspector General Auditor
- Bachelor's degrees in Management, Legal Studies in Business, and Political Science as well as Master of Accounting

Daniel Pattison, Forensic Auditor

- Joined OIG in 2010
- Experience as Senior Auditor at a CPA firm
- Certified Public Accountant, Certified Fraud Examiner, and Certified Inspector General Auditor
- Bachelor's degree in Accounting

Jessica Henschen, Forensic Auditor

- Joined OIG in 2024
- Over 15 years of accounting, auditing, and supervisory experience
- Certified Public Accountant, Certified Fraud Examiner, and Certified Inspector General Auditor
- Bachelor's degrees in Finance and International Affairs and Master of Accounting

Matthew Bowman, Forensic Auditor

- Joined OIG in 2023
- Experience as Senior Auditor at a CPA firm
- Certified Fraud Examiner and Certified Inspector General Auditor
- Bachelor's degree in Accounting and Master of Business Administration

A **forensic auditor** conducts audits and reviews of projects and programs involving the expenditure of public funds. This role evaluates financial processes used by City government, making recommendations for improvements to help identify and mitigate fraud, waste, and abuse.

SWBNO overbilled thousands of customers

PUBLIC LETTER RELEASED: JULY 22, 2024

PURPOSE: To ensure the SWBNO accurately billed residential customers for sewerage service charges (Sewer Volume Charge).

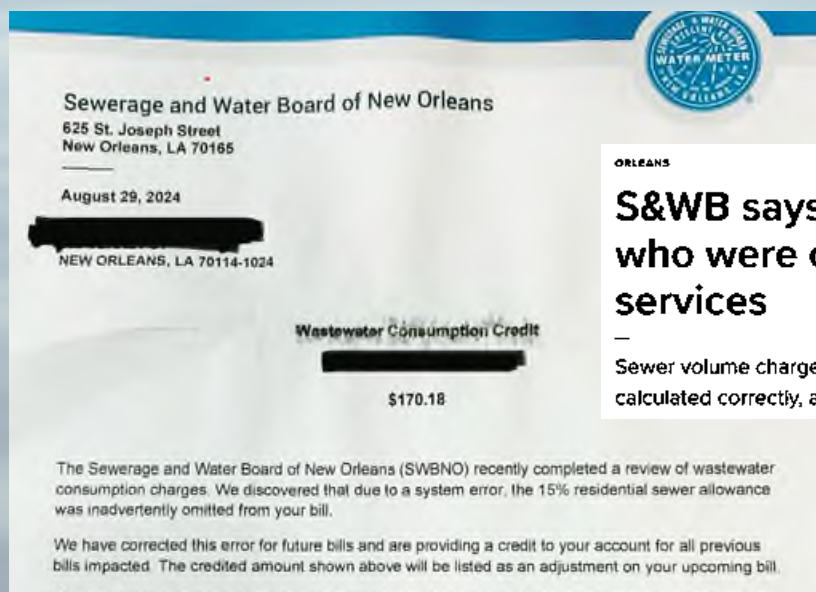
FINDINGS: The SWBNO did not accurately calculate the Sewer Volume Charge for many residential customers, resulting in overcharges on their monthly bills.

DETAILS: According to SWBNO billing policy, the Sewer Volume Charge for residential customers is applied to **85%** of the metered consumption, allowing 15% of water use for lawn watering and other uses that contribute no flow to the sanitary sewer. However, when the OIG randomly tested a sample of bills collected from March 2024, auditors found three of 93 accounts **were billed at 100%** of their metered consumption **instead of the correct 85% rate**.

When the same 0.5% error is applied to the entire population of bills received by residential customer accounts for the month of March 2024, which totaled \$15,781,110, it is estimated that SWBNO may have overbilled customers \$79,139, which would amount to \$949,663 over a 12-month period.

RECOMMENDATIONS: The OIG recommended SWBNO make **immediate corrective actions**, including **determining the cause** of the miscalculation and **crediting** all customer accounts impacted by the error. The OIG also recommended SWBNO should conduct **routine internal audits** to verify customers receive accurate bills.

RESULTS: SWBNO agreed with the OIG's finding that residential customer accounts were billed incorrectly for their Sewer Volume Charge for three of the 93 accounts selected for testing. In July 2024, SWBNO announced that about **5,300 accounts** had been overcharged and would receive credits to their accounts or checks. The agency also said the technical error causing the overcharges had been corrected.



ORLEANS

S&WB says it will credit customers who were overbilled for sewer services

Sewer volume charge for many residential customers was not calculated correctly, according to the report.

OPSO Off-Duty Details veered from protocol, further progress needed for Mardi Gras pay

AUDIT FINDS PROJECTED OVERPAYMENT OF MORE THAN \$259K

AUDIT REPORT RELEASED: NOV. 12, 2024

PURPOSE: To determine if OPSO policies and procedures were effectively implemented and complied with best practices for off-duty details worked by OPSO deputies, and Supplemental Mardi Gras coverage worked by OPSO employees during the 2023 Carnival season.

OFF-DUTY DETAILS

FINDINGS: Auditors reviewed a random sample of off-duty details worked by OPSO deputies from May 1, 2022, through April 30, 2023, and found **OPSO did not follow effective policies and procedures regarding off-duty details** worked by deputies.

RECOMMENDATIONS:

- Commit additional staff to the administration of off-duty details.
- Consider implementing a centralized contract system to manage off-duty details.
- Update Standard Operating Procedures to reflect actual procedures.
- Annually review policies for off-duty details and incorporate the latest best practices.

RESULTS:

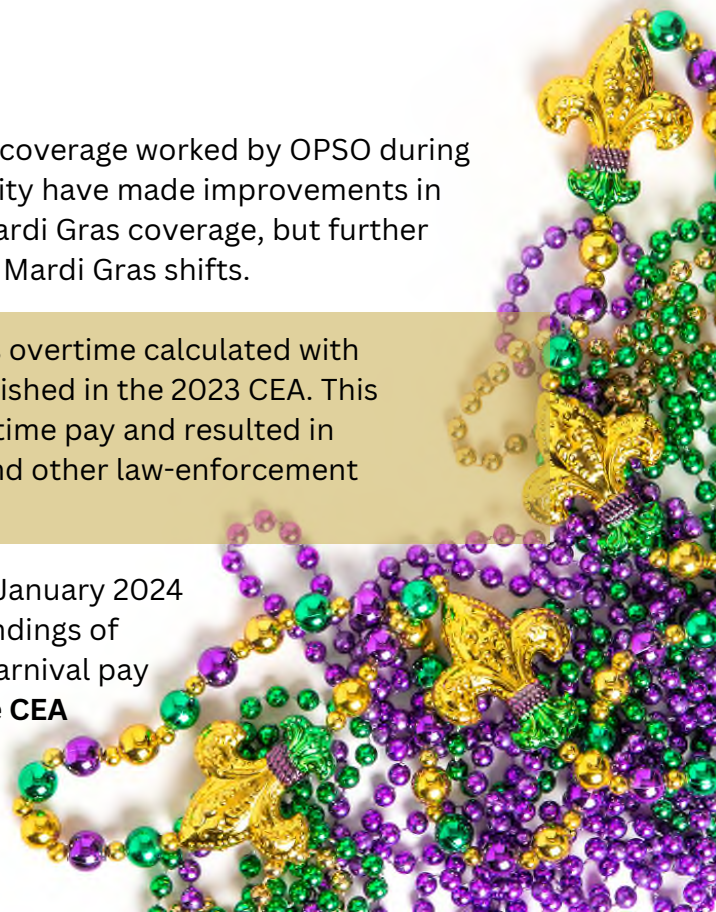
OPSO stated the agency is working to resolve these issues via web-based automation, new leadership of the off-duty detail department, and audits of all policies associated with off-duty details.

MARDI GRAS PAY

Findings: Auditors reviewed all supplemental Mardi Gras coverage worked by OPSO during the 2023 Carnival season. We found that OPSO and the City have made improvements in creating Cooperative Endeavor Agreements (CEAs) for Mardi Gras coverage, but further progress is needed in OPSO's practices for supplemental Mardi Gras shifts.

One finding showed OPSO improperly paid its employees overtime calculated with premium pay hours instead of the flat hourly rates established in the 2023 CEA. This resulted in a **projected overpayment of \$259,758** in overtime pay and resulted in inequitable pay differences between OPSO employees and other law-enforcement officers working Carnival.

The OIG released a public letter addressed to the City in January 2024 outlining our concerns. OPSO disagreed with the OIG's findings of overpayment but agreed the method used to calculate Carnival pay going forward will resolve any differences of opinion. **The CEA resolved the issue for the 2024 Mardi Gras season and going forward.**



Other findings related to Mardi Gras coverage include:

- OPSO’s payroll servicer recorded holiday hours as hours worked before the holiday occurred, which resulted in a **projected overpayment of \$21,776**.
- OPSO employees did not receive the **required** approvals before working long hours (over 15 consecutive hours), working long hours without taking required breaks between shifts, and working supplemental Mardi Gras coverage while on leave.

“Working off-duty details can help law enforcement officers supplement their incomes and strengthen ties with the community, but off-duty details must be worked in an efficient and uniform manner that ensures safety and incorporates best practices.”

-Inspector General Ed Michel

Recommendations:

- Verify that premium rate pay is excluded from the regular rate when calculating overtime pay in accordance with the Fair Labor Standards Act.
- Work with the payroll provider to ensure holidays are recorded correctly before approval of overtime pay.
- Provide training to those approving OPSO employee time cards to only approve exceptions to Standard Operating Procedure when proper approval has been given.
- Have supervisors verify that employees did not take leave when working overtime without proper approval.

RESULTS:

OPSO agreed with all recommendations and findings of the OIG audit, except for our finding related to Mardi Gras overtime overpayment. OPSO stated the agency has corrected the holiday pay issue and will consider and address the OIG’s recommendations regarding Mardi Gras shift coverage.



OPSO SHOWS LACK OF PROGRESS IN ADOPTING MORE TRANSPARENT PURCHASING PLATFORM

FOLLOW-UP PUBLIC LETTER RELEASED: OCT. 25, 2024



PURPOSE: To address the potential benefits and gauge the progress of the Orleans Parish Sheriff’s Office (OPSO) transitioning to a more transparent procurement system that would greatly improve accountability and information-sharing with the City, which provides **more than 70% of OPSO’s budget**.

In October 2023, an OIG public letter called for OPSO to adopt a more transparent procurement system, namely the **Budget, Requisition, and Accounting Services System (BRASS)** used by the City of New Orleans. Along with accountability, BRASS would also offer a modern replacement for OPSO’s current system, which OPSO has indicated will reach the end of life in 2025.

In its response to the 2023 letter, OPSO disagreed with the recommendation to adopt BRASS, but did agree with the objective to improve the agency’s transparency with the City. OPSO determined the “best course of action for our organization” would be to issue a Request for Proposals (RFP) for a new financial management system that would allow “read only” access to City leaders.

FINDINGS: OIG auditors found a lack of progress by OPSO in adopting a more transparent accounting and purchasing system. In September 2024, nearly a year after the initial letter, OPSO management informed our office there was no RFP process in place for a new system and no estimated date for when an RFP process would begin.

RECOMMENDATIONS: The OIG recommended that OPSO swiftly issue an RFP for a new financial management system or reconsider adopting BRASS as its financial management system.

New Orleans East Hospital to improve practices for credit card usage

AUDIT RELEASED: MAY 16, 2024

PURPOSE: To review New Orleans East Hospital’s (NOEH) credit card usage for the period of January 1, 2022, through December 31, 2022.

FINDINGS: NOEH employees did not receive written approval prior to the issuance and use of NOEH credit cards for 27% of the selected transactions and did not maintain written logs for its credit cards to account for who had possession of the credit cards at all times. The OIG also found all selected credit card purchases appeared business-related and allowable per NOEH policy and state law.

RECOMMENDATIONS: NOEH should provide training to employees to ensure compliance with policies concerning the issuance and use of NOEH credit cards, as well as maintain logs for the issuance and return of each NOEH credit card.

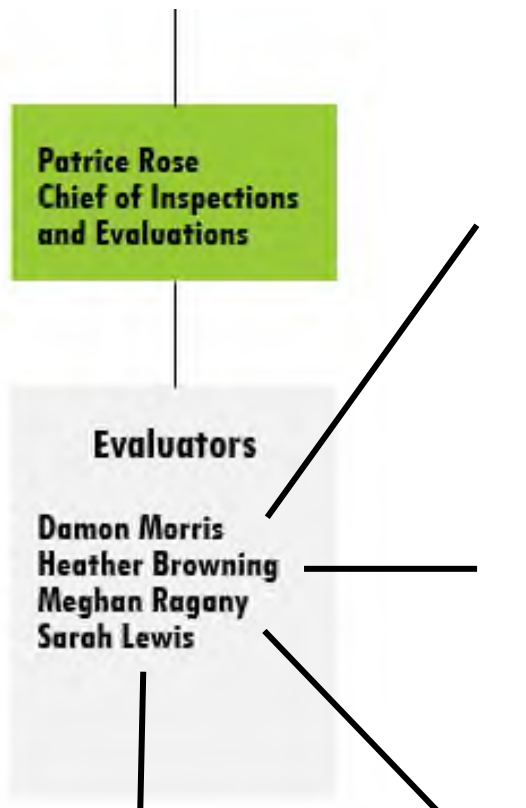
RESULTS: NOEH agreed with the OIG’s findings and recommendations.



INSPECTIONS & EVALUATIONS

Inspections, Evaluations, and Performance Reviews, Public Letters

ABOUT: The goal of the Inspections and Evaluations Division is to increase the efficiency, effectiveness, transparency, and accountability of City programs, agencies, and operations. To accomplish that goal, evaluators conduct independent, objective, empirically based, and methodologically sound inspections, evaluations, and performance reviews.



MEET THE TEAM

Damon Morris, Inspector/Evaluator

- Joined OIG in 2022
- Experience as strategic policy, research and operations consultant; a program director within the state wildlife department, strategy and policy leadership roles at nonprofit and nongovernmental organizations
- Certified Inspector General Evaluator, Certified Compliance and Ethics Professional
- Bachelor's degree in Political Science and Master's in International Affairs, Doctor of Philosophy in Political Science, Fulbright Scholar

Heather Browning, Inspector/Evaluator

- Joined OIG in 2022
- Experience as a legislative analyst, program coordinator, and program eligibility specialist for state government, as well as a public health educator
- Certified Inspector General Evaluator, Certified Fraud Examiner
- Bachelor's degrees in English and Psychology, Master of Business Administration

Meghan Ragany, Inspector/Evaluator

- Joined OIG in 2016
- Experience as a legal fellow, foreign service worker, and legal services intern and volunteer; fluent in Spanish
- Certified Inspector General Evaluator, Certified Internal Auditor, Certified Fraud Examiner
- Bachelor's degree in Foreign Service and Juris Doctor
- Licensed Attorney

Sarah Lewis, Inspector/Evaluator

- Joined OIG in 2023
- Experience as library head of strategy, librarian, access services coordinator for a law library, and co-founder/co-director of a nonprofit
- Certified Inspector General Evaluator, Certified Fraud Examiner
- Bachelor's degrees in Political Science and Art History, Master's in Urban and Regional Planning and Library and Information Science

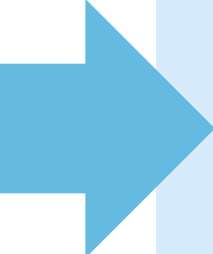
Evaluators examine and assess systems, processes, and resources to ensure quality, compliance, and effectiveness.

Report on SWBNO reveals high water losses, weak water-loss controls

EVALUATION REPORT RELEASED: APRIL 4, 2024



PURPOSE: To determine how much water the SWBNO was losing through its water distribution system and what policies and practices the agency employed to reduce water loss. The period under review was February 1, 2019, through April 1, 2023.

FINDINGS:



The OIG found that the SWBNO experienced **water losses far greater than industry averages**. These losses hovered **around 70% of total water** produced each year for over a decade and were caused by both infrastructure weaknesses and metering and billing errors.

The consistently high water losses translated to a combined **loss of over \$19 million for 2021 and 2022** in expenditures to treat about 80 billion gallons of water that were ultimately never billed.



Evaluators also found that SWBNO did not have comprehensive water loss control policies and practices consistent with best practices, such as annual water audits, and had no formal framework for gauging the effectiveness of water loss interventions. Finally, SWBNO officials did not report water losses to the New Orleans City Council on a quarterly basis, as required by state law.

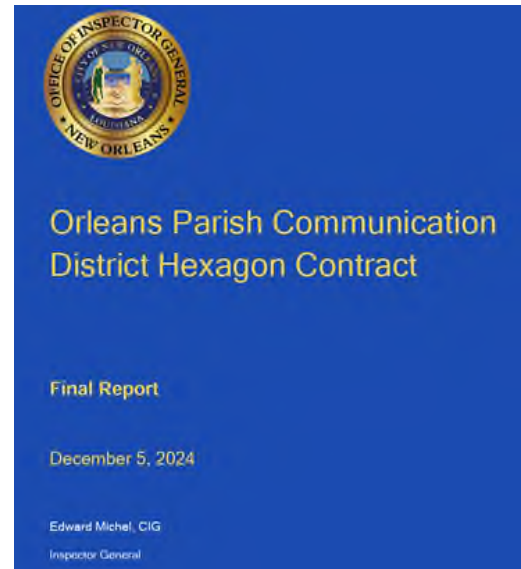
RECOMMENDATIONS:

- The SWBNO should firmly place its water loss control programs within best practice frameworks, beginning with annual water audits, and dedicate the necessary resources to keep these programs on track over the long term.
- The SWBNO should enhance its data collection efforts to ensure it can provide meaningful data in complying with reporting requirements.

RESULTS: The SWBNO agreed with the OIG's findings and **described plans and projects underway** to accomplish the OIG's recommended actions.

INSPECTIONS & EVALUATIONS

OIG FINDS ORLEANS PARISH COMMUNICATION DISTRICT VIOLATED POLICY WITH \$6 MILLION CONTRACT FOR POLICE DATA SYSTEM THAT NEVER LAUNCHED



EVALUATION REPORT RELEASED: DEC. 5, 2024

PURPOSE: To assess the process used by the Orleans Parish Communication District (OPCD) to procure the Hexagon contract, review the use of public funds in the project, and examine whether the product was suitable to meet needs identified by the OPCD.

BACKGROUND: In 2020, the OPCD entered into a **\$6 million contract for Hexagon OnCall Records**, cloud-based software intended to manage data for the New Orleans Police Department (NOPD) and the Orleans Parish Sheriff's Office (OPSO). Police departments rely on Records Management Systems (RMS) like Hexagon to securely document their work, comply with federal crime reporting requirements, and increase efficiency.

Two and a half years after entering the contract with Hexagon, and **after spending nearly \$3 million in public money**, the OPCD canceled the contract. At the time of the cancellation, the Hexagon system had not launched, leaving the NOPD without a comprehensive RMS despite the sizable expenditure of taxpayer funds.

FINDINGS:

- The OPCD used a **non-transparent process** that deviated from standard practices and violated the OPCD's own internal purchasing policies.
- The OPCD purchased a product that **did not meet the needs identified by the agency**. NOPD Information Technology staff identified **171 technical requirements**, or about **24%** of total requirements, that were at least partially unmet or undemonstrated by the product.
- The OPCD's former Executive Director signed the Hexagon contract **without prior approval** and **altered board documents** to secure financing for the project.

HEXAGON TIMELINE

July 17, 2020	Hexagon provides a proposal to the OPCD.
Dec. 30, 2020	OPCD Executive Director signs Hexagon contract.
Feb. 3, 2021	OPCD Board approves a resolution authorizing the Executive Director to obtain financing for the Hexagon project from a local bank.
Feb. 25, 2021	The bank declines to finance the project.
April 23, 2021	OPCD Executive Director asks the board chair to sign the resolution approved on Feb. 3, 2021 for submittal to a different bank.
April 27, 2021	<p>9a-1p Hexagon Kick-Off Meeting takes place. The Kick-Off Meeting is the first benchmark that triggers a payment in the Hexagon Contract.</p> <p>12:01p Bank emails OPCD’s Executive Director to say they cannot accept the resolution because it approves financing through the original bank.</p> <p>1:55p OPCD Executive Director sends an altered version of the resolution, which swaps the banks, for the board chair’s signature.</p> <p>2:20p Executive Director submits a signed copy of the altered resolution to bank.</p>
May 2, 2021	Hexagon requisition is created in the OPCD purchasing system.
Sept. 14, 2022	LACLE informs Mayor that NOPD is not compliant with data reporting guidelines.
Jan. 19, 2023	City pays OPCD \$508,000 for annual subscription to Hexagon’s RMS.
Feb. 7, 2023	City pays OPCD \$450,000 for annual subscription to Hexagon’s JMS.
March 28, 2023	City pays OPCD \$63,081 as reimbursement for additional Hexagon services.
July 31, 2023	OPCD cancels the Hexagon Contract.

*Timeline does not include all payments made to Hexagon.

RECOMMENDATIONS:

- The OPCD should revise its procurement policies to include internal controls for documentation and the approval process.
- The OPCD should adopt an evaluation process for all competitive procurements that is consistent with best practices to ensure the selection of products that meet the needs of the organization.
- The OPCD should clearly define the roles and responsibilities of the Board of Commissioners and the Executive Director and also establish a formal process for entering collaborative partnerships with other governmental entities.

RESULTS: The OPCD agreed with our recommendations and noted several steps the agency had already taken to improve internal controls to prevent an Executive Director from signing a multimillion dollar contract without prior approval.

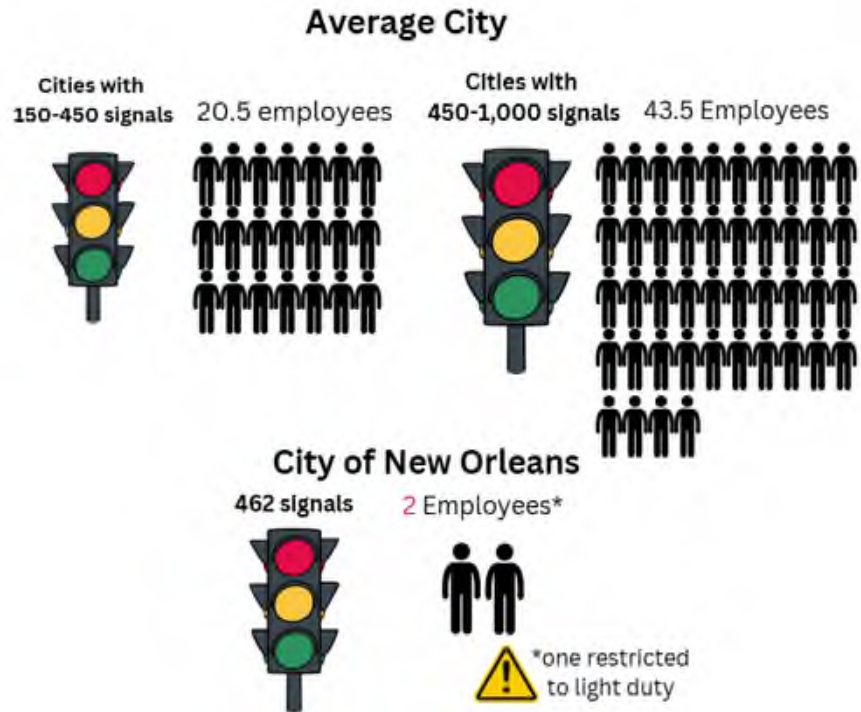
EVALUATORS FIND MAJOR WEAKNESSES IN TRAFFIC SIGNAL MAINTENANCE

EVALUATION REPORT RELEASED: OCT. 16, 2024

PURPOSE: To determine whether the City conducted traffic signal maintenance in an efficient and effective manner. The report also sought to identify any obstacles to timely and effective maintenance.



FINDINGS:

- The Department of Public Works (DPW) failed to regularly update traffic signal data and produce performance measures for effective management of traffic signal maintenance.
- The DPW lacked adequate staffing to ensure necessary repairs and maintenance occurred in a timely manner.
- The DPW did not have an effective asset management program.



A 2019 survey found agencies across the country responsible for 150-450 traffic signals averaged 20.9 staff performing traffic signal work. Agencies responsible for 450-1,000 signals averaged 43.5 staff performing traffic signal work. Until May 2024, the New Orleans DPW had only two employees to maintain the City's 462 traffic signals, and one of those employees was restricted to light duty.

RECOMMENDATIONS:

-  • The City and the DPW should ensure the Traffic Signal Shop has **sufficient staff** to improve traffic safety. Additionally, the DPW should **adopt standard operating procedures** for traffic signal maintenance and repair.
-  • The DPW should **adopt a system of asset management** that incorporates routine and preventive maintenance, inventory assessments, and asset protection. The **City should ensure the DPW has adequate funds** to implement a comprehensive asset management program.

RESULTS: The DPW agreed with our findings and recommendations and noted steps the agency has begun taking to address these issues.

Continued weaknesses found in City's fuel dispensing controls

Follow-up Report released: March 6, 2024

Purpose: To determine whether the City implemented the corrective actions to which it agreed in June 2016 and if the deficiencies identified in the original report still existed.

Findings: The City partially implemented each of the OIG's 2016 recommendations through changes to its Vehicle and Equipment Policy and reductions in sharing of PINs and fuel cards, among others. However, many of the recommended changes were not carried out in practice or were not sustained over time.

Recommendations: The City should hold staff responsible for complying with the Vehicle and Equipment Policy, provide regular training for new leaders, and follow through on implementing realistic gallons-per-transaction controls and deactivating obsolete fuel cards and PINs.

City lacked policies and systems needed for HVAC maintenance

Public Letter released: July 23, 2024

Purpose: To assess maintenance and repair policies and practices for HVAC systems in City buildings.

Findings: The City did not have adequate policies and procedures to ensure regular maintenance of HVAC systems in all City buildings, including many police and fire stations. With the exception of hand-written logs, the City's Department of Property Management (DPM) had no mechanisms in place to track maintenance activities or any system to manage HVAC assets.

Recommendations: The DPM should adopt and implement an equipment management plan, address staffing needs for adequate in-house maintenance, and ensure a new multi-departmental asset management system is fully integrated into maintenance and repair operations.

The summer of 2023 was an especially warm season. As part of its 2024 hazard mitigation planning, the New Orleans Office of Homeland Security and Emergency Preparedness noted that the National Oceanic and Atmospheric Administration recorded twenty-one excessive heat days between July 16, 2023 and August 27, 2023.¹ During this same summer, media outlets reported on numerous HVAC system failures at public libraries, police stations, fire stations, and the Orleans Parish Civil District Court and Criminal District Court.²

Excerpt from OIG Public Letter on HVAC Maintenance

PILOTs program lacked formal, transparent procedures in awarding tax breaks

Public Letter released: Aug. 6, 2024

Purpose: To review the Industrial Development Board's (IDB) process and procedures for selecting PILOT projects and assess whether the IDB strategically selected projects that aligned with the City's economic goals. The PILOT program offers tax incentives to encourage private development projects that stimulate economic growth.

Findings: The IDB did not have well-defined written policies and procedures or standardized criteria for objectively assessing and approving PILOT projects. The program failed to address many of the City's priorities for economic growth; specifically, the program did not select projects that would lead to high-paying, long-term jobs.

Recommendations: The IDB should set clear programmatic goals and objectives for the PILOT program that align with the City's priorities for economic development; develop formal and transparent policies, procedures, and selection criteria for awarding PILOT grants; and routinely evaluate the PILOT program to assess its effectiveness in supporting the City's economic priorities and goals.

Yet, in its 2018 report, the City's consultant noted the PILOT program's failure to attract projects that resulted in the creation of high-paying jobs. According to the report, PILOTs created on average 175 new jobs per project, with an average annual wage of \$36,750.³³ The report also emphasized

Excerpt from OIG Public Letter regarding PILOTs projects

OIG recommends NOPD use software to track secondary employment violations

Public Letter released: Dec. 12, 2024

Purpose: To review updated policies and procedures used by the NOPD and the Office of Police Secondary Employment (OPSE) for outside employment, such as off-duty details. The review followed an NOPD revamp of its secondary employment violation policies and the implementation of a payroll comparison analysis intended to flag potential violations.

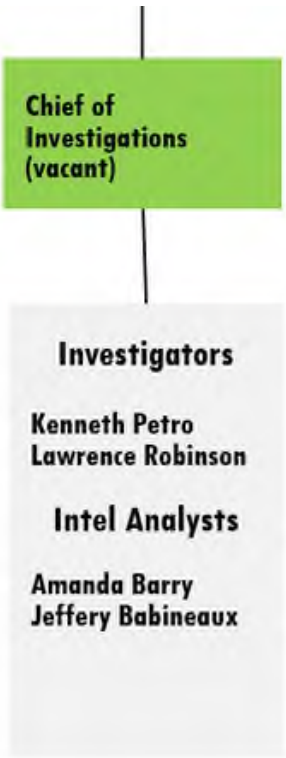
Findings: The NOPD and OPSE policies aligned with the NOPD's federal Consent Decree, and the payroll comparison analysis resulted in a downward trend in violations. However, this progress consumed valuable workforce hours and was not without error, as incompatible systems required the NOPD and OPSE to conduct payroll comparison analyses manually.

Recommendations: The NOPD should begin using payroll integration software to continue preventing secondary employment violations while saving officer work hours.

INVESTIGATIONS

Preliminary Investigations into Fraud, Waste, and Abuse

The Investigations Division conducts criminal and administrative investigations involving City employees, contractors, and vendors that receive City funds. Investigators also work with local, state, and federal partners to conduct joint investigations.



MEET THE TEAM

Kenneth Petro, Investigator

- Joined OIG in 2022
- More than 33 years of experience in federal law enforcement (FBI) and military service, specializing in security operations, criminal investigations, and training for law enforcement
- Bachelor’s degree in History
- Certificate in Business Administration/Leadership

Lawrence Robinson, Investigator

- Joined OIG in 2025
- More than 25 years of experience in federal law enforcement, specializing in financial and white collar crimes, computer intrusions and computer forensic investigations; more than five years of experience in administrative investigations
- Bachelor’s degree in Accounting

Amanda Barry, Intelligence Analyst

- Joined OIG in 2023
- Experience in compiling and analyzing data for investigations across various agencies and providing detailed written reports
- Bachelor’s degrees in Homeland Security Studies and Psychology, Candidate for Master’s in Business Data Analytics
- Certificate in Foundations of Intelligence Analysis (FIAT)

An **Intelligence Analyst** collects, evaluates, and interprets data from various sources to identify threats, trends, and patterns, which provide critical insights to support decision-making. Their work involves analyzing reports, monitoring intelligence sources, and creating assessments to anticipate risks and enhance strategic planning.

Jeffery Babineaux, Intelligence Analyst

- Joined OIG in 2024
- 10 years experience in data management and analysis, strategic analysis and planning, and process improvement
- Bachelor’s degree in Psychology, Masters in Healthcare Administration
- Certificate in Foundations of Intelligence Analysis (FIAT), Certified Open-Source Intelligence (OSINT) Analyst, Certified Cyber Crime Intelligence Analyst (3CIA)

INVESTIGATIONS

The OIG Investigation Division continues to help hold City officials and employees accountable for misusing City resources. In 2024 alone, OIG investigations led to one arrest, five indictments, and one conviction of former City employees and/or contractors. Those indicted include former law enforcement leaders, SWBNO employees, and contractors tasked with inspecting businesses and homes. Our investigative work also resulted in administrative actions, such as terminations and revocation of professional licenses, which help protect the public from hazards caused by fraudulent workers.



FORMER NOPD SERGEANT CONVICTED OF FRAUD IN DOUBLE BILLING SCHEME

A former NOPD sergeant pled guilty in November 2024 to six counts of wire fraud for a multi-year scheme to defraud the NOPD and New Orleans Fair Grounds through double billing and billing for time not worked. The charges alleged he was sometimes racing cars on the West Bank when clocked in for work. The former officer was sentenced Feb. 25, 2025, to five years of probation, eight months of home confinement, 150 hours of community service, a \$5,000 fine, and payment of a mandatory \$600 special assessment fee. This conviction is the result of collaboration between the New Orleans OIG and FBI, led by the U.S. Attorney’s Office. The U.S. Attorney’s Office expressed appreciation for the support provided by the OIG in investigating this matter.

"We have an essential mission. We will continue to hold City employees accountable when they use their public office for personal gain."

-Inspector General Ed Michel

FORMER NOPD OFFICER, MEMBER OF EXECUTIVE PROTECTION UNIT, FACES FEDERAL CHARGES OF WIRE FRAUD AND MAKING FALSE STATEMENTS

A former NOPD officer who served as a member of the Mayor’s Executive Protection Unit was *indicted July 19, 2024, on seven counts of wire fraud and one count of making false statements to FBI agents as part of a scheme that involved improper use of the City-owned Pontalba Apartment in the French Quarter. Prosecutors allege that as part of the scheme, he submitted false timecards to the NOPD in which he claimed to be working when, in fact, he was engaged in personal activities. In efforts to conceal the scheme, he allegedly spent substantial time inside the Upper Pontalba Apartment. The charges against him were brought about through the OIG combining resources with the U.S. Attorney’s Office for the Eastern District of Louisiana and the FBI.

FORMER OPCD DIRECTOR CHARGED WITH FRAUD, MALFEASANCE IN OFFICE

A former Orleans Parish Communications District Executive Director was *indicted June 6, 2024, on counts of insurance fraud, malfeasance in office, impersonation of a police officer, and second-degree injuring public records. On June 26, 2024, the former OPCD Director pled not guilty to all charges. The indictment accuses him of using a City-owned vehicle to impersonate a police officer and failing to follow standard procedures of submitting to a drug and alcohol test following a crash in the vehicle. He is also accused of trying to cover up the crash. The OIG provided investigative results to the Orleans Parish District Attorney’s Office ahead of the indictment, and continues to provide information to prosecutors. At the time of this Annual Report, his trial date was set for April 28, 2025.

FORMER THIRD-PARTY INSPECTOR INDICTED FOR FRAUDULENT PERMITTING

A local third-party inspector was charged Sept. 27, 2024, in a 25-count *indictment with conspiracy, wire fraud, and honest services fraud. The charges stemmed from the inspector’s acceptance of bribes to allow unlicensed electricians to obtain fraudulent permits and home inspections on their unlicensed work and his attempts to thwart investigations into his scheme by offering gifts to public officials.

*An indictment is merely a charge and the guilt of the defendant must be proven beyond a reasonable doubt.

“The partnership between the LSLBC and New Orleans Office of Inspector General has produced results that would have been unobtainable without the collaboration of both agencies. The willingness of Inspector General Michel and the OIG staff to work collaboratively with the LSLBC has helped to achieve our common goals of identifying and preventing fraud. I am looking forward to the year ahead and the work that our agencies will accomplish.”

-Sean Beavers, Director of Enforcement, Louisiana State Licensing Board for Contractors

FORMER SWBNO SPECIAL AGENT, RESERVE POLICE OFFICER, IS ACCUSED OF MULTIPLE FRAUD SCHEMES

A former New Orleans SWBNO Senior Special Agent and reserve NOPD Officer was indicted Sept. 20, 2024, in multiple fraud schemes with four counts of wire fraud, two counts of aggravated identity theft, and one count of making false statements to investigators. In one alleged scheme, she billed a police detail customer for hours she had not actually worked. During times she was supposed to be working a police detail for the Downtown Development District, she allegedly used her SWBNO-issued computer to conduct a second fraud scheme that involved obtaining mortgage loans and federal assistance for low-income homebuyers. In a third alleged scheme, she obtained federally funded unemployment benefits by concealing her Senior Special Agent income. In a fourth alleged scheme, she obtained federal emergency rental assistance from the City of New Orleans by submitting a fake lease and termination letter from a fictitious employer. An indictment is merely a charge and the guilt of the defendant must be proven beyond a reasonable doubt.

FORMER SEWERAGE & WATER BOARD EMPLOYEE ARRESTED AMID INVESTIGATION INTO BRASS AND COPPER THEFTS

A former SWBNO employee was arrested by Louisiana State Police's Troop NOLA on Dec. 27, 2024, amid an OIG investigation into brass and copper thefts impacting the agency. The SWBNO Security Department is conducting an internal audit to determine the extent of the problem and whether this indicates a larger issue. OIG investigators will continue to collaborate with the Louisiana State Police's Troop NOLA and SWBNO Security Department to investigate brass and copper thefts.

LICENSES SUSPENDED FOR ELECTRICIAN AND HIS COMPANY

The Louisiana State Licensing Board for Contractors indefinitely suspended licenses for a **local electrician and his company** in 2024. This development occurred after a joint investigation with the DSP revealed that the electrician and his company were allegedly allowing unlicensed electricians to use his license.

WISNER TRUST FUND USAGE VEERED FROM TERMS OF FORMAL AGREEMENT

The OIG received an anonymous complaint that Wisner Funds were being mismanaged by the City and the Center for Employment Opportunities (CEO). The complaint alleged that a Cooperative Endeavor Agreement (CEA) between CEO and the City allocated \$1 million for grass-cutting and lot abatement, an amount that seemed too large to be spent on just those services within the allotted one-year timeframe.

The OIG found the City did not follow the CEA and made quarterly installment payments to CEO totaling \$500,000 in advance of services provided in possible violation of the Louisiana constitution. The OIG also found the City could not accurately track the work provided as described in the terms of the CEA due to the improper quarterly distribution of funds, and that the City did not use its Land Management Software (LAMA) to manage the program in accordance with the CEA.

OIG recommendations included: follow the terms of agreement of all CEAs as written and entered into with the City, determine the best course of business for using LAMA on projects to ensure transparency, and verify in advance that any systems included in CEAs are sufficient to provide transparency and manage programs in accordance with the terms of the agreement.

CITY MONIES DIRECTED TO MAYOR'S NONPROFIT

The OIG received an anonymous complaint that the Mayor's Office of Youth and Families (OYF) was directing City money to Forward Together New Orleans (FTNO), a private nonprofit organization that served as a transition committee for the then Mayor-elect. In 2022, after the OIG initiated an investigation, the City Council of New Orleans also requested the OIG investigate FTNO's receipt and use of City funds. The OIG then subpoenaed records regarding the aforementioned FTNO financial transactions. In early 2023, FTNO returned more than \$1 million in City funds to the City.

In March 21, 2024, the OIG released a Report of Investigation finding the following:

- FTNO's receipt of donations from a City contractor demonstrated a potential conflict of interest for a City employee who was a FTNO board member.
- A City employee at OYF directed the expenditure of funds donated to FTNO. This also demonstrated a potential conflict of interest because those funds included donations from a City contractor.
- When FTNO's former Executive Director expressed concern and objected to a City employee's direct involvement with FTNO, ultimately attempting to operate FTNO independently in a direction contrary to the FTNO board, the FTNO Director was terminated.

The OIG recommended:

- The City should maintain sufficient documentation to confirm that City funds provided to nonprofits and other charitable organizations are properly characterized, expended, and utilized in a manner consistent with the agreed-upon terms outlined within a CEA.
- The City should add a section to its current financial disclosure form requiring City employees to disclose any service they provide to non-profits or other charitable organizations that receive funds from the City.

HOMESTEAD TAX EXEMPTION FRAUD INITIATIVE

In January 2024, the OIG announced that the City of New Orleans Bureau of Treasury 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 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. The January 2024 revised real estate tax bills resulted from a multi-year OIG investigation into Homestead Tax Exemption fraud.

INVESTIGATION INTO ALLEGATIONS RELATED TO NOPD PROMOTIONAL EXAMS

At the request of the Superintendent of the New Orleans Police Department (NOPD), the OIG conducted an investigation into allegations of cheating, favoritism, and bias in the NOPD's promotional exams. The OIG's investigation into the matter concluded in early 2025, with a final report of findings to be presented to NOPD Superintendent Anne Kirkpatrick within the first quarter of the year.

DEPARTMENT OF SAFETY AND PERMITS INITIATIVE

The OIG in September 2024 announced a new initiative to ensure effective operations of the City's Department of Safety and Permits (DSP). This OIG initiative will foster effective DSP practices and develop methods to improve efficiency, boost accountability, and lessen the potential for corruption at this essential City agency.

Over the course of the past decade, the OIG and partnering agencies have investigated numerous instances of fraud, waste, abuse, and mismanagement within DSP. These investigations have led to 19 arrests, indictments, and resignations of DSP employees. These continuing patterns indicate the agency is facing systemic internal failures. Though the DSP has made significant improvements through additional hiring, faster permit processes, and an outside consultant evaluation, the OIG is working to ensure successful operations of this critical City agency.

This new initiative involved assigning OIG personnel to DSP offices to review the agency's policies, procedures, and internal controls with a focus on identifying and mitigating gaps and weaknesses. The initiative also includes staff with the Louisiana State Licensing Board for Contractors (LSLBC) and DSP employees with extensive knowledge of the agency's processes.

The objective is for DSP and the Office of Business and External Services (OBES) to update and revise DSP protocol and policies to better enhance customer service and accountability department-wide, and for staff to receive training that incorporates the OIG's recommendations for improved efficiency and accountability. As of this report, interviews with DSP personnel were complete, and analysis of data collected had begun.

ADMINISTRATION

Office Management, Human Resources, Procurement

The Office Management team consists of an Office and HR Manager and a Procurement Specialist. The Office Management team is responsible for the following ongoing tasks:

- Human Resources
- Finance and Bookkeeping
- Procurement Process/Credit Card Expenditures
- Operations

Mira Roberts
Office/HR Manager

Charlotte Horne
Procurement Specialist

Intern I
Intern II

Charlotte Horne, Procurement Specialist

- Joined OIG in 2024
- More than 10 years of experience in Civil Service, including procurement, educational programming, and records management for the New Orleans Public Library system
- Bachelor's degree in Mathematics

OIG Internship Program

The OIG Internship Program offers college students in various programs of study the opportunity to play a part in our mission to identify and mitigate fraud, waste, and abuse. Through our paid internships, interested students gain professional analytical, technical, and administrative knowledge in one or more areas of municipal government administration and related work. Interns learn practical skills that range from preparing reports and manuals to conducting bulk data research.

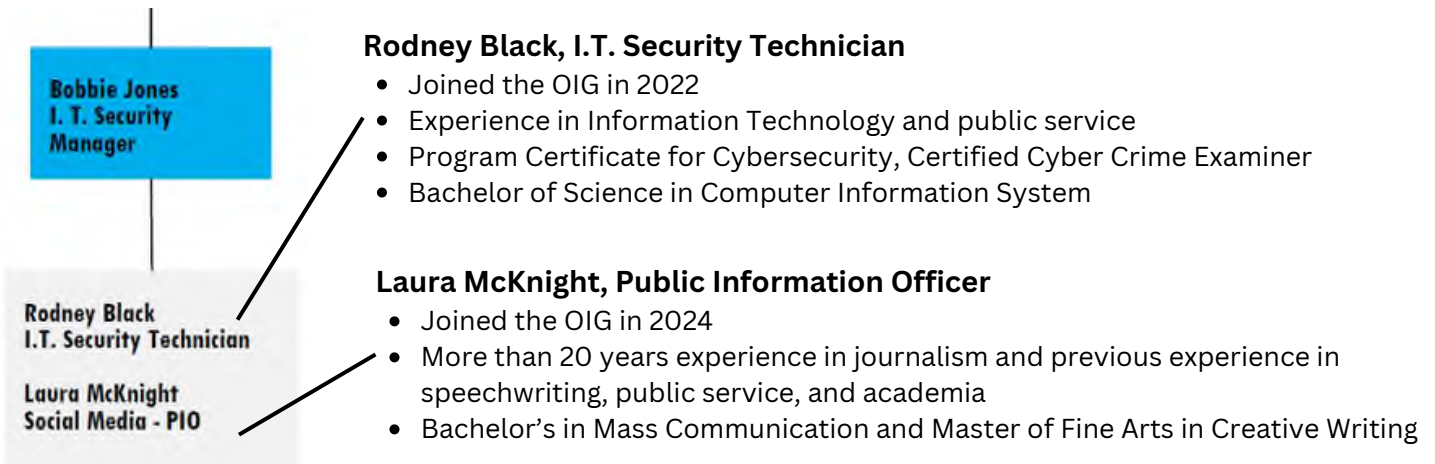
LEGAL AFFAIRS

General Counsel, Contracts, Legal Review

The General Counsel serves as the office attorney, providing legal counsel and reviewing all OIG work products for legal accuracy. The General Counsel regularly consults with Executive leadership to make the most informed and legally sound decisions on behalf of the department.



Security, Equipment, Digital Forensics, Communications



The OIG continues to incorporate new technology, intelligence, and bulk data analysis into our projects and initiatives, using these tools to produce impactful work for the public. Our state-of-the-art infrastructure greatly enhances our ability to **fulfill our mission efficiently and effectively**.



As the digital environment evolves and new threats emerge, the OIG Information Technology Team continually works to improve our digital infrastructure to protect the OIG's data, storage, and transmission capacity.



The Information Technology Team is responsible for ensuring:



Security -- Using multiple security measures to identify and prevent cyber threats.

Availability -- Ensuring resources are accessible to OIG staff.

Transparency -- Maintaining our website to ensure our work is available to the public.

Usability -- Considering how security measures affect users' ability to interact with the technology needed to complete their tasks.

Accountability -- Using active event monitoring to support threat detection, system compliance, and security incident management.

Efficiency -- Responding quickly to staff needs by resolving issues and providing equipment and other resources needed to perform efficiently.

Our team also manages:

- **Digital branding and reputation** through web page modifications and social media interactions.
- **Digital Forensic Acquisitions**, which focus on the recovery and investigation of material found on digital devices to assist the Investigations Division.

OIG IN THE NEWS

4 WVLTV.com

Inspector General reports: traffic light problems, staffing shortage and handwritten logs



Oct 16 • By Amelia Strahan

S&WB lost 70 percent of total water produced each year for over a decade, report says

The OIG says the water board did not follow industry standards, resulting in a combined loss of over \$19 million over two years.



Author Lily Cummings / WWL Louisiana
Published 12:52 PM CDT April 4, 2024
Revised 6:13 PM CDT April 4, 2024



Thousands of Sewerage & Water Board customers eligible for refunds after overbilling



Sewerage and Water Board. (FOX 8)

By FOX 8 Staff

Published: Jul. 22, 2024 at 5:31 PM CDT



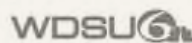
NEW ORLEANS (WVUE) - Hundreds of Sewerage and Water Board customers in New Orleans could be eligible for refunds following

New Orleans sheriff's deputies were overpaid \$250,000 during Mardi Gras, IG says


By JOSEPH CRANNEY | Staff writer Nov 12, 2024 2 min to read

New Orleans Inspector General finds high water loss across the city cost taxpayers \$19 million

Share   



Updated: 2:20 PM CDT Apr 4, 2024

Infinite Scroll Enabled 

Former 911 director slammed for \$3.8 million purchase of failed system

OIG report states that Tyrell Morris altered documents to secure contract



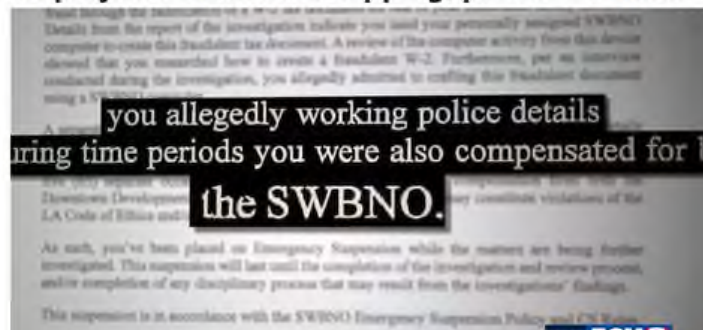
INVESTIGATION OF MAYOR CANTRELL

N.O. Inspector General to embed investigators inside troubled Safety and Permits Office

One investigation, which sources say is ongoing, has focused on the city's largest private building inspection firm, IECI, and its owner, Randy Farrell.



Feds charge former NOPD officer, SWBNO employee with double-dipping, pandemic fraud



but the \$3.8 million wasted by the... and was ultimately discarded, an... list of irregularities in how the... tions Director Tyrell Morris.



OIG CITIZENS ACADEMY

The OIG Citizens Academy is an engaging four-week program that gives City employees and business, religious, and civic leaders an inside look at the OIG. The purpose of the OIG Citizens Academy is to foster a greater understanding of the role and mission of the OIG in the community through discussion and education. Upon completion, attendees have a greater understanding of how the OIG assesses and mitigates fraud, waste, abuse, and public corruption, as well as the proper protocols for reporting fraudulent behavior. Our Citizens Academy also helps build rapport and ensure healthy and productive interactions with City employees. Candidates can request an invitation by visiting nola.ig.gov.



OUTREACH & EDUCATION

Along with hosting the Citizens Academy, the OIG regularly gives presentations to City employees, civic and community groups, and other interested citizens. During 2024, Inspector General Michel and staff have provided presentations and briefings on the OIG’s mission, role, and initiatives to the local chapter of the Association of Certified Fraud Examiners, staff of New Orleans Emergency Medical Services and the New Orleans Public Library, as well as attendees of the Association of Inspectors General Annual Training Conference in New Orleans.

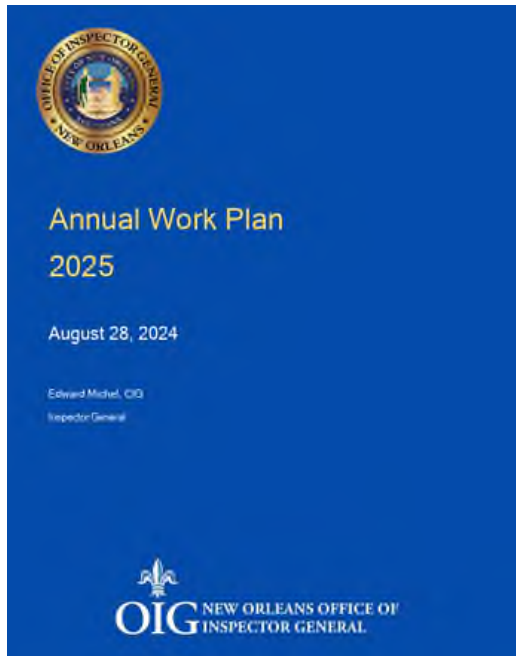
To request remarks from the OIG at your event, visit our website’s [Speaker Request page](#).



“Where and when we can, we will mitigate fraud, waste, and abuse through education.”

-Inspector General Ed Michel

ANNUAL WORK PLAN 2025



The Annual Work Plan is a rolling audit and evaluation plan used to communicate the OIG’s priorities and objectives to the public, the Mayor, the City Council, the Ethics Review Board (ERB), and other interested parties.

Each year, pursuant to the City Charter, the enabling Ordinance, and applicable professional standards, the OIG conducts a planning process that identifies goals, priorities, and strategies that align with our mission and vision while effectively using available resources.

The OIG uses a cyclical City-wide Risk Assessment to allocate the OIG’s resources efficiently and effectively, identify potential projects, and create a framework to determine the OIG’s audit and evaluation priorities.

The 2025 plan covers the period from Sept. 1, 2024, through Aug. 31, 2025.

Our Annual Work Plan allocates the OIG’s resources to critical priorities and needs of the City. Due to limited resources, the Work Plan does not, nor does it intend to, provide coverage for all City-wide departments or component entities. The plan is designed to communicate the OIG’s priorities and proposed work while allowing flexibility and discretion in the timing and selection of projects.

Risk-Assessment Categories:

OPERATIONAL RISK

Risk that the entity has (1) ineffective and inadequate processes; (2) improper or insufficient management and oversight; (3) outdated, poorly-documented policies and procedures; (4) inadequate staffing and/or skills needed to perform or achieve the entity’s objectives; and (5) technological failures.

REPUTATIONAL RISK

Risk that the political climate and/or legislative changes could adversely affect the entity.

COMPLIANCE RISK

Risk that the agency is not complying with local, state, or federal laws, regulations, contracts, grant requirements, or professional standards.

FINANCIAL RISK

Risk that the entity has (1) financial insolvency or instability involving financial transactions, procurements, and contracts, and reporting of the entity; (2) budgetary overages and/or shortfalls; (3) inadequate management, maintenance, or safeguards over physical assets; and (4) fraud, waste, abuse, theft, and/or corruption.

2024 City-wide Risk Assessment Results

The OIG’s 2024 assessment determined the following City entities to be high-risk:

- Department of Safety and Permits
- Mayor’s Office of Economic Development
- New Orleans Aviation Board
- New Orleans Criminal District Court
- Corruption in general

WORK PLAN ONGOING & PROPOSED PROJECTS

PROJECTS COMPLETED OR ONGOING IN 2025

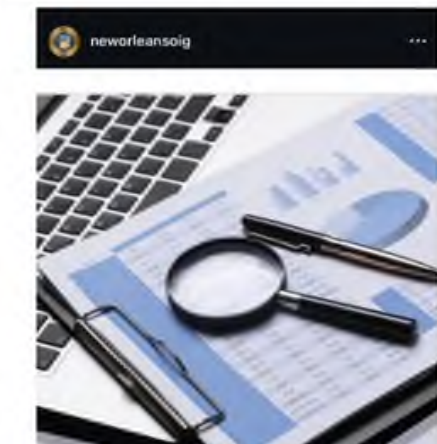
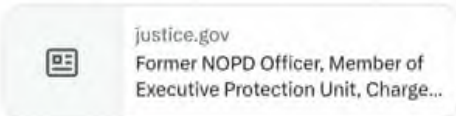
New Orleans Police Department	LIBRS Compliance
New Orleans Aviation Board	Professional Service and Maintenance Contracts
Department of Safety and Permits	Initiative to Improve Permitting Processes
Emergency Medical Services	Response Time
Mayor’s Office of Homeless Services and Strategy	New Orleans Low-Barrier Homeless Shelter

PROJECTS PROPOSED FOR 2025

Chief Administrative Office	<ul style="list-style-type: none"> • Risk Management Division
Department of Property Management	<ul style="list-style-type: none"> • Maintenance of City Properties
Department of Safety and Permits	<ul style="list-style-type: none"> • Contractor Compliance and Monitoring
Orleans Parish District Attorney	<ul style="list-style-type: none"> • Article 701 Releases
Equipment Maintenance Division	<ul style="list-style-type: none"> • Fleet Management
Sewerage and Water Board	<ul style="list-style-type: none"> • Use of Funds for Catch Basin Maintenance
Public Corruption	<ul style="list-style-type: none"> • Conduct Fraud Awareness seminars for employees and contractors. • Conduct investigations and refer evidence to appropriate prosecutors.

SOCIAL MEDIA

The OIG has steadily grown its social media presence in 2024, increasing our number of posts, drawing more followers to platforms like Instagram and Facebook, and expanding our use of these tools to raise awareness of our mission and role, projects and initiatives, public outreach activities, and helpful information like fraud-awareness tips and hotline information.



SOCIAL MEDIA

TOP POSTS 2024



Facebook: @NOLA0IG

Number of followers: 755
Top-performing post of 2024



Instagram: @NewOrleansOIG

Number of followers: 102
Top-performing post of 2024 by views



X/Twitter: @NOLA0IG

Number of followers: 2,036
Top-performing Tweet of 2024



CONNECT WITH US

REPORT FRAUD, WASTE, AND ABUSE HERE!

IF YOU HAVE WITNESSED CORRUPTION IN
CITY GOVERNMENT OR AMONG CITY
CONTRACTORS, CONTACT OUR TIP LINE:



(504) 681-3247



hotline@nolaoig.gov



nolaoig.gov/report



525 St Charles Ave, New
Orleans, LA 70130



Social Media

@NOLAOIG

@NewOrleansOIG



SCAN ME

