



Ethics Review Board for the City of New Orleans

Board Meeting of June 14, 2021, at 3:30 P.M.

Conducted via Zoom Teleconference Due to COVID-19 Emergency

Minutes

1. *Call to Order.*
 - 1.1. The chair called the meeting to order at 3:32p.m.
 - 1.2. Board members present:
 - 1.2.1. Elizabeth Livingston de Calderon.
 - 1.2.2. Holly Callia.
 - 1.2.3. Michael A. Cowan (Chair).
 - 1.2.4. Monique G. Doucette.
 - 1.2.5. Tyrone G. Jefferson, Jr.
 - 1.2.6. Torin T. Sanders.
 - 1.3. Board member absent:
 - 1.3.1. Wanda A. Brooks.
 - 1.4. Staff member present: Dane S. Ciolino, Executive Administrator and General Counsel.
 - 1.5. The Chair declared that a quorum of the board was present and commenced the meeting via Zoom videoconference and teleconference.
 - 1.6. The agenda for the meeting is attached.

2. *Ratification of Prior Written Certification of Emergency Need for Video Conference Meeting.* Pursuant to [State of Louisiana Executive Department Proclamation No. JBE 2020-30 Section 4 \(March 16, 2020\)](#) and subsequent orders and legislation addressing the COVID-19 state of emergency, the ERB unanimously agreed to conduct this meeting by video conference and audio conference after certifying that the ERB would not otherwise have been able to operate due to quorum requirements due to the ongoing COVID-19 emergency.
3. *Approval of the Minutes.* The Board unanimously approved the minutes of the May 10, 2021, Board meeting.
4. *Report of the Office of Inspector General.*
 - 4.1. The Office of the Inspector General was represented by Interim IG Ed Michel. Other OIG staff members also were in attendance, including Erica Smith and Larry Douglass.
 - 4.2. Mr. Michel discussed the monthly report of the OIG. *See* Attached OIG Monthly Report.
 - 4.3. Mr. Michel noted that the OIG is attempting to hire personnel to fill several open positions in the office.
 - 4.4. Mr. Michel noted that his office plans to upgrade technology in its office over the next few months. He will provide a further update in this regard next month.
 - 4.5. Mr. Michel noted that all employees are back in the office on a full-time basis again in the wake of COVID-19.
 - 4.6. Mr. Michel reported that he is considering the formation of an “OIG Citizens Academy” to increase community involvement. By training members of the community, he believes that the office can “force multiply.”
 - 4.7. Mr. Michel discussed the budget. He summarized that there were no significant changes from last month.
5. *Discussion of OIG Audubon Institute and Audubon Commission Audits*
 - 5.1. Ms. Erica Smith presented to the board on the Audubon entities audits. Her presentation is summarized in the attached slides.
 - 5.2. Ms. Doucette asked what “on call” pay was. Ms. Smith replied that such pay was only appropriate when the employee is restricted while on call, like a fireman in a firehouse is.
 - 5.3. Ms. Doucette also asked about “additional cash compensation.” Ms. Smith replied that there was “just cash” given to employees. She also explained the issues

associated with the CEO's pay not being comparable to others similarly situated. Ms. Calderon followed up on these salary issues and cash compensation issues.

- 5.4. Ms. Calderon asked whether the "Green Book" or "Yellow Book" allows a consideration of other cities' salaries to determine the appropriate amounts? Ms. Smith replied that it was appropriate because "benchmarking" is a standard auditing practice.
- 5.5. Mr. Michel noted that he has shared his report with the Office of the Legislative Auditor and will distribute future reports to this office as well. He also noted that he would send this report and future reports to the State of Louisiana Ethics Board.
- 5.6. Mr. Sanders noted that it is ludicrous to suggest that these Audubon funds are not "public." He questioned generally whether the district attorney should investigate further. Mr. Michel responded that in his view no criminal violations were obvious.
- 5.7. Ms. Smith clarified that the compensation paid to Audubon employees was spent only after approval by a compensation committee.
- 5.8. Ms. Doucette asked whether the "additional cash" paid to various employees was covered by an employment contract. Ms. Smith responded that, yes, the contracts in issue permitted the payment of bonuses, but that the contracts did not specify what duties the employees needed to perform to qualify for the bonuses.
- 5.9. Mr. Cowan asked Mr. Ciolino what the board's options were at this point. Mr. Ciolino responded that the board could vote to refer the matter for further investigation and recommendations to the OIG.
6. *Report of the Quality Assurance Review Advisory Committee for the Office of the Inspector General.*
 - 6.1. Mr. Cowan noted that the QARAC for the OIG issued a report last month. That report is attached.
 - 6.2. Mr. Cowan gave a brief overview of the report.
7. *Resignation of Susan Hutson as Independent Police Monitor*
 - 7.1. Mr. Cowan noted for the board that Susan Hutson had resigned and that he has appointed Ms. Stella Cziment as the Interim Independent Police Monitor.
 - 7.2. The board briefly discussed how the board would search for a permanent replacement for Ms. Hutson. The board agreed to put this on the agenda for next month's meeting.

8. *Report of the Office of the Independent Police Monitor.*
 - 8.1. Interim IPM Stella Cziment appeared for the OIPM. Ms. Sokunbi was also in attendance.
 - 8.2. Ms. Cziment discussed her office's monthly report. *See Attached OIPM Monthly Report.* She noted that she is attempting to provide more information to the board each month in this report. The board had minimal comments.
 - 8.3. Ms. Cziment discussed issues with access to NOPD data. She had spoken with the NOPD's Chief Technology Officer and Chief Westbrook among others. The NOPD has restored access to much of the data. She did note, however, that it has become more difficult to share information with NOPD in the wake of the 2020 cyberattack because of the required use of a VPN to access the IAPRO database.
 - 8.3.1. Ms. Calderon offered the board's help in securing data from the NOPD.
 - 8.3.2. Mr. Cowan noted that the board would delay a formal review of the annual report of the OIPM until the data is available.
 - 8.4. Ms. Cziment noted that, in the wake of the resignation of Ms. Hutson, she has revised the office's organization chart and that the communication in the office has improved.
9. *Vote on Salary for Stella Cziment*
 - 9.1. A motion was made to set the salary and benefits of Stella Cziment as Interim Independent Police Monitor to the same amount/level as that of former IPM Susan Hutson and to be effective the date of her appointment.
 - 9.2. The motion was seconded.
 - 9.3. The board voted on the motion and the motion passed unanimously.
10. *Discussion of Board Officer Elections.*
 - 10.1. A motion was made to appoint Ms. Calderon as chair of the board for 2021-2022. The motion was seconded. The board unanimously voted in favor of Ms. Calderon serving as board chair.
 - 10.2. A motion was made to appoint Mr. Sanders as vice chair of the board for 2021-2022. The motion was seconded. The board unanimously voted in favor of Mr. Sanders serving as board vice chair.
 - 10.3. A motion was made to appoint Ms. Doucette as secretary of the board for 2021-2022. The motion was seconded. The board unanimously voted in favor of Ms. Doucette serving as board secretary.

- 10.4. The board noted that it will discuss the procedures to be used in future elections at an upcoming meeting.
11. *Report of Executive Administrator and General Counsel.*
 - 11.1. Mr. Ciolino reported that the board had received no new complaints.
 - 11.2. Mr. Ciolino discussed the board's upcoming deadlines and events.
 - 11.3. Mr. Ciolino reported on the hiring process for replacing the Inspector General. The matter is in the contracting stage.
 - 11.4. Mr. Ciolino reported on the process of hiring a full-time ethics trainer. The Civil Service Department is reconsidering the experience requirements for the position.
 - 11.5. Mr. Ciolino reported that a peer review committee to evaluate the Ethics Review Board is working on a peer review.
12. *Executive Session*
 - 12.1. A motion was made to go into executive session for purposes of discussing investigative proceedings regarding allegations of misconduct pursuant to La. Rev. Stat. § 42:17(A)(4). The motion was seconded. The board unanimously voted to go into executive session.
 - 12.2. The board went into executive session.
 - 12.3. A motion was made to go into general session. The motion was seconded. The board unanimously voted to go into general session.
 - 12.4. A motion was made to dismiss ERB Complaint No. 2021-01 because there was no prima facie violation of the City of New Orleans Code of Ethics. The motion was seconded. The board unanimously approved the motion.
 - 12.5. A motion was made to refer ERB Complaint No. 2021-02 to the Office of the Inspector General for further investigation and recommendations. The motion was seconded. The board unanimously approved the motion.
13. *Adjournment.*
 - 13.1. A motion was made to adjourn the board meeting.
 - 13.2. The motion was seconded.
 - 13.3. The board unanimously voted to adjourn. The meeting was adjourned at 5:49 p.m.

* END *



CITY OF NEW ORLEANS ETHICS REVIEW BOARD

525 St. Charles Avenue New Orleans, LA 70130-3409

erb@nolaerb.gov

<https://www.nolaerb.gov/>

BOARD MEETING

Monday, June 14, 2021

3:30 P.M.

The board will conduct this meeting via Zoom Video Conference and Telephone Conference

Video Conference Link: <https://loyno.zoom.us/j/5049753263>

Telephone Conference Dial-In Number: 312-626-6799; ID No. 504 975 3263

Certification of Necessity pursuant to [Louisiana Revised Statutes section 42:17.1](#): The board hereby certifies that the Governor of the State of Louisiana has declared a state of emergency or disaster involving the geographic area of the City of New Orleans. A live meeting would be detrimental to the health, safety, or welfare of the public and the members of the Ethics Review Board. The agenda contains matters that are critical to continuation of the business of the Ethics Review Board and are not able to be postponed to a live meeting due to a legal requirement or other deadline that cannot be postponed or delayed by the Ethics Review Board. The public can attend and participate in the videoconference meeting by joining the conference by telephone or videoconference as described above.

AGENDA

1. Ratification of certification of necessity for videoconference/teleconference meeting (Chair).
2. Approval of minutes of previous board meeting (Chair).
3. Discussion of monthly report from the Office of Inspector General (Chair).
4. Discussion of the annual report of the Quality Assurance Advisory Committee for the OIG (Chair).
5. Discussion of Audubon Commission and Institute audit by OIG. (Chair).
6. Discussion of resignation of Susan Hutson from the Office of Independent Police Monitor and vote to initiate search for new IPM (Chair).
7. Discussion of monthly report from the Office of Independent Police Monitor (Chair).
8. Vote on salary for the Interim IPM (Chair).
9. Board officer nominations and elections for 2021-2022 (Chair).
10. Report of Executive Administrator and General Counsel (Chair).

- a. Report on status of RFP for executive search firm for new Inspector General.
 - b. Report on revision to process for approving purchases and contracts.
 - c. Report on status of hiring of ethics trainer.
 - d. Report on ERB peer review.
11. Executive Session. Discussion of investigative proceedings regarding allegations of misconduct pursuant to La. Rev. Stat. § 42:17(A)(4).
12. Adjournment (Chair).

Monthly Report of OIG

Report to the Ethics Review Board
May 2021

Administration

The OIG is in the final stages of initiating and issuing professional credentials for all OIG staff. Office Manager is currently managing the following tasks:

- Coordinating activities with the selected vendor to update the OIG Challenge Coin design
- Posted the Criminal Investigator IV, Evaluator, and Forensic Auditor vacancies to various job websites for increased visibility and to generate a potential pool of qualified applicants
- Organizing and securing OIG personnel files, and creating the appropriate filing system
- Coordinating and maintaining the OIG vehicle service records and travel logs
- Coordinating the OIG Records Management activities to ensure compliance, and is schedule to attend the State Records Management Training in Baton Rouge scheduled for June 9th.

Audit & Review

The Audit & Review division has the following audits underway: BRASS Purchasing, Orleans Parish Communications District, Department of Public Works and Sewerage & Water Board coordination, and the follow-up project for the Sewerage & Water Board's Internal Audit Performance Audit report originally issued August 2019.

Please see the attached project status spreadsheet for details.

Inspections & Evaluations

The I&E group also has the following two evaluations underway in the fieldwork phase: Firefighter's Pension Fund and the Job Ordering Contracts. We are finalizing the planning phase of the inspection project of the City's Competitive Bidding/selection processes for Invitation to Bid (ITB) and Requests for Proposals (RFP).

Please see the attached project status spreadsheet for details.

Investigations

The Investigations Division received eleven (11) complaints in May 2021. Ten (10) concerned matters outside of the OIG's purview.

OIG Investigations Division activities and cases:

- Criminal Investigations:
Issued two Requests for Documents to Safety & Permits
- Administrative Investigations:
Issued two Requests for Documents to the S&WB
Issued one Request for Documents to the Youth Study Center
Interviewed Airport employees concerning discount offered by NAPA to the Airport
- Training:
One team member attended Records Management Training Class hosted by the Louisiana State Archives Division

OIG Information Security Division activities for May 2021:

Recurring Monthly tasks

Daily backup monitored and backups are working effectively

Software updates

Updated Constant Contact requested contact information for mailing list notifications

Technical Support provided, hardware related

Completed hardware assessment for infrastructure replacement needs

Technical Support provided, non-hardware related

17 service desk tickets resolved

Facilitated file transfers to external organizations

Received technical operations reports regarding network vulnerabilities. Identified the vulnerabilities as minor status. Worked to identify the technologies to properly mitigate cyber threats.

Communications

Communicated with Federal Cyber Security Partners to coordinate security systems hardening for OIG data and network resources

Discussed with OIG Executive staff options for renewing data center infrastructure

Met with City of New Orleans PDU to coordinate office and technology equipment inventory.

Purchasing

Assisted Audit/Office Manager with budget planning for Information Technology support and licensing expirations

Training

Attended and Completed Mobile Forensic Fundamentals training

Status Report for OIG Projects - Audit and Evaluations Division

Report Date: Monday, May 31, 2021

Project Number	Project Name	Project Phase *						Expected Release Timeline for Report**		
Audit/Review		Planning	Fieldwork	Draft Report	Supervisory Review	Legal Review	IG Review	30-45 Days	60 Days	90 Days
AD-19-0002	DPW/SWB Coordination		X							
AD-20-0001	BRASS Purchasing		X							
AD-20-0002	Orleans Parish Comm District (OPCD)+	X								
AD-21-0001	SWB Internal Audit Follow Up			X						

+ The Current OPCD audit confirming jurisdictional authority was heard and adjudicated by the Civil District Court on September 29th. We are scheduled for the appellate hearing with the 4th Circuit Court for Wednesday, May 5, 2021 to confirm with ruling initially determined by the Civil District Court.

Project Number	Project Name	Project Phase *						Expected Release Timeline for Report**		
Inspections/Evaluations		Planning	Fieldwork	Draft Report	Supervisory Review	Legal Review	IG Review	30-45 Days	60 Days	90 Days
IE-19-0001	Firefighter's Pension Governance		X							
IE-20-0001	Job Ordering Contracts			X						
IE-21-0001	Competitive Bidding	X								

Legend	Description
Planning	Background Research, Data Gathering , Initial Interviews, and/or Controls Assessment
Fieldwork	Data and Statistical Analyses, Interviews, Testing of Procedures, Onsite Obsevatons and/or Physical Inspections
Draft Report	Data/Statistical Reviews, Documentaries of Fieldwork Results, Initial Report Writing, Revisions and Internal QAR prior to supervisory review
Supervisory Review	Review by both Division Director and First Assistant Inspector General to ensure sufficiency and appropriateness of evidence, fieldwork procedures, proper conclusions, content, presentation and readability
Legal Review	Report Review by In-house General Counsel and/or Contracted Counsel Services for appropriate and proper legal citations and/or interpretations
IG Review	Report Review by Inspector General, based on corrections and recommended changes resulting from the Legal Review

* Project phase determination is based on the objective(s), scope, and methodolgy for each audit/evaluation project, and is not determined by a standard set of hours and/or phase deadline. This phase will be decided based on the nature of work to be performed, and at the discretion of OIG management.

** Expected Release timeline for the report may be determined based on the start of the legal review process, and may be later reevaluated based on both the legal and timing of the IG reviews, and the 30-day timeline of the proposed final report to the client and the subsequent receipt of management responses.



2021 OIG Fund Balance & Expenditures

Funding:	\$3,484,529
Expenditures:	Amount
Personnel	\$2,506,214
Operating	\$507,287
Total Expenditures	\$3,013,501
Fund Balance	\$471,028



2021 OIG Fund Balance & Expenditures

Operating Expenditure Description	Encumbered Amount	Paid Amount
IT – Audit Software	\$17,010	\$17,010
IT - Communications	\$47,000	\$7,678
IT – Infrastructure	\$55,602	\$55,602
IT – Investigative Software	\$5,511	\$5,511
IT – Research Software	\$13,300	\$5,322
IT - Staffing	\$7,600	\$0
Legal Services	\$350,000	\$61,252
Rent - Misc	\$5,800	\$0
Travel-Related	\$1,100	\$0
Total	\$502,923	\$152,375



Monthly Report of OIPM

THE OFFICE OF THE INDEPENDENT POLICE MONITOR



MONTHLY REPORT

MAY 2021

STELLA CZIMENT
ACTING INDEPENDENT POLICE MONITOR

Community Letter

Dear New Orleans Community,

It is a great joy and privilege to write my first letter to you as the Acting Independent Police Monitor. The last month has been a humbling and busy one – as the team worked to complete our annual reports, submitted eleven (11) complaint referrals, worked with numerous community members on additional concerns, held three (3) mediations, and monitored three (3) critical incidents. I am impressed with our small team for all they achieved this month while we decreased in size and adapted to this transition of leadership.

There were three critical incidents in May and the OIPM was on scene to monitor each of the NOPD investigations. One of those critical incidents occurred earlier this month when a group of teenagers lost control of the stolen truck they were driving while allegedly fleeing the police, resulting in a crash that left children hospitalized. Our thoughts are with the families of the children in that truck. While it appears the pursuit was authorized, the OIPM will monitor the Force Investigation Team investigation to ensure all appropriate policing policies and tactics were utilized. This incident, along with some other car thefts and car jackings allegedly perpetrated by children, is inspiring conversations around public safety, policing, and children. This is particularly important as we enter summer and school is out of session. I want to assure the community that the OIPM will participate in these conversations regarding policing tactics towards our youth and we welcome your feedback and thoughts as we look for solutions and best approaches together.

During May, the OIPM continued to collaborate with a community coalition, Help Not Handcuffs, that is striving to create a mental health crisis response team. This effort was born out of conversations around alternatives to the police. In May, Councilmember Helena Moreno filed Resolution 21-196 to create a task force which would produce strategies for a pilot program. The OIPM intends to continue our collaboration on this resolution.

I want to highlight the work done by our team with a member of our community who came forward to our office report a sexual assault by a police officer. The OIPM worked quickly and effectively with the NOPD to initiate an investigation that resulted in the immediate arrest of the officer. The OIPM appreciates the bravery of this individual for coming forward with her experience and the NOPD for working so quickly and sensitively on this allegation.

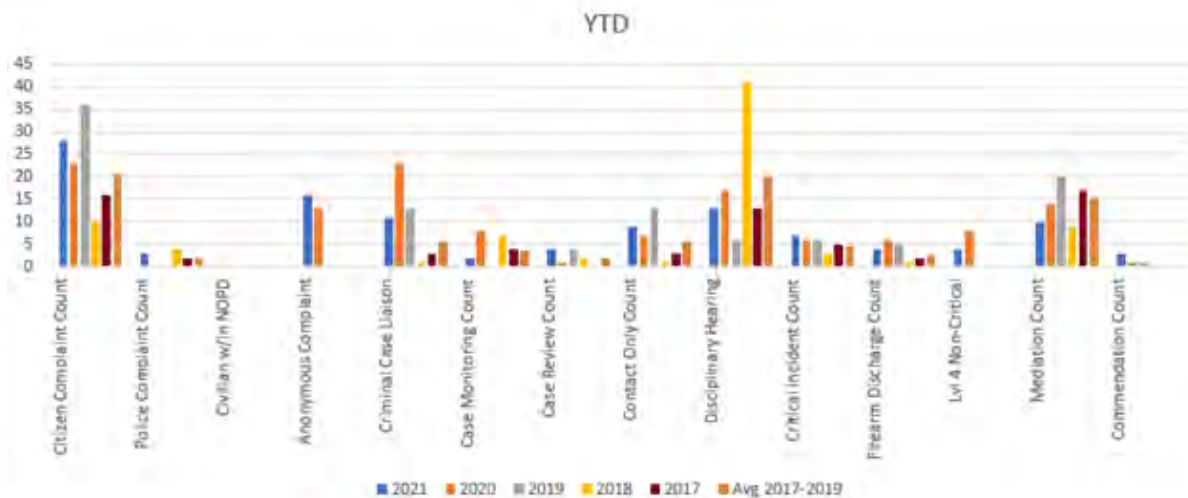
In May, the OIPM submitted our Annual Reports to the Ethics Review Board and City Council. The OIPM submitted five reports: Year in Review; Complaints, Commendations, and Disciplinary Proceedings; Use of Force Monitoring and Review Activities; Community-Police Mediation Program; and Claims for Damages in 2019 and 2020. These reports are a reflection on the work product and recommendations completed by the OIPM during 2020. The OIPM will publicly post the reports and present them to the Ethics Review Board in the future. This meeting will be open and available for the public.

Finally, this month I had the opportunity to monitor a townhall conducted by the First District and the District Attorney's Office. Community engagement events like these give the community a chance to directly with the police seeking to serve them and gives the police the ability to learn what matters the most to you. I encourage you to attend these townhalls along with your district's New Orleans Neighbors & Police Anti-Crime Councils (NONPACC) and Police Advisory Board (PCAB) meetings. Please reach out to our office if you would like additional information.

Thank you,
Stella Cziment

Year to Date Overview

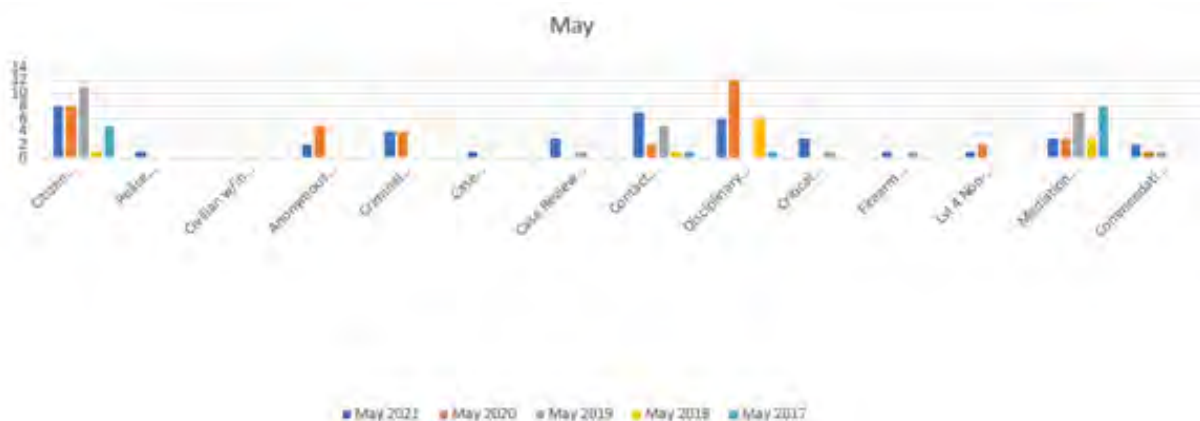
	2021	2020	2019	2018	2017	Avg 2017-2019
Civilian Complaint Count	28	23	36	10	16	20.67
Police Complaint Count	3	0	0	4	2	2.00
Civilian w/in NOPD*	0	0	0	0	0	0
Anonymous Complaint*	16	13	0	0	0	0
Criminal Case Liaison Count	11	23	13	1	3	5.67
Case Monitoring Count	2	8	0	7	4	3.67
Case Review Count	4	1	4	2	0	2.00
Contact Only Count	9	7	13	1	3	5.67
Disciplinary Hearing Count	13	17	6	41	13	20.00
Critical Incident Count	7	6	6	3	5	4.67
Firearm Discharge Count	4	6	5	1	2	2.67
Lvl 4 Non-Critical*	4	8	0	0	0	
Mediation Count	10	14	20	9	17	15.33
Commendation Count	3	1	1	0	0	0.33
Grand Total	114	127	104	79	65	82.67



*indicates a new category

May Overview

	May-21	May-20	May-19	May-18	May-17	Avg 2017-2020
Citizen Complaint Count	8	8	11	1	5	6.25
Police Complaint Count	1	0	0	0	0	0.00
Civilian w/in NOPD*	0	0	-	-	-	0.00
Anonymous Complaint*	2	5	-	-	-	5.00
Criminal Case Liaison Count	4	4	-	-	-	4.00
Case Monitoring Count	1	0	0	0	0	0.00
Case Review Count	3	0	1	0	0	0.25
Contact Only Count	7	2	5	1	1	2.25
Disciplinary Hearing Count	6	12	0	6	1	4.75
Critical Incident Count	3	0	1	0	0	0.25
Firearm Discharge Count	1	0	1	0	0	0.25
Lvl 4 Non-Critical*	1	2	-	-	-	2.00
Mediation Count	3	3	7	3	8	5.25
Commendation Count	2	1	1	0	0	0.50
Grand Total	42	37	27	11	15	22.5



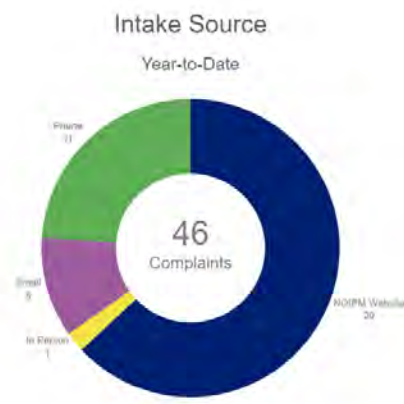
*indicates a new category

May Overview: Complaints

Civilian Complaints	
CC2021-0044	A member of the community alleges that an officer was rude, unprofessional, and failed to take necessary police action in regard to a runaway / missing child (who alleged abuse in the home).
CC2021-0046	A member of the community alleges that the NOPD failed to take necessary police action when she reported a sexual and aggravated assault and later when she reported harassment from another person.
CC2021-0047	A member of the community alleged that the NOPD demonstrated bias when the responding officer issued a summons to the complainant's child when the complainant's child utilized self defense against an attack in the home.
CC2021-0048	According to a member of the public, someone is texted profane and inappropriate messages from a city / NOPD equipment.
CC2021-0050	A member of the community alleges the investigating officers falsified a police report and illegally swabbed for his DNA while in NOPD custody.
CC2021-0051	A member of the community alleges a NOPD officer harassed him and falsely issued a summons to the complainant for failing to register and notify as a sex offender.
CC2021-0053	A member of the community alleges that two officers failed to take necessary and appropriate action after the complainant was robbed and the complainant believes the officers racially discriminated against him.
CC2021-0055	A member of the community alleges that two officers refused to identify themselves during an encounter and then slapped the complainant's hand away when he tried to record the officers with his phone.
Civilian Complaints Count: 8	

Police Complaint	
PO2021-0045	A Lieutenant alleges supervisory misconduct within the NOPD.
Police Complaint Count: 1	

Anonymous Complaint	
AC2021-0049	A member of the public alleges the NOPD failed to respond to her call for service and denied the complainant's the ability to file a police report for a vandalized car.
AC2021-0052	According to a member of the community, a NOPD officer got into an angry confrontation with an individual in a residential neighborhood then followed the individual in an unmarked vehicle at a high rate of speed.
Anonymous Complaint Count: 2	



May Overview: Use of Force

Critical Incident	
CI2021-0005	While pursuing a vehicle stolen during the commission of an armed robbery, subject lost control of the vehicle and crashed. Multiple occupants of the vehicle sustained serious and were transported to a local hospital for treatment.
CI2021-0006	An individual was arrested for outstanding warrants and was transported to the hospital for health concerns. The individual was handcuffed and exited the officers' vehicle. Upon exiting the vehicle, the individual fled to the parking garage and jumped from the second floor and fell on bike rack. The individual continued to flee on foot. The officer deployed his taser at the handcuffed individual and transported him back to the hospital. The individual was admitted for injuries sustained from the fall.
CI2021-0007	NOPD Third District officers responded to a domestic disturbance call in the 2000 block of Mirabeau Avenue. Upon arrival, an individual fired at the two officers. The officers returned fire. A female victim sustained a gunshot injury, possibly from the individual. The individual hid and was eventually apprehended. Upon apprehension, officers learned the individual sustained a gunshot injury to his leg. He was treated subsequently booked.
Critical Incident Count: 3	

Firearm Discharge	
FD2021-0004	See CI2021-0007
Firearm Discharge Count: 1	

Level 4 Non-Critical Use of Force	
UF2021-0003	The officers responded to a call of a disturbed person at 3002 Gentilly Blvd. When the officers came in contact with the subject, he presented some resistance and the officers performed a take-down which resulted in no injuries. The subject was transported to UMC for a psych evaluation. ***UPDATE via 2146/FIT*** During the District Supervisor's investigation, he discovered an unreported strike to the handcuffed subject.***
Level 4 Non-Critical Use of Force: 1	

Use of Force Review Board Cases Heard	
ASI2020-0009	An NOPD officer was working a paid police detail near 1400 Milton Street. While on foot patrol, the officer heard gunshots and observed an unknown black male firing a handgun. The officer gave verbal commands instructing the individual to drop the weapon. The individual continue firing his weapon in the direction of a vehicle and in the direction of the officer. The officer fired his weapon twice, striking the individual in the back of the head. The officer notified dispatch of the incident and requested EMS.
FTN2021-0084	NOPD SWAT officers responded to a call involving an individual armed with a knife and threatening other people. Officers gave verbal commands for the individual to drop the weapon. The individual refused. The officers elected to use their CEWs. After deploying the CEW, two officers used their ballistic shields to conduct a take-down on individual, pinning him down, while he was disarmed and restrained. One officer struck the individual in the head with his ballistic shield during the take down.
Use of Force Review Board Cases Heard: 2	

May Overview

Contact Only	
CO2021-0005	A member of the community reached out to the OIPM regarding an interaction the individual had with an officer in a pizzeria.
CO2021-0006	A member of the community reached out to the OIPM regarding parking concerns in their neighborhood.
CO2021-0007	A member of the community informed OIPM of noise concerns.
CO2021-0008	An employee at the NOPD reached out to OIPM regarding some employment concerns. The OIPM worked with the individual regarding their options on how to proceed.
CO2021-0009	An individual reached out to OIPM regarding an officer who was rude during an encounter at a hospital. OIPM reached out to the individual to receive additional information.
CO2021-0010	OIPM assisted an individual with their concerns regarding a NOPD investigation into contractor fraud.
CO2021-0011	OIPM assisted an individual regarding their concerns and questions about a PIB investigation.
Contact Only Count: 7	

Criminal Liaison	
CL2021-0008	A civilian contacted the OIPM for assistance filing a police report against her neighbor.
CL2021-0009	A civilian contacted the OIPM for assistance filing a police report while out of parish.
CL2021-0010	A civilian contacted the OIPM for assistance contacting the officer assigned to her case.
CL2021-0011	OIPM assisted a complainant with getting a new PIB investigator.
Criminal Liaison Count: 4	

Case Monitoring	
CM2021-0002	OIPM monitored the criminal proceedings for a complainant in municipal court.
Case Monitoring Count: 1	

May Overview

Commendations	
PC2021-0002	OIPM recognizes the Captain of the First District for leading an effective and informative series of townhalls with the District Attorney regarding neighborhood crime rates.
PC2021-0003	OIPM recognizes the Captain of the Fifth District for leading a community walk with city councilmembers, the District Attorney and the Mayor as a way to engage with the neighborhood.
Commendations: 2	

Mediation	
Mediation cases are confidential.	
Mediations Held: 3	

Disciplinary Hearings	
DH2021-0009	A Supervisor is accused of making unprofessional comments regarding another employee in the workplace.
DH2021-0010	A Supervisor is accused of behaving unprofessionally towards a Lieutenant in the workplace.
DH2021-0011	A Sergeant is accused of using unauthorized force by striking an individual with his service weapon.
DH2021-0012	An officer is accused of knowingly and willingly operating a vehicle with a suspended license, failing to notify supervisors of the suspended license, and getting into two car accidents in the department vehicle.
DH2021-0013	A Police Technician Specialist is accused of posting unprofessional content on social media during work hours.
DH2021-0014	An officer is accused of behaving unprofessionally while driving a department vehicle the wrong way up a one-way street and failed to follow protocol when he got into a car accident in the department vehicle.
Disciplinary Hearings Count: 6	

Case Review	
CR2021-0002	OIPM received a request to conduct a case review on the PIB investigation of the 8th District Task Force Officers from a community partner.
CR2021-0003	OIPM received a request to conduct a case review of an investigation conducted into the misconduct investigation of a First District Lieutenant and a personal relationship he supposedly entered.
CR2020-0004	An attorney reached out to OIPM requesting a review of an investigation conducted on a Sergeant within the Force Investigation Team.
Case Review Count: 3	

Complaints

The OIPM serves as an alternative site for civilians and police officers alike to file complaints of misconduct against the NOPD. These complaints and allegations are compiled into referrals by the OIPM and provided to the Public Integrity Bureau (PIB) for them to investigate. The OIPM monitors and reviews the classification and investigation conducted by PIB.

Once the OIPM receives a complaint, the OIPM prepares the complainant's account into a narrative. The OIPM strives to accurately capture the words, emotions, goals and narrative shared by the complainant and selects the policy, practice, or rule that each allegation of behavior / incident could have violated if determined to be true. As part of the letter preparation process, OIPM personnel reviews information in NOPD systems regarding the interaction complained of, including body worn camera video, electronic police reports (EPR) and field interview cards (FIC). The OIPM may include information obtained from NOPD information systems in the complaint referral to PIB to ensure that PIB can fully investigate the complainant's concerns.

The OIPM provides a complaint process that is independent, impartial, transparent, fact-based, timely, and communicates in an understandable manner to all those involved. The OIPM maintains that misconduct investigation must be comprehensive, and the complaint process must be accessible, fair, thorough, and transparent.

8

**CIVILIAN
COMPLAINTS**

2

**ANONYMOUS
COMPLAINTS**

1

**POLICE INITIATED
COMPLAINTS**

0

**CIVILIANS WITHIN
NOPD INITIATED
COMPLAINTS**



Discipline

The OIPM is responsible for monitoring whether all NOPD action taken during disciplinary proceedings are compliant with state and federal law, NOPD policy, the Consent Decree, and the Memorandum of Understanding between the NOPD and the OIPM executed on November 10, 2010. The OIPM will review such proceedings to ensure the NOPD is compliant with Federal Consent Decree Section XVII: Misconduct Complaint Intake, Investigation, and Adjudication.

The OIPM reviews the disciplinary investigation and attends the subsequent disciplinary hearings where the OIPM will provide systemic and individualized findings and recommendations based on NOPD's investigation. The OIPM conducts a thorough review of the proceedings, findings, and recommendations that is available for review by both the NOPD and the New Orleans community.

6

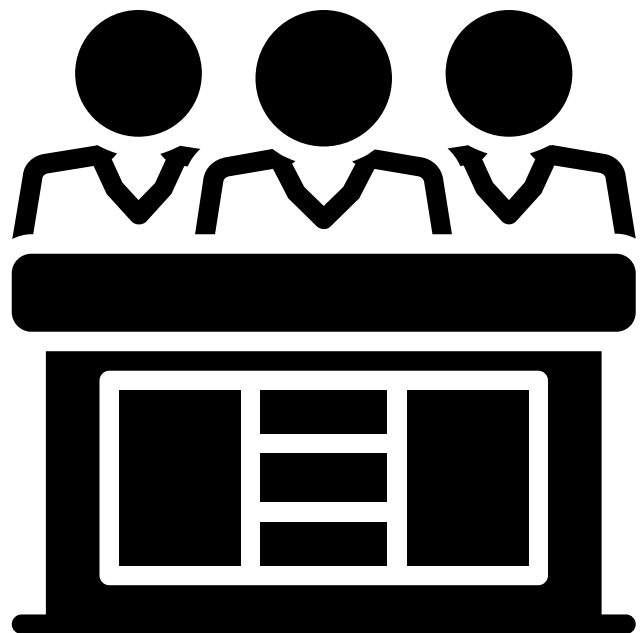
**DISCIPLINARY
PROCEEDINGS**

0

**SUPERINTENDENT
COMMITTEE
HEARINGS**

6

**CAPTAIN PANEL
PREDISPOSITION
AND PENALTY
HEARINGS**

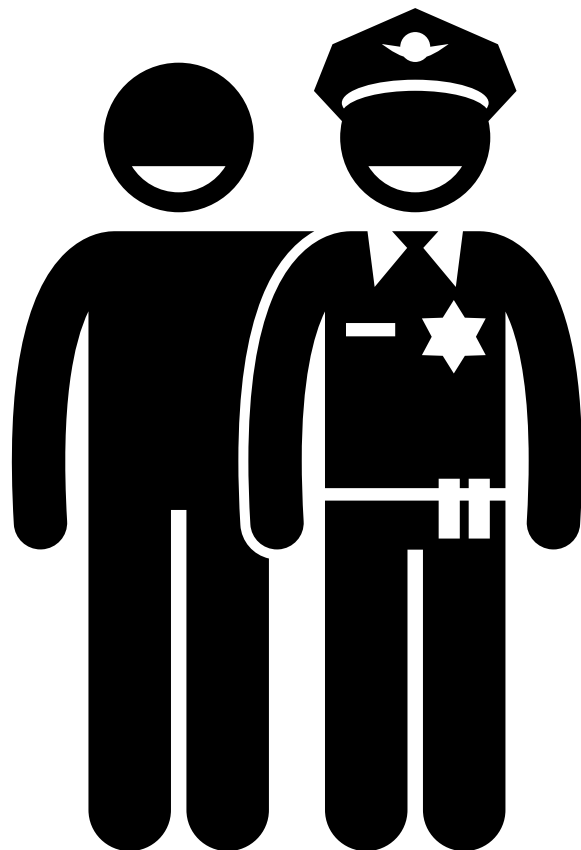


Commendations

Commendations are accounts of positive policing. The commendation may include a positive interaction that occurred during a call to service or recognition to an officer who participated in a community event or an officer that was particularly helpful or went above and beyond. The commendation request is an opportunity to recognize this positive action and the affect it had on the individual or the community. Anyone can file a commendation and a commendation can be filed an anonymously. The commendation will go into an officer's file.

We at the OIPM want to ensure such examples of positive policing are captured and marked by the community and we provide the NOPD with examples of excellent policing when it occurs.

2 COMMENDATIONS



Community-Police Mediation

Mediation is an alternative to the traditional process of resolving complaints of police officer misconduct. Mediation is a process facilitated by two professionally-trained community mediators to create mutual understanding and allow the civilian and officer to be fully heard and understood in a non-judgmental way.

I liked the chance to talk and that the mediators were good listeners. The process turned out good.” - Officer Participant

0 **MEDIATIONS
REFERRED**

3 **MEDIATIONS
HELD**

0 **MEDIATIONS
PENDING**



“ This was a good opportunity to express my concerns of how things were handled with the officer. I learned not to categorize the entire department because of one officer’s mistake. The officer learned to take time to listen before acting. This program should continue. Please don’t stop!”

-Civilian Participant

Use of Force

The OIPM is required by City Code 2-1121 to monitor the quality and timeliness of NOPD's investigations into use of force and in-custody deaths. If a critical incident occurs, the OIPM is notified and a member of the incident and will report immediately to the scene. The OIPM will stay engaged from the occurrence of the incident, through investigation, and Use of Force Review Board (UFRB) hearings.

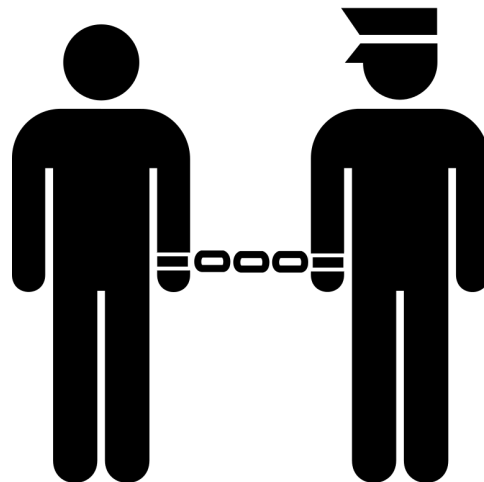
The UFRB serves as a quality control mechanism to ensure timely reviews of all serious use of force investigations to determine the appropriateness of the investigative findings, and to quickly appraise use of force incidents from a tactics, training, policy, and agency improvement perspective. The voting members of the UFRB are the Deputy Superintendents of Field Operations Bureau, Public Integrity Bureau, and Investigations and Support Bureau. Other NOPD deputy chiefs serve as non-voting members, and outside groups like OIPM and the Office of the Consent Decree Monitor are present to observe, listen, and participate in discussion.

3 CRITICAL INCIDENTS

2 CASES HEARD AT THE USE OF FORCE REVIEW BOARD

1 FIREARM DISCHARGE

1 LEVEL 4 NON-CRITICAL INCIDENT



Community Outreach

4

COMMUNITY OUTREACH EVENTS

OIPM leads and participates in community outreach to inform the public of our services, to increase public engagement with policing, raise awareness of local or relevant police practice, and monitor how the NOPD interacts with our community.

OIPM ATTENDED A TOWNHALL IN BAYOU ST. JOHN CONDUCTED BY THE FIRST DISTRICT AND THE DISTRICT ATTORNEY'S OFFICE

OIPM PRESENTED AT VIRTUAL COMMUNITY MEETING FOR THE LOWER 9TH WARD

OIPM PRESENTED AT A COMMUNITY COALITION MEETING: "A COMMUNITY VOICE"

OIPM HELD A COLLABORATIVE MEETING BETWEEN NOPD LEADERSHIP AND LOCAL STREET PERFORMERS



Budget

OIPM Budget Description	Amount
Personnel	\$688,744.00
Operating	\$324,937.00
2021 Total OIPM Budget	\$1,013,681.00
2021 Total OIPM Budget	\$1,013,681.00
Amounts Spent to Date:	(\$499,320.00)
Projected Amounts to be Spent the Rest of the Year:	(\$849,333.34)
Projected Unexpended Funds	\$164,347.66

Item 1

**Quality Assurance Review Advisory Committee
for the Office of the Inspector General**

Report for 2020

Harry Blumenthal, Ashley Barriere and Bill Banta

May 10, 2021

In writing this report, we are mindful of the difficulties the Office of Inspector General (OIG) confronted in 2020. The OIG was forced to accommodate both the restrictions required by Covid 19 regulations and the turmoil inevitable in an unplanned transition in leadership.

We must, however, state that we continue to have significant concerns about the lack of productivity in the OIG as well as concerns about some of the 2020 reports and the 2020 Annual Report. The above members of the Quality Assurance Review Advisory Committee (QRC) submitting this Review of the Annual Report by the OIG for 2020 also authored the QRC Reviews of the OIG Reports for 2018 and 2019. Our 2018 and 2019 evaluations noted our serious concerns with the OIG's lack of productivity, and there was no improvement in 2020.

We must note that the Inspector General for those years—as well as the majority of 2020—departed that position on October 31, 2020, and the OIG released its four 2020 reports before Mr. Edward Michel became Interim Inspector General in November 2020. We very much wish Mr. Michel great success in this important position and hope that the OIG improves its productivity in 2021.

We outline our specific concerns below and also identify reports or sections of some reports that we feel deserve recognition for being well done.

I. Background: Purpose, Rules, Duties, and Powers

Article XIII of the Municipal Ordinance (hereafter, the “Ordinance”) establishes the OIG and states its purpose “is to establish 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.**” (Section 2-1120(2), (emphasis added)). In terms of organizational structure, the Ordinance mandates the OIG to include, but is not limited to, a division of criminal investigations, a division of audit, a division of inspections, and a division of performance review. (Section 15 (b)).

The Ordinance requires the OIG to produce an annual report to the Ethics Review Board. (Section 2-1120(9)). According to Section (9), the OIG's annual report “shall include information on all matters undertaken, costs incurred, costs recovered, matters concluded, and any results. The report shall also describe accomplishments of the Office of Inspector General.” The extensive Authority, Duties, and Powers of the OIG, contained in Sections (10), (11), and (12), of the Ordinance are set forth as attachment 1 to this report.

Section 2-1120(16) of the Ordinance calls for a third-party advisory committee, the QRC, to undertake an annual quality assurance review of the OIG. That section provides that the QRC shall consist of a representative appointed by the City Council, who serves as chair of the committee, a representative appointed by the Office of the Mayor, and a representative appointed by the Ethics Review Board. To undertake the assurance review for the year 2020, the City Council appointed Harry Blumenthal, the Mayor appointed Ashley Barriere, and the Ethics Review Board appointed Bill Banta.

The Ordinance tasks the QRC with reviewing “[c]ompleted reports of audits, inspections and performance reviews.” (Section 2-1120(16)). The Ordinance requires the QRC to hold a public meeting where the QRC presents its written review. (Section 2-1120(16)(2)(ii)). The QRC must present its written review to the Inspector General at least fifteen calendar days before the public meeting.

II. Overview of the OIG’s 2020 Annual Report

- **Potential Savings:** In the Table of Contents the OIG asserts that it has “identified \$3,528,518 in potential savings to the City in 2020” but did not identify the source of these savings. (Report p. 2).
- **Mission:** In its Mission Statement, the OIG says it is all about promoting “efficiency in city government operations by preventing and detecting fraud, waste, and abuse.” (Report p. 5).
- **The OIG identified the four OIG Divisions and provided an overview of the OIG professional staff.** (Report p. 6-7).
- **OIG Funding and Expenditures:** Although the OIG’s budget was \$3,992,339 for 2020, the OIG expended \$2,876,868 during last year and had \$1,115,471 remaining in unspent funds. Those funds were by law returned to the City. (Report p. 8).
- **Inspections and Evaluations:**
 - **Evaluation – Sewerage & Water Board:** In its 2019 Annual Report, the OIG criticized the Sewerage & Water Board for various deficiencies. Although, in 2020, the OIG had planned to analyze and report on the Board’s well-known billing problems, it was unable to do so or determine its cause due to “irregularities with Sewerage & Water Board customer data.” Instead the OIG determined that “the process used by the Sewerage & Water Board to resolve billing disputes” was not in compliance with Louisiana law and otherwise flawed. A strategic plan for data management including a process for reporting and maintaining billing information was recommended.
 - **Management and Operation of the Traffic Camera Safety Program:** On January 30, 2020, the OIG released a report on the Traffic Safety Program which was favorably evaluated in the QRC’s Review for 2019. (See p. 6 of Report issued on May 11, 2020). In its Annual Report for 2020, the OIG

faulted management of the Program for failing to be aware of and correct the numerous problems which led to errors in issuing tickets and collecting fines. The OIG did not acknowledge that it had already included this report in its 2019 Annual Report.

- Audit & Review: The Audubon Commission
 - The OIG returned in 2020 to another subject of its 2019 Annual Report—the Audubon Commission—and released two reports on it.¹ In both audits, the OIG noted errors of commission and omission. (Report p. 11).
 - On September 15, 2020, the OIG released the first report on the Audubon Nature Institute's Use of Funds Audit. The OIG conducted a performance audit on the Audubon Nature Institute's use of funds for the period of January 12, 2012 through December 31, 2014. As part of the OIG's conclusions, the OIG noted that the Audubon Institute expended \$416, 261 of Commission funds to pay for lobbying services and did not obtain sufficient documentation to support the services rendered and did not competitively purchase lobbying services or enter into a written contract with the lobbying firms.
 - On October 28, 2020, the OIG released its second report on the Audubon Nature Institute's Payroll Audit. The OIG conducted a performance audit of the Audubon Nature Institute's internal controls over the employee new hire, termination, payroll, and executive compensation processes. As part of the OIG's conclusions, the OIG found that (1) the Audubon Institute used Commission funds to pay \$447,695 in bonuses and on-call pay to employees that may have violated the Louisiana Constitution, (2) the executive salaries were not comparable to other, similarly-sized organizations, and (3) there were \$831,461 in additional cash payments to executives, but it failed to require additional performance or duties in order to receive those additional benefits.
 - Both of these reports detail the relationship between the Audubon Institute and Commission and conclude that the Institute's spending was subject to the same limitations and requirements imposed on all public funds.
- Investigations:
 - The OIG refers to three cases in which former persons connected to the City were convicted of crimes involving City money. (Report p. 12).
 - A current but incomplete matter receiving OIG attention in 2020 involves possible exploitation of citizens by contractors. This is a joint inquiry with LSLBC.

¹ See the QRC's 2020 Review of the OIG's 2019 Annual Report on this topic at pp. 5-6 of that Review.

- **OIG Work for 2021:** the OIG listed eight (8) proposed projects for 2021 that the OIG had outlined in its 2021 Annual Work Plan, published in September 2020. None of the identified projects were completed in 2020, the time period for this evaluation by the QRC. (Report p. 15).

III. Comments and Questions

1. Specific Reports:

- **Traffic Safety Program:** The OIG included this report in its 2019 Annual Report and explained that the report's publication was delayed to 2020 due to a cyberattack and was otherwise completed in 2019.² Indeed, almost half of the costs savings identified in the 2019 Annual Report stemmed from that report.³ The QRC thus believes it is inappropriate to include the Traffic Safety Report again in the 2020 Annual Report, and as noted below, hopes that the potential savings were not included in the OIG's 2020 identified savings. At the very least, the OIG should have acknowledged that it had included the report in last year's Annual Report.
- **ROI-PMD Excessive Overtime:** The OIG released this report on May 7, 2020 but failed to include any discussion of this report in the Annual Report. This was likely an unintentional oversight. We however thought this was a well-done report. The subject matter was worthwhile in that the OIG investigated and reported on city waste and inefficiency within the Property of Management Department in 2018. It thus should have been included in the OIG's body of work in the Annual Report, and we encourage the OIG to be sure to include all reports performed during the year in question in future Annual Reports as is required by the Ordinance, Section (9)(a).
- **Sewage & Water Board Dispute Resolution Process:** The QRC thought this was a good report given the limitations the OIG faced with the S&WB's scant (and problematic) records on the issue. Given the controversy surrounding the S&WB's faulty billing practices, the QRC believes it was an important undertaking for the OIG to investigate the program and did a thorough and good job with its investigation, analysis, and conclusions.
- **Audubon Commission Audits:** The QRC notes that the OIG highlighted the Audubon Institute's inadequate procedures and also raised questions about executive compensation rates. The QRC, however, also notes that the Funds Audit focused on outdated data from 2012-2014 and questions how informative that data is in a 2020 report. It would have been worthwhile for the OIG to update the data it relied on. Moreover, the QRC notes that the allegedly wasted funds are disputed by the Audubon Institute so it is not clear whether they should qualify as "costs

² See OIG's 2019 Annual Report, p. 13 FN 2.

³ The QRC noted in its 2020 Review of the OIG's 2019 Annual Report that it seemed "odd that almost half of the 2019 costs savings identified stem from a report that was not technically published until 2020." p. 8 FN 8.

saved” identified by the OIG.⁴ Finally, we question whether the OIG’s findings concerning Human Resource matters, including compensation, are fair and appropriate. Prior to reaching a conclusion of excessive executive pay, the OIG should demonstrate the compensation comparisons cover factors such as length of service and past accomplishments as well as pay amounts. Those factors seemed to be missing from the OIG’s executive compensation comparisons in its report.

2. **Productivity:** The QRC has serious concerns about the OIG’s productivity in 2020, as the OIG only produced five reports and one of those reports the OIG had counted in its prior Annual Report. Moreover, the matters investigated by the OIG in 2020 were essentially the same matters investigated by the OIG in 2019 or seemed to be continuations of those matters. It seems there are likely other targets, subjects, or organizations which could have been investigated to achieve greater efficiencies or eliminate fraud and waste than the Sewage & Water Board, the Traffic Safety Program, and the Audubon Commission. There is also very little substance to the “new” findings involving these three organizations in the 2020 Report compared to the 2019 Report.

That being said, the QRC acknowledges the departure of the prior Inspector General in October 2020. We are thus hopeful that the OIG’s new administration will usher in an era of greater productivity in 2021.

3. **Potential Costs Savings:** The OIG states that it identified over \$3.5 million in potential savings to the City in 2020 (Report p. 2), but the OIG fails to specify the sources of the alleged savings.⁵ As a result, it is unclear whether the OIG counts any money from the Traffic Safety Report towards the 2020 costs savings, which as noted above, the OIG included in its 2019 identified costs savings. The Ordinance requires the OIG’s Annual Report to present information on “costs recovered” (Section 2), so the QRC feels strongly that the OIG should include this information in the Annual Report and identify specifics underlying “costs recovered.”
4. **OIG Mission:** After stating its mission is to promote efficiency and detect “fraud, waste and abuse,” the OIG should explain how it accomplished these goals in 2020.
5. **Use of Allocated Budget:** The City allocated \$3,992,339 to the OIG and the OIG expended \$2,876,868 of that budget with \$1,115,471 remaining. Based on the productivity of the OIG in the year 2020, it does not appear that the \$2,87,868 was well spent, particularly given the City’s budget issues due to Covid-19. Perhaps more confounding is that the OIG failed to use its entire budget and produced an inconsequential number of reports. The City Council set the OIG’s budget as a relatively significant percentage of the City’s budget in recognition of the OIG’s

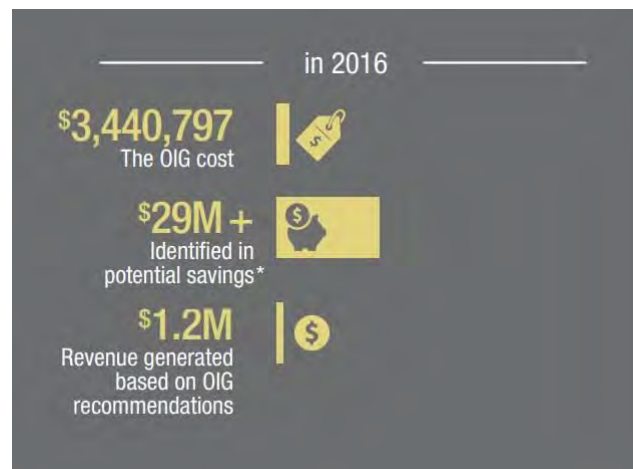
⁴ Since the OIG did not include the source of its costs savings for 2020, the QRC is not sure whether the funds identified in the Audubon Commission Audits were included as part of the costs savings.

⁵ As a comparison, the OIG included a breakdown of its costs recovered in Footnote 3 of its 2019 Annual Report. Given the importance of this information, the QRC suggested this information should be included “above the line,” but the OIG failed to include it at all this year. See QRC 2020 Review of the OIG’s 2019 Annual Report, p. 8.

importance in identifying fraud and waste for the City. Going forward, the QRC encourages the OIG to better use its assigned funds and to fully use those funds.

IV. Recommendations

1. For the year 2021, the QRC would like to see more productivity from the OIG and a diversity in investigated targets. There are other organizations within the City's ambit that are worthy of investigation besides the Audubon Institute and the Sewerage & Water Board.
2. In future reports, the OIG should disclose the source of the "costs recovered." **We also ask that the OIG provide a breakdown of the costs recovered in either its written reply to the QRC report or at the QRC's public meeting scheduled for May 26, 2021.**
3. Similarly, we ask the OIG to provide an explanation as to why the OIG again included the Traffic Safety Program in its 2020 Annual Report, without any acknowledgment that it had already included the report in the 2019 Annual Report, and failed to include the ROI-PMD Excessive Overtime in its 2020 Annual Report.
4. We think it would be useful for the OIG to include in its Annual Reports a high-level breakdown of how its budget was allocated during the year.
5. Since the Ordinance requires the OIG to identify "costs recovered" and "costs incurred" in its Annual Report, the QRC suggests that the OIG include that information in one spot, like the OIG did in its 2016 Report:



This chart would not obviate the need to delineate the sources of costs savings, as outlined above. It would rather serve to show a quick snapshot of the OIG's costs and costs recovered.

I. Conclusion

In closing, we want to reiterate that we recognize the OIG underwent a transition this year that likely impeded its productivity. The investigations and report the OIG did

produce—although few in number—were for the most part good work product that tackled important issues for the City.

That being said, in the context of 2020 being an extremely challenging year for the City’s budget, with shrinking revenues connected to reductions of costs affecting numerous programs and personnel (including police), the allocation of almost \$4,000,000 to the OIG should be viewed as highly significant. Correspondingly, there was an expectation the City would receive in return aggressive, thorough, productive, and efficient efforts to expose corruption and inefficiencies from the OIG. This reasonable expectation was largely not met by the OIG in 2020. In fact, during each of the three years the authors of this Review have evaluated the work of the OIG, we believe the City failed to get the quality and quantity it deserved for the money it provided the OIG. We hope that under new leadership, the OIG can build on this work and produce work product to match its budget allocation and mission.

May 26, 2021

**Response from the New Orleans Office of Inspector General (OIG)
to the Quality Assurance Review Advisory Committee**

Overall Summary and Assessment

We appreciate the time and effort dedicated by the appointed members of the Quality Assurance Review Advisory Committee (QRC) in preparing the 2020 Annual Report. We recognize that they had a responsibility to provide an independent assessment of OIG operations and appreciate their recommendations for suggested improvements. However, we would be remiss if we did not bring to light factual inaccuracies contained in the report which did not properly represent OIG operations. We understand that the time dedicated to this report represents time taken away from your families and careers. Your commitment to the Ethics Review Board (ERB) and the OIG is significant and admired.

The OIG has operated under strained executive leadership since early 2017 which has impacted the efficiency of our operations. Despite the administrative and personnel issues that plagued the office for several years, the current OIG management and staff produced and released various reports in 2020. It is perhaps equally important to mention that the OIG has approximately 50% fewer staff than in previous years. Hiring essential personnel was simply not a priority for the previous administration as evidenced by the more than \$1M which was returned to the City last year. While we also recognize our productivity is lower than it was in previous years, the OIG released noteworthy Audit, Evaluation, and Investigation reports and returned unspent funds to the City budget. The OIG also identified approximately 22.3 percent return on investment (ROI) through potential savings and questioned costs during 2020. Significant measures have been taken to improve our efficiency and we will continue to combine our resources in an effective manner to ensure we add value as we identify, assess and mitigate fraud, waste and abuse.

Comments and Questions

We appreciate the comments and questions posed by the QRC in the 2020 report and will address those accordingly. In the future, if the OIG and QRC should meet to discuss findings and possible causes, it would better ensure efficiency and accuracy before final publication.

The OIG would like to address the following:

1. Specific Reports:

- Traffic Camera Safety Report – This report was released in late January 2020 and addressed the complexities of the program, including lack of coordination among city entities to ensure the efficiency and effectiveness of the program. Furthermore, we received both community-wide and media inquiries regarding this report, including requests for assistance from residents in applying for refunds from overpayments. While we appreciate the QRC’s observation that we had already reported on this project and cost savings in 2019; rest assured, we did not report the cost savings of \$730,000 in the 2020 Annual Report. We believe this fact could have been both addressed and resolved prior to the release of this report to ensure the accuracy of the report, as well as addressed any “hope” the cost savings were not duplicative.
- ROI-PMD Excessive Overtime – We appreciate the QRC’s acknowledgment of this investigative report, and their sincerity in their recognition of our hard work. We also appreciate their observation that this should have been better profiled in the Annual Report as we intend to ensure all noteworthy investigations are better summarized in future annual reports.
- Sewerage & Water Board (S&WB) Billing Dispute Resolution Process – As previously noted above with the ROI-PMD Overtime investigative report, we appreciate the QRC’s acknowledgement of this evaluation project and the continuous issues that plague the S&WB. We believe our ongoing collaborative work with the S&WB will pay dividends and ensure resolution to their numerous systemic operational deficiencies, many of which have already been identified and documented as part of our system-wide risk assessment of city operations.
- Audubon Commission Audits – Specifically, the QRC noted that the Audubon Use of Funds Audit focused on “outdated data from 2012 – 2014 and question[ed] how informative that data is in a 2020 report.” The QAR also noted that “[i]t would have been worthwhile for the OIG to update the data it relied on.”¹

While the data is from 2012 – 2014, the OIG inquired of the Institute and obtained additional audit evidence to determine if the Institute and/or the Commission resolved the findings. Those changes were documented at the end of each finding as appropriate. Despite some changes, the causes of the improper spending still exist and are still worthy of public scrutiny.

Furthermore, it should be noted that over the three audits of the Audubon Commission and Audubon Nature Institute, the OIG identified over \$3.4 million in questioned costs because of the Institute’s improper spending of public funds. It’s also important to note, that since the OIG’s inception, many entities have disagreed with the OIG’s findings and recommendations. However, disagreements do not negate the findings nor does it diminish the importance of identifying improper use of public funds.

¹ QRC Report, page 4.

The QAR also “question[ed] whether the OIG’s findings concerning Human Resource matters, including compensation, are fair and appropriate.”²

I would like to stress that the OIG performed a benchmarking analysis using assets and revenues to determine the reasonableness (a.k.a. fairness) of salaries. Secondly, because payroll is typically an organization’s largest expenditure, the OIG has issued a number of audits pertaining to payroll since 2011 (see below). Identifying wasteful salaries and/or compensation that may violate the Louisiana Constitution is appropriate and completely within the OIG’s authority of “preventing and detecting fraud, waste, and abuse”.

Title	Issue Date
Payroll Internal Controls	10/28/2011
Payroll Liabilities	2/5/2013
Follow Up: Payroll Internal Controls	7/2/2014
New Orleans Police Department Payroll	8/6/2014
Follow Up: Payroll Liabilities	2/4/2015
Sewerage and Water Board of New Orleans Payroll	8/9/2015

The QRC stated:

“Prior to reaching a conclusion of excessive executive pay, the OIG should demonstrate the compensation comparisons cover factors such as length of service and past accomplishments as well as pay amounts. Those factors seemed to be missing from the OIG’s executive compensation comparisons in its report.”³

This statement is factually incorrect, because the OIG considered a number of intangibles and accomplishments which were included on pages 55-57 of the Audubon Payroll report. As an example, the OIG compared Mr. Foreman’s salary to a number of individuals, including the very well-renowned, Jack Hanna.⁴ We determined that Mr. Foreman’s salary exceeded that of Mr. Hanna by almost \$400,000 and yet the Columbus Zoo’s assets are \$22 million more than those managed by Mr. Foreman.

2. Productivity:

The QRC stated:

“the matters investigated by the OIG in 2020 were essentially the same matters investigated by the OIG in 2019 or seemed to be continuations of

² QRC Report, page 5.

³ QRC Report, page 5.

⁴ Audubon Payroll report, page 55 of 57.

those matters. It seems there are likely other targets, subjects, or organizations which could have been investigated to achieve greater efficiencies or eliminate fraud and waste than the Sewage & Water Board, the Traffic Safety Program, and the Audubon Commission.”⁵

It is perhaps inappropriate for the QRC to determine which entities the OIG reviews. There are also audit and evaluation processes the QRC did not consider before reaching their conclusion. The OIG focuses on multiple processes within an entity to identify entity-wide/systemic problems. Additionally, the QRC fails to note that the S&WB has \$3.4 billion in assets and approximately \$266 million in revenues, which accounts for approximately 41 percent of the City’s total assets.⁶ The S&WB also provides a critical service. Due to its size and mission, it will always be a high-risk entity subject to scrutiny. Can we really put a price on the value of drinkable water and the essential services provided by the S&WB to ensure the existence of our City?

Furthermore, the Audubon Commission is the third largest component entity and we believe is worthy of the resources we expended to review their operations and its organizational structure is complex and structurally flawed. Over the course of three audits, the OIG identified more than \$3.4 million of questioned costs, most of which may have violated the Louisiana Constitution prohibition on donating public funds. The OIG believes these reports are very substantive, properly supported, and very thorough. We believe the peer review team will agree with our findings.

The QAR also noted “There is also very little substance to the ‘new’ findings involving these three organizations in the 2020 Report compared to the 2019 Report.”⁷ However, we would like to stress that these reports demonstrate entity-wide mismanagement and represents potentially millions of dollars in improper expenditures.

3. Potential Cost Savings:

Our reporting of \$3.5 million in questioned costs/savings is both justified and supported by the following sources:

- a. \$1,693,923 - Audubon Payroll Audit
- b. \$ 995,831 - Audubon Use of Funds Audit
- c. \$ 790,312 - Property Management Reduction in Overtime Costs
- d. \$ 48,452 - Orleans Parish Assessor’s Office Property Tax Reassessments

We acknowledge this omission, and thank the QRC for this observation to ensure all future annual reports should include this information.

⁵ QRC Report, page 5.

⁶ Information obtained from the 2018 City of New Orleans Comprehensive Annual Financial Report (CAFR). The 2019 CAFR has not been issued due to the 2019 cyber-attack.

⁷ QRC Report, page 5.

4. OIG Mission:

After stating its mission is to promote efficiency and detect “fraud, waste and abuse,” the OIG should explain how it accomplished these goals in 2020. The purpose of the Annual Report is to show the public how it accomplished its goals in 2020 and is retrospective in nature.

With respect to our overall productivity and as noted in the Annual Report, the OIG identified \$3,528,518 in questioned costs. The OIG received \$2,876,868 in public funds. The return on investment (ROI) is 22.3%. We believe this was especially significant given the leadership and personnel challenges we had to endure as well as Covid-19 restrictions.

Use of Allocated Funds:

As mentioned above, our mission is to promote efficiency and detect and prevent fraud, waste, and abuse, which includes assessing and evaluating our own operations. The OIG produced reports which were substantive but with a 50% decline in personnel, we were unable to produce the same number of reports as we had in the previous years.

Recommendations:

Below are our initial responses to the following recommendations offered by the QRC:

1. For the year 2021, the QRC would like to see more productivity from the OIG and a diversity in investigated targets. There are other organizations within the City’s ambit that are worthy of investigation besides the Audubon Institute and the Sewerage & Water Board.

Response: The OIG will continue to scrutinize the governance structure and operations of the Sewerage & Water Board because improving the Board’s performance is vital to the future well-being of both the agency and the citizens of New Orleans. As the OIG acquires additional personnel, it will utilize their limited resources in an efficient and effective manner. Please keep in mind OIG staffing levels are down approximately 50% compared to 2016 and we must utilize these limited resources where they will have the most impact. The S&WB has \$3.4 billion in assets and approximately \$266 million in revenues, which accounts for approximately 41 percent of the City’s total assets.

2. In future reports, the OIG should disclose the source of the “costs recovered.” We also ask that the OIG provide a breakdown of the costs recovered in either its written reply to the QRC report or at the QRC’s public meeting scheduled for May 26, 2021.

Response: The OIG will include a breakdown of the cost saving details, questioned costs, revenue generated and the potential economic loss prevented in future editions of our annual report. Also, please refer back to #3, Potential Cost Savings. This year's Annual Report contained more graphics to assist with documenting the true value the office added to improve efficiencies. Next Year we will incorporate more illustrations to ensure we capture the cost recovered by the OIG.

As previously mentioned, our reporting of \$3.5 million in questioned costs/savings is both justified and supported by the following sources:

- a. \$1,693,923 - Audubon Payroll Audit
- b. \$ 995,831 - Audubon Use of Funds Audit
- c. \$ 790,312 - Property Management Reduction in Overtime Costs
- d. \$ 48,452 - Orleans Parish Assessor's Office Property Tax Reassessments

We acknowledge this omission, and thank the QRC for this observation to ensure all future annual reports include this information. Please note that costs recovered do not fully represent or capture the value of the OIG. We will strive to identify other positive forms and measurements to further illustrate how our findings and observations promote efficiency and effectiveness.

3. Similarly, we ask the OIG to provide an explanation as to why the OIG again included the Traffic Safety Program in its 2020 Annual Report, without any acknowledgment that it had already included the report in the 2019 Annual Report, and failed to include the ROI-PMD Excessive Overtime in its 2020 Annual Report.

Response: The OIG will include a separate reference to each published report in future editions of our annual report. The omission of the PMD report was an accidental omission, and we agree with the board that it was a substantive and worthwhile report and we appreciate the boards observation of such.

4. We think it would be useful for the OIG to include in its Annual Reports a high-level breakdown of how its budget was allocated during the year.

Response: We agree with the board and under the new leadership, effective January 2021, the OIG initiated the monthly reporting of our financial position at ERB meetings and now closely monitor our budget. However, based on the nature of our operations, the OIG is inclined to retain the discretion as to the use of our allocated funds as operational needs and requirements may fluctuate during the course of a budgeted year.

5. Since the Ordinance requires the OIG to identify "costs recovered" and "costs incurred" in its Annual Report, the QRC suggests that the OIG include that information in one spot, like the OIG did in its 2016 Report:

Response: The OIG will include a breakdown of the cost saving details, questioned costs, revenue generating and the potential economic loss prevented in future editions of our Annual Report as recommended by the QRC. We will incorporate this in the next report.

Conclusion

Although the OIG requested that the QRC give them the opportunity to review their report prior to publication, the QRC refused to do so. The OIG asks that the QRC adhere to the requirements that the OIG is required to follow with regards to issuing reports as described in Section 8, paragraph (b) of the Ordinance which reads:

(b) Prior to concluding an audit or evaluation report, which contains findings as to the person or entity which is the subject of the audit or evaluation, the Office of Inspector General shall provide the affected person or entity with an internal review copy of the report. Such person or entity shall have 30 days from the transmittal date of the report to submit a written explanation or rebuttal of the findings before the report is finalized, and such timely submitted written explanation or rebuttal shall be attached to the finalized report.

Sincerely,

A handwritten signature in blue ink that reads "Edward Michel". The signature is fluid and cursive, with the first name "Edward" and last name "Michel" clearly distinguishable.

Edward Michel
Interim Inspector General

Item 2



Structural Relationship

Audubon Commission:

- Public entity comprised of 24 board members, appointed to a six-year term by the Mayor with the advice and consent of City Council.
- Charged with administering, operating, and maintaining the Audubon Facilities.
- “Pay for the cost and operation of the Audubon Facilities as detailed annually in the budget of the Institute and as approved by the Commission.”

Audubon Facilities are public assets held in the name of the Commission.



Structural Relationship

Audubon Nature Institute:

- Private non-profit organization, manages and operates the Audubon Facilities “on behalf of” and “for the benefit of the Commission” through a Contract
- Collects fees, charges, and other monies
- Deposits funds into the Commission’s bank account
- Authorized “to expend the funds of the Commission...”
- Property taxes, revenues generated (e.g. ticket sales), and operating expenses incurred (e.g. salaries) from the operation of the Audubon Facilities are reported as revenues and expenses, respectively, in the Commission’s year-end financial statements.



Louisiana Constitution

La. Const. art. VII, Section 14(A):

...funds, credit, property, or things of value of the state or of any political subdivision shall not be loaned, pledged, or donated to or for any person, association, or corporation, public or private.”

La. Const. art. XI, Section 4:

“No public funds shall be used to urge any elector to vote for or against any candidate or proposition, or be appropriated to a candidate or political organization.”



Finding #1

The Institute may have violated La. Const. art. VII, Sec. 14(A) because it used Commission funds to:

- Purchase \$33,961 in goods and services on purchase cards (projected \$209,483) and paid \$4,718 in expense reimbursements for expenses that appeared to lack a public purpose (projected \$5,665).
- Pay \$447,695 in bonuses and on-call pay to employees.
- Pay the CEO \$703,522 and EVP \$377,300 for salaries not comparable to other similar sized organizations.
- Provide \$831,461 in additional cash compensation but did not require additional performance or duties.



Finding #2

The Institute may have violated La. Const. art. XI, Section 4 because it:

- Spent at least \$220,898 in public funds to campaign voters to support the “Vote ‘Yes’ for Audubon” 2014 millage
- Spent \$416,261 of public funds to pay for lobbying services



Recommendations: Findings 1-2

The Commission should enter into a management agreement that includes an appropriate management fee for services provided or enter into a CEA with the Institute that comports with constitutional and municipal requirements.

The Institute should:

- Maintain separate bank accounts
- Revise its policies to recognize the public nature of Commission funds
- Require all employees and subsequent new hires, to participate in annual training to educate employees on prohibited expenses
- Structure employment contracts so additional duties and responsibilities are assigned for all additional compensation
- Revise its policy to include an annual review and full board approval of executive compensation and select a peer group with similar assets, revenues, and cost of living criteria.



Implementation Status

The Institute:

- Combined the fringe benefits with the base salary and classified the \$555,971 in compensation as “base salary and fringe benefits.”
- Began the process of segregating funds generated by the Institute for its employee-related expenses including bonuses and on-call pay



Finding #3

The Institute may have violated CAO Policy Memorandum 24(R), City Executive Order MJL 10-05 and/or its own policy because it did not obtain competitive bids for:

- Non-professional service contracts, totaling \$278,860
- Professional service contracts, totaling \$416,261.

CAO Policy 24R: “[p]rocuring officials will prepare and issue written bid invitations in all movables and non-professional services procurements valued \$20,000 or more per year.”

Institute’s procurement policy: "Professional Services [are] required by this policy to be competitively purchased through an RFP [request for proposal] or RFQ [request for qualification] process if over \$15,000."



Finding #3 Recommendation and Implementation Status

Recommendation: The Institute should revise its Purchasing Guidelines and Procedures to include policies governing non-professional services, as well as service contracts with substantial materials and supplies components.

Implementation Status: No changes were made by the Commission or the Institute.



Finding #4

The Institute did not:

- Comply with best practices because it entered into verbal contracts for lobbying services and verbal contracts with its employees
- Obtain detailed invoices or time records, totaling \$416,261, indicating dates, hours, and/or services performed



Finding #4 Recommendations

The Institute should:

- Revise its policy to require formal written contracts for purchasing materials, supplies, and other services
- Require all contractors and vendors to provide sufficient detail as to the services rendered on their submitted invoices so that the Institute can show they received at least equivalent value in exchange for the expenditure or transfer of the Commission's public funds



Finding #4 Implementation Status

According to the Institute,

“Audubon has had a written contract with Spradley & Spradley since October 2017. When the contract expires, Audubon plans to issue a request for proposals for lobbying services.”



Finding #5

The Institute may have violated the State of Louisiana Code of Ethics because it paid employees \$579,570 in commissions in addition to their regular salaries for performing duties related to their job.



Code of Governmental Ethics

The Louisiana Code of Governmental Ethics:

- No public servant shall receive anything of economic value, other than compensation and benefits from the governmental entity to which he is duly entitled, for the performance of the duties and responsibilities of his office or position... No public servant shall receive anything of economic value for any service, the subject matter of which... is devoted substantially to the responsibilities, programs, or operations of the agency of the public servant and in which the public servant has participated....
- Prohibits public servants from “bid[ing] on or enter[ing] into any contract, subcontract, or other transaction that is under the supervision or jurisdiction of the agency of such public servant.”



Finding #5 Recommendation and Implementation Status

Recommendation: The Institute should:

- Obtain training on the Code of Ethics
- Develop a policy to prohibit revenue share agreements
- Compensate each employee commensurate to the employee's abilities and with consideration for the financial condition of the employing entity

Implementation Status:

No changes were made by the Commission or the Institute.



Follow-up

- Final report was issued in October 2020
- Follow-up in 12-18 months

