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JEFFERSON PARISH
OFFICE OF INSPECTOR GENERAL

GOOD GOVERNMENT: *IT'S A JOURNEY, NOT A DESTINATION.*





OFFICE OF INSPECTOR GENERAL JEFFERSON PARISH



KIM RAINES CHATELAIN
INSPECTOR GENERAL

A MESSAGE FROM YOUR INSPECTOR GENERAL

It is my pleasure to present the 2023 Annual Report for the Jefferson Parish Office of Inspector General. This report provides a comprehensive overview of our activities and accomplishments in fulfilling our mission to promote efficiency and effectiveness and to prevent fraud, waste, and abuse in Parish government.

This year's annual report acknowledges that achieving and sustaining efficiency and effectiveness in government is an ongoing and dynamic process. We believe that good government is achievable when there is a mindset fixed towards continuous improvement, adaptability and flexibility, strong processes and internal controls, and public engagement. The pursuit of good government is not a destination. It is a journey which requires sustained effort and commitment. We are proud to provide oversight, prompt accountability, practice transparency, and play a role in Jefferson Parish's journey.

This past year marked our tenth year in operation. Reflecting on a decade of operation, we recognized the importance of evaluating our own inner strengths and weaknesses with an eye towards improvements. This effort manifested in a new Findings Tracker and new report format, "Lessons Learned." Under the caption, Leveraging Knowledge, you can read about how we leveraged past reports to inspire future improvements in government and how updates to our case management system will prove to be testament to transparency.

Our Annual Report also includes summaries of the investigations and audits which concluded in 2023. With each published report, we strive to highlight opportunities for government to improve and build a resilience to the risks of fraud, waste, and abuse. You can also read about the number of cases we opened, closed, and referred.

The achievements and success of this office are possible only because of the dedicated staff. The JPOIG is fortunate to have a diverse group of highly educated and talented individuals who are willing public servants with a vision to be a resource, a motivation, and an agent for positive and sustainable change within Parish government.

I wish to express my personal gratitude to the Ethics and Compliance Commission for affording me the opportunity to serve my community as the Jefferson Parish Inspector General. Lastly, I am thankful to the citizens of Jefferson Parish for their continued support of this office.

Sincerely,

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ABOUT US

Since 2013, the Jefferson Parish Office of Inspector General (JPOIG) has provided independent oversight and assured increased accountability of Parish government, its departments, agencies, special districts, and entities receiving funds through the Parish. The office was established by the Parish Charter and supported by dedicated millage revenue approved by the citizens of Jefferson Parish.



In January 2010, the Jefferson Parish Council established an Advisory Committee to study the desirability and feasibility of an Office of Inspector General. In September 2010, the Committee issued its report and agreed that the establishment of an Office of Inspector General was a desirable goal considering recent investigations into the highest level of government. The Committee recommended the Office of Inspector General be (1) endowed with all the powers and authority under state law; (2) independent from any office or government agent which it may investigate; and (3) supported by independent and adequate funding for operations.

ABOUT US

OUR VISION

To be a resource, a motivation, and an agent for positive, achievable, and sustainable change within Parish government.

OUR MISSION

To detect and deter fraud, waste, abuse, and illegal acts through independent oversight.

To promote efficiency in government by assisting in improving operations.

To provide increased accountability.

“We are the Jefferson Parish Office of Inspector General.
We work for you.”



MEET THE TEAM

03

Inspector General Kim Raines Chatelain, Attorney, CIG, CCEP, CFE, CIGE



Kim Raines Chatelain, originally from Louisiana, has 11 years of experience in the inspector general community. She earned a Bachelor of Arts in 1989 from Louisiana State University, Baton Rouge, LA and a Juris Doctorate in 1992 from Tulane University Law School, New Orleans, LA. She is a licensed attorney of 31 years. She is also a Certified Inspector General (CIG), a Certified Compliance and Ethics Professional (CCEP), a Certified Fraud Examiner (CFE), and a Certified Inspector General Evaluator (CIGE). She was appointed Inspector General in March 2022, having served as the 1st Assistant Inspector General since the office was created in 2013.

Deputy Inspector General Jeffrey Adolph, CIGI, CIGE



Jeffrey Adolph, originally from Louisiana, has 6 years of experience in the inspector general community. He earned a Bachelor of General Studies in 2008 from Louisiana State University, Baton Rouge, LA, and a Master of Business Administration in 2011 from the University of New Orleans, New Orleans, LA. Jeffrey Adolph is a Certified Inspector General Investigator (CIGI) and a Certified Inspector General Evaluator (CIGE). "I believe in the work of the JPOIG because our office fills the accountability gap between internal audit and criminal law enforcement agencies, while also informing citizens of the inner workings of Jefferson Parish government," Jeffrey Adolph, March 2024.

Deputy Inspector General Erica Smith, CPA/CFF, CFE, CIG, CIGA



Erica Smith, originally from Michigan, has 14 years of experience in the inspector general community. She earned a Bachelor of Science in Accounting in 2003 and a Master of Accounting in 2005 from the University of Florida, Gainesville, FL. She is a Certified Public Accountant (CPA), Certified in Financial Forensics (CFF), a Certified Fraud Examiner (CFE), a Certified Inspector General (CIG), and a Certified Inspector General Auditor (CIGA). "As oversight professionals, we add value to Parish government by ensuring our elected officials spend our public funds in accordance with laws and regulations," Erica Smith, March 2024.



MEET THE TEAM

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Special Agent/Evaluator Alaa Abuali, originally from Louisiana, earned a Bachelor of Arts in Criminology and Justice in 2019 from Loyola University, New Orleans, LA.

Administrative Aide Gina Dabdoub, originally from Louisiana, attended the University of New Orleans, New Orleans, LA.

Auditor/Evaluator Greg Lampard, J.D., CIGA, CFE, originally from Louisiana, earned a Bachelor of Arts in Political Science in 2006 from Loyola University, New Orleans, LA and a Juris Doctorate in 2009 from Loyola University College of Law, New Orleans, LA. He is a Certified Inspector General Auditor (CIGA) and a Certified Fraud Examiner (CFE).

Auditor/Evaluator (Part-time) Madison Martin, CPA, originally from Louisiana, earned a Bachelor in Accounting in 2010 and a Master in Business Administration in 2012 from Nicholls State University, Thibodaux, LA. He is a Certified Public Accountant (CPA).

Data Analyst/IT Specialist Ken Mahrle, originally from Michigan, earned a Bachelor of Science in Math and Education in 1978 from the University of Michigan-Dearborn, Dearborn, MI and a Master of Science in Computer Information Systems in 2001 from the University of Phoenix.

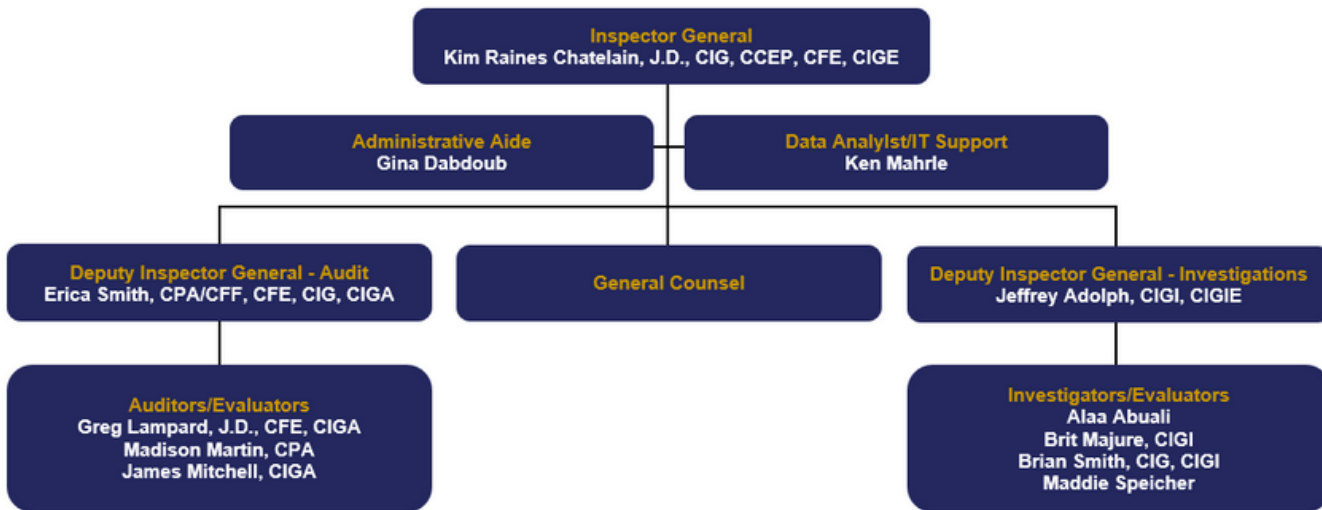
Special Agent/Evaluator Brit Majure, CIGI, originally from Mississippi, earned a Bachelor of Arts in Mass Communication in 2002 from Louisiana State University, Baton Rouge, LA and a Master of Political Science in 2016 from the University of New Hampshire, Durham, NH. She is a Certified Inspector General Investigator (CIGI).

Auditor/Evaluator James Mitchell, CIGA, originally from Massachusetts, earned a Bachelor of Arts in Anthropology in 1978 from Boston University, Boston, MA and a Master of Public Administration in 1981 from the University of Southern California, Los Angeles, CA. He is a Certified Inspector General Auditor (CIGA).

Special Agent/Evaluator Brian Smith, CIG, CIGI, originally from North Carolina, earned a Bachelor of Science in Management in 2010 and a Master of Science in Management in 2011 from The Johns Hopkins University, Baltimore, MD. He is a Certified Inspector General (CIG) and a Certified Inspector General Investigator (CIGI).

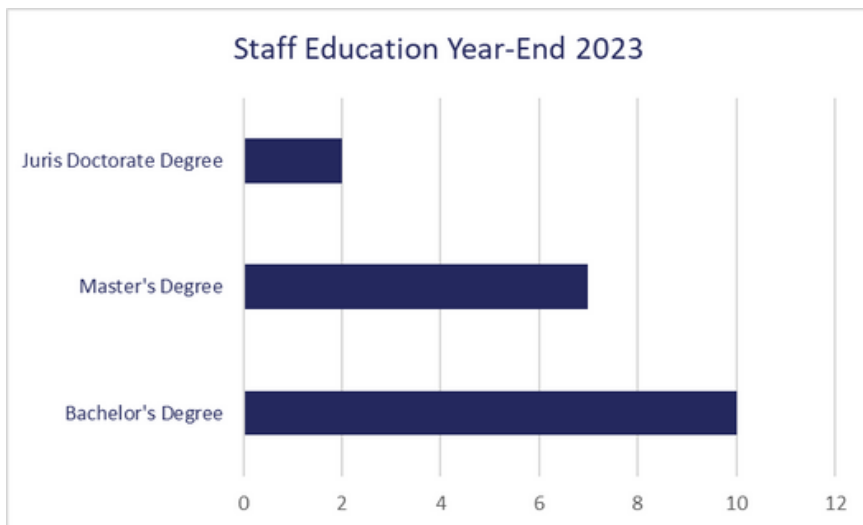
Special Agent/Evaluator (Intern) Maddie Speicher, originally from Texas, candidate for Bachelor of Science in Business (2024) from Tulane University, New Orleans, LA.

MEET THE TEAM



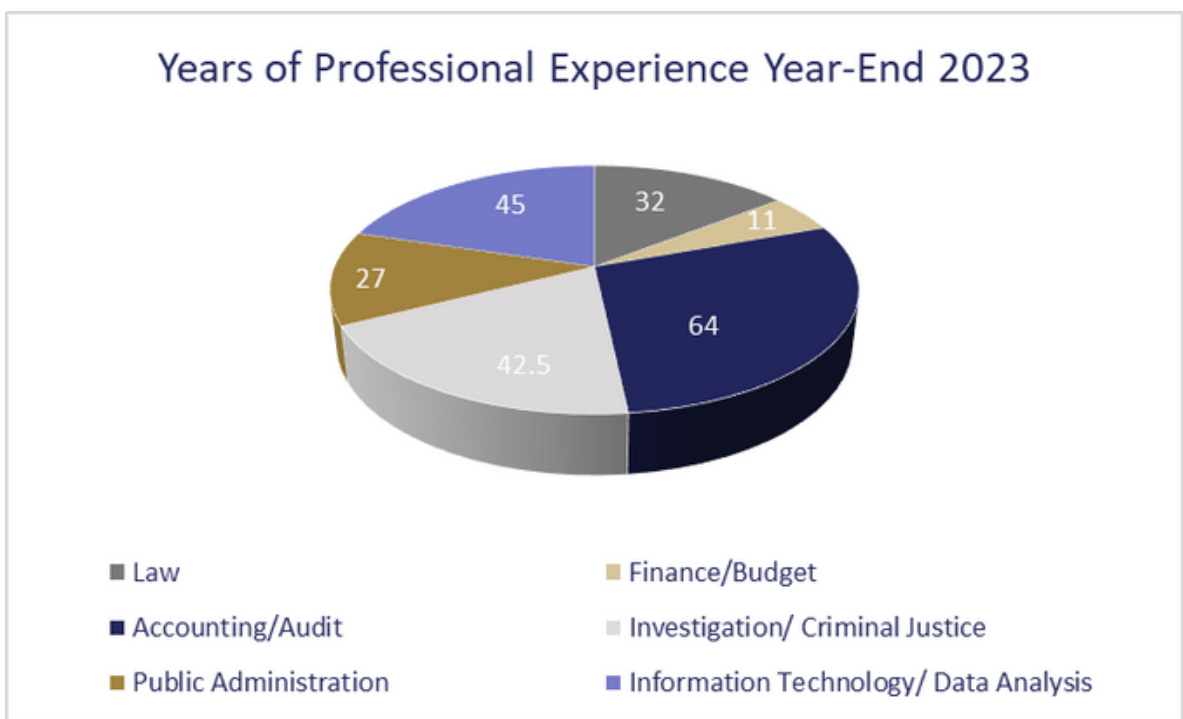
Staff Qualifications

The JPOIG is committed to recruiting and retaining staff who collectively possess a variety of knowledge, skills, and experience to ensure mission success for the office. We are proud of the individual, educational, and professional diversity of our staff. They come from six (6) states, including Louisiana. Our professional staff possess graduate degrees across a variety of disciplines.



MEET THE TEAM

All staff bring extensive experience in law, finance, budget, accounting, audit, investigations, criminal justice, public administration, information technology, and data analytics.



Office of Inspector General staff “should collectively possess the knowledge, skills, and experience needed to accomplish the OIG mission... The OIG should ensure that staff receive appropriate training and attain and maintain appropriate professional licensure and certification...” Association of Inspectors General, *Principles and Standards for Offices of Inspector General, Statement of Principles*.

MEET THE TEAM

The JPOIG is equally committed to the professional growth and development of staff. To achieve our mission, staff must understand when, where, and how fraud, waste, and abuse occurs. To succeed, staff must apply this understanding to the dynamic and diverse economic and political environment of Parish government. A defining attribute of our staff is their demonstrated commitment to acquire and maintain professional certifications across key areas of ethics, compliance, fraud examination, financial forensics, accounting, and inspectors general.



Collectively, our staff possess the diverse skills and professional experience to execute assignments across the functional areas of audit, evaluations, and investigations.



MANDATE

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The Jefferson Parish Charter states that the Office of Inspector General shall:

- Provide a program of investigation, audit, inspections, and performance review of Parish government operations to assist in improving operations and deterring and identifying fraud, waste, abuse, and illegal acts; and
- Provide increased accountability of Parish government, its departments, agencies, special districts, and entities receiving funds through the Parish, in order to preserve public trust.

JPOIG oversight responsibility extends across Parish government operations and functions to include:

- Expenditures of \$850 Million
- Assets of \$4.6 Billion
- 68 Parish Departments
- 49 Special Revenue Funds
- 7 Internal Service Funds
- 3 Enterprise Funds
- 31 Special Taxing Districts

Oversight responsibility also extends to individuals and organizations receiving Parish funds. In 2023, the Parish had 689 contracts with a value of more than \$621.2 million.

As a department of twelve professionals with a budget of just \$1.5 million, the JPOIG works to bring about change which will prevent fraud, waste, and abuse through public reports and other work.

Oversight Responsibility

Parish Assets
\$4.6 Billion



Expenditures \$850
Million



3,064 Employees



Inspector General Special Services Funding District

The JPOIG is funded by a dedicated property tax. In May 2011, the Parish Council created the Inspector General Special Services Funding District (the District) for the purpose of funding an Office of Inspector General and an Ethics and Compliance Commission. In October 2011, the citizens voted to authorize the levy of a tax on properties within the District for ten (10) years. The District's boundary is unincorporated Jefferson Parish. Property owners in Gretna, Harahan, Kenner, Westwego, Lafitte, and Grand Isle do not pay this tax. In November 2020, the citizens voted to renew the millage for another ten (10) years, i.e. through 2032.

Millage Rate Levied by Parish Council

Property taxes are levied by the Parish Council based upon assessed property values. Property tax is measured in "mills," with 1 mill representing 1/10th of 1% of the assessed property value. Every four (4) years the Parish Assessor evaluates property values. An adjusted millage rate is calculated which allows for an increase in property values but not taxes, i.e. tax revenue remains the same when property values increase because the millage rate is rolled back. The power to levy property taxes is with the Parish Council. The Parish Council can levy a property tax at the rate approved by voters or roll-back the millage. In 2011, the voters approved a .5 mill for the District which was collected in 2012. Four years later, properties were assessed, and the Parish Council rolled-back the District's millage rate to .48. In 2020, properties were assessed again, and the Parish Council rolled-back the District's millage rate to .47. The roll-backs keep funding for the JPOIG stable, but relatively stagnant. In 2022, the millage rate for the District returned to .5 when the citizens voted to renew the millage for another ten (10) years. In 2024, properties will be assessed again. The Parish Council can "roll-forward" the District's millage rate of .5 instead of adopting an adjusted rate. Maintaining a .5 mill would increase funding by approximately \$100,000 and allow for the cost of inflation. See the chart below for a summary of the District's millage rates, adjustments, and revenue generated.

Year	Assessments	Millage Rate	Millage Revenue
2011	Voted		
2012	Assessment Year	0.50	\$1,168,000
2013		0.50	\$1,212,849
2014		0.50	\$1,247,387
2015		0.50	\$1,266,536
2016	Assessment Year Roll-back	0.48	\$1,265,168
2017		0.48	\$1,261,307
2018		0.48	\$1,303,028
2019		0.48	\$1,304,036
2020	Assessment Year Roll-back	0.47	\$1,335,195
2021	Voted	.47	\$1,366,958
2022		.50	\$1,422,906
2023		.50	\$1,490,760



Cost of oversight = one cup of coffee a year.

BUDGET

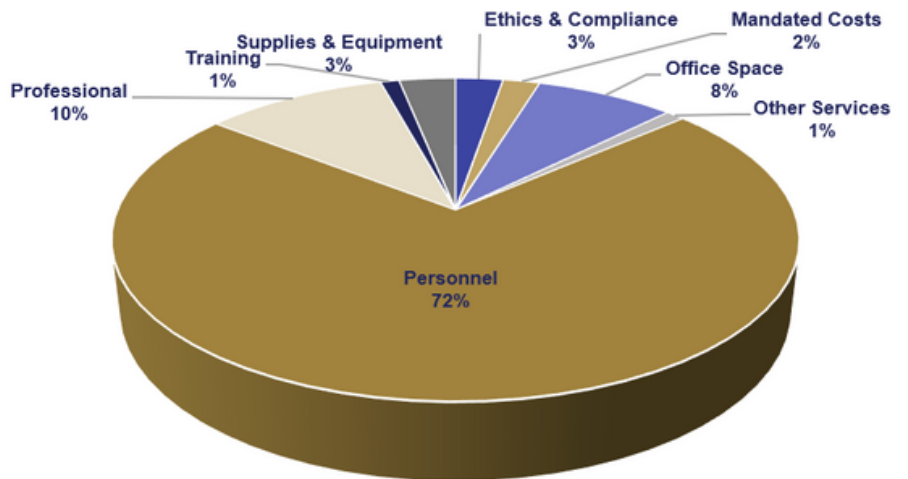
The JPOIG is a Parish department staffed by Parish employees. Each year the JPOIG must participate in the Parish budget process by preparing and transmitting an annual operating budget to the Parish Administration. The process begins in July when the Finance Department prepares revenue estimates for the upcoming year. The JPOIG receives a proposed budget with estimated revenue generated from the Inspector General Special Services Funding District and anticipated expenditures. Anticipated expenditures include allocated costs, mandated costs, and operational costs. Allocated costs to the JPOIG are for shared services provided by Parish government (e.g., computer service, central telephone service, etc.). Mandated costs are required charges (e.g., Assessor's Office and Sheriff's Office). Operational costs include personnel costs, supplies, leased space, professional services, etc. Because the JPOIG shares the revenue generated by the funding district with the Ethics and Compliance Commission (ECC), expenditures for both are submitted jointly for review and inclusion in the Parish budget. The Administration presents the proposed Parish budget to the Parish Council for approval by the end of the fiscal year (December 31).

The salaries for JPOIG employees are determined by the Inspector General. The Parish calculates related benefits (e.g., health benefits, Parochial retirement, and post-employment benefits). Personnel costs for 2023 were \$1,025,027, and represented 72% of the budget. By law, the JPOIG must be located off site from the General Government Building, which is located in Gretna, and the Yenni Building, which is located in Elmwood. The JPOIG leases space in Elmwood which is shared with the ECC. In 2023, leased space cost \$111,300.

To see the 2023 Parish budget, visit the Parish website. For a summary of 2023 JPOIG and ECC Revenue and Expenditures, see the tables and chart below.

2023 Expenditures	
Ethics & Compliance	\$38,023
Mandated Costs	\$29,520
Office Space	\$111,300
Other Services	\$14,984
Personnel	\$1,025,027
Professional	\$146,325
Training	\$15,054
Supplies & Equipment	\$45,071
TOTAL	\$1,425,303

2023 Summary of Revenue & Expenditures	
Revenue	\$1,593,839
Ethics & Compliance	\$38,023
JPOIG	\$1,387,281
Return to fund	\$168,535



LEVERAGING KNOWLEDGE

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In November 2023, the JPOIG published a report captioned “Lessons Learned,” the first of its kind from the office. It was a summary report on fire suppression and prevention services provided by private fire companies to Parish residents living in unincorporated West Jefferson, Lafitte, and Grand Isle. The report leveraged knowledge gained across ten years of audits and/or reviews of these fire companies.

Between 2013 and 2023, the JPOIG conducted 18 audits and/or reviews on these fire services. **The audits and/or reviews identified over \$28 million in questioned costs and funds or other assets at-risk for fraud, waste, or abuse.**

These audits and/or reviews assessed the use of public funds on expenses such as personnel, equipment, and fuel. This work included, by way of example:

- Reviewing policies, procedures, and other documents;
- Developing non-statistical samples and performing analyses;
- Reviewing financial records, including bank statements and invoices;
- Performing detailed analysis to test for compliance with contracts, laws, and regulations;
- Performing physical inventory counts of vehicles and equipment; and
- Conducting interviews with employees.

The “Lessons Learned” report offered a fresh outlook and understanding of the Parish’s method of providing fire prevention and suppression services. It highlighted persistent and pervasive problems, and it offered solutions for consideration. To read the “Lessons Learned” report, visit us at: <https://www.jpoig.net>.

NOVEMBER 8, 2023

LESSONS LEARNED

JPOIG 2023-0001

A summary report on fire suppression and prevention services provided by private fire companies to Parish residents living in unincorporated West Jefferson, Lafitte, and Grand Isle.

THE SOLUTIONS

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Consolidation of fire districts

Responding to the JPOIG Audit of Grand Isle VFC, the Parish Council said that it “initiated a process to consolidate several West Bank Fire Departments/Districts into one new fire district... The Council’s goal in establishing a new West Bank Fire District/Department is to cure many of the same problems listed in the draft audit of the Grand Isle Fire Department while at the same time increasing available man power and improving public safety.” The feasibility study is underway.



Consolidation of volunteer fire companies

The Parish Council may choose as an interim or alternative solution to engage in a Request for Proposal (RFP) process to solicit proposals from VFCs to compete for one or more contracts to provide fire prevention services currently provided by twelve individual VFCs. The RFP can address problems identified with current contracts in a statement of work. It may also result in fewer contracts with more specific terms to ensure the responsible use of public funds.



Review, re-negotiate, and amend contracts

The Parish Council may choose to review, re-negotiate, and amend current contracts as an interim or alternative solution to incorporate terms which would ensure the adoption and implementation of standardized policies for:

- Budgeting and purchasing;
- Payroll and timekeeping;
- Expenditures, including fuel;
- Vehicles and equipment;
- Cash, including bank reconciliations; and
- Other minimum operational standards, such as training.



LEVERAGING KNOWLEDGE

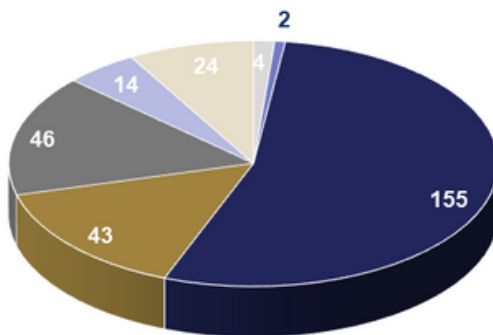
The JPOIG acquired a case management system (CMTS) in 2015, serving as a central hub for capturing reports of fraud, waste, abuse, and illegal activity received by the JPOIG. Additionally, it documents referrals to other enforcement agencies and stores crucial data that helps measure progress over the years.

In 2023, the JPOIG initiated an update to CMTS. This update allowed the JPOIG to utilize existing data for the development of a Findings Tracker. This tracker will offer insights into various aspects over the office's lifespan, such as:

- Total Costs Identified by the JPOIG
- Status of Findings
- Types of Findings reported by the JPOIG

Work on the Findings Tracker began in 2023 and will be fully realized in 2024. The JPOIG Findings Tracker is a testament to operational transparency for the public.

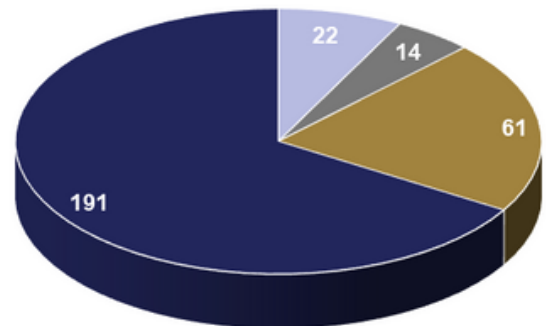
Category of Findings



- Abuse
- Fraud
- Internal Control Deficiencies
- Non-Compliance of Contracts/Grant Agreements
- Non-Compliance of Laws/Regulations
- Positive Finding
- Waste

Type of Costs	Total
Avoidable Costs	\$ 17,430,452
Funds Recovered	\$ 6,112
Fraud	\$ 5,012
Funds-at-Risk	\$ 17,553,677
Revenues Generated	\$ 247,277
Potential Economic Loss Prevented	\$ 78,479
Waste - Abuse	\$ 1,910,189
Questioned Costs	\$ 28,524,840
Total Costs Identified	\$ 65,756,038

2013-2023 Status of Findings



- Partially Resolved
- Positive
- Resolved
- Unresolved

288

Number of Findings 2013-2023

MILESTONES

13

The JPOIG's value to Parish government can be measured in dollars. Each year, the office reports what it identified as questioned costs, but the impact of the office cannot be measured solely in dollars. Since 2013, the office pursued matters that bear on core principles of transparency, accountability, ethics, and integrity in government. Good government is achieved by deterring fraud, waste, abuse, and illegal acts as much as detecting it. Below are important milestones marking significant achievements and valuable partnerships.

Entities To Which Information Was Referred
External - Federal Agency - DOL
External - Federal Agency - FBI
External - Federal Agency - HHS OIG
External - Federal Agency - Homeland Security
External - Federal Agency - HUD OIG
External - Federal Agency - National Park Service
External - Federal Agency - U.S. Coast Guard
External - Local Agency - Assessor
External - Local Agency - District Attorney
External - Local Agency - Harahan PD
External - Local Agency - JPSO
External - Local Agency - Kenner PD
External - Local Agency - NOLA OIG
External - State Agency - Board of Ethics
External - State Agency - Contractor Board
External - State Agency - LA Attorney Disciplinary Board
External - State Agency - LA Dept. of Health
External - State Agency - LA OIG
External - State Agency - LA State Police
External - State Agency - LA State Uniform Construction Code Council
External - State Agency - LLA
External - State Agency - Office of Motor Vehicles
Internal - Administration - Citizens' Affairs
Internal - Administration - Development - Inspection and Code Enforcement
Internal - Administration - Parish Attorney
Internal - Administration - Parks and Recreation
Internal - Administration - Water Department
Internal - Local - JP Clerk of Court
Internal -Administration - Office of the President

8

Number of Arrest Warrants/Arrests
2013-2023

93

Number of Referrals
2013-2023

Referrals Made	
Per Year	Total
2013	1
2014	8
2015	1
2016	12
2017	9
2018	4
2019	11
2020	21
2021	11
2022	3
2023	12
Grand Total	93



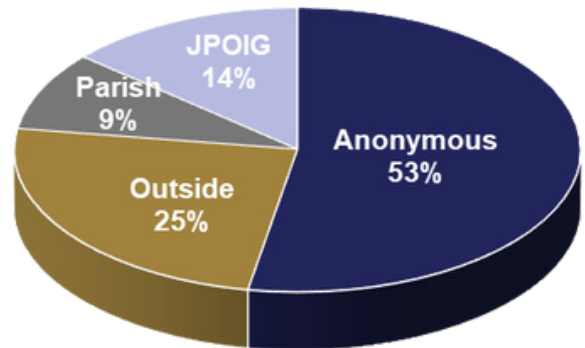
MILESTONES

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Intakes

Throughout the years, the JPOIG has relied greatly upon information received from internal and external sources about fraud, waste, abuse, illegal acts, unethical conduct, and questionable behavior within government. More than seventy-five percent (75%) of the information received by the JPOIG was provided by an anonymous source or individual outside of Parish government. The JPOIG receives information in several ways: (1) a complaint link on the JPOIG website; (2) telephone; (3) in person; or (4) post or national carrier.

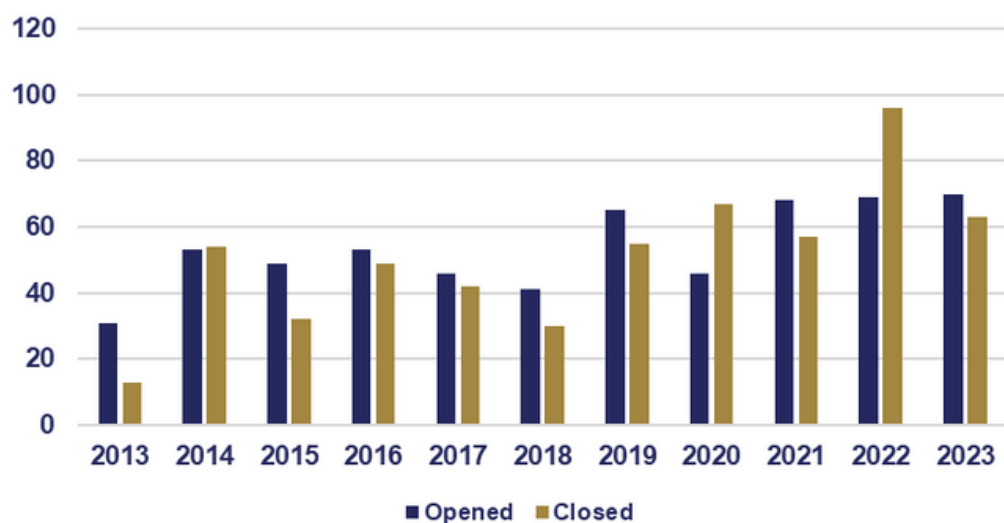
2013-2023 Intake Sources



591

Intakes Opened 2013-2023

Intakes Opened vs. Closed per Year



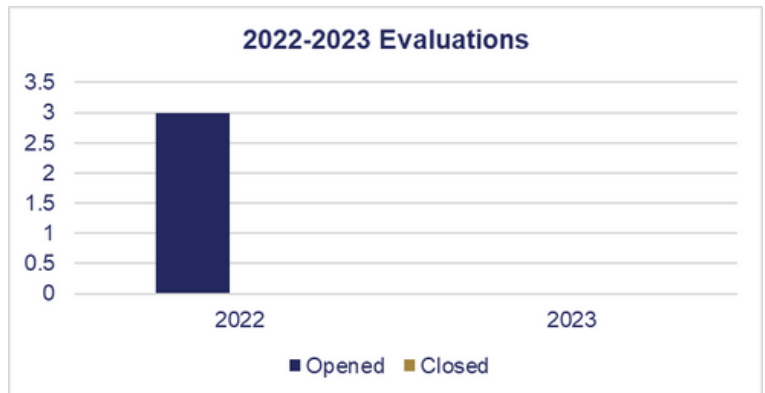
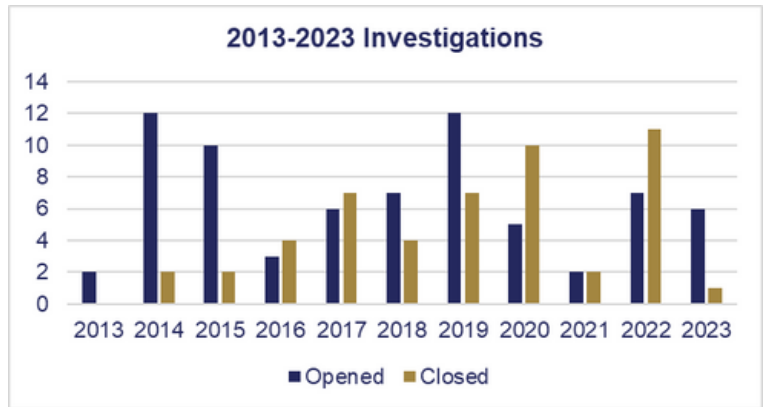
MILESTONES

Investigations, Audits, and Evaluations

The number of investigations, audits, and evaluations opened and closed vary from year to year. They may not be opened and closed in the same year. The time between opening and closing can vary depending upon a number of factors including: (1) resource availability; (2) complexity; and (3) cooperation from individuals or entities with a relationship to the investigation, audit, or evaluation. Investigations may remain open for a longer period of time if the matter has been referred to another law enforcement agency.

Reports, Position Papers, and Legislation

Investigations, audits, and evaluations lead to published reports. The JPOIG also publishes position papers on matters of importance. We also work cooperatively on improved legislation.



16
Position Papers
and Memoranda

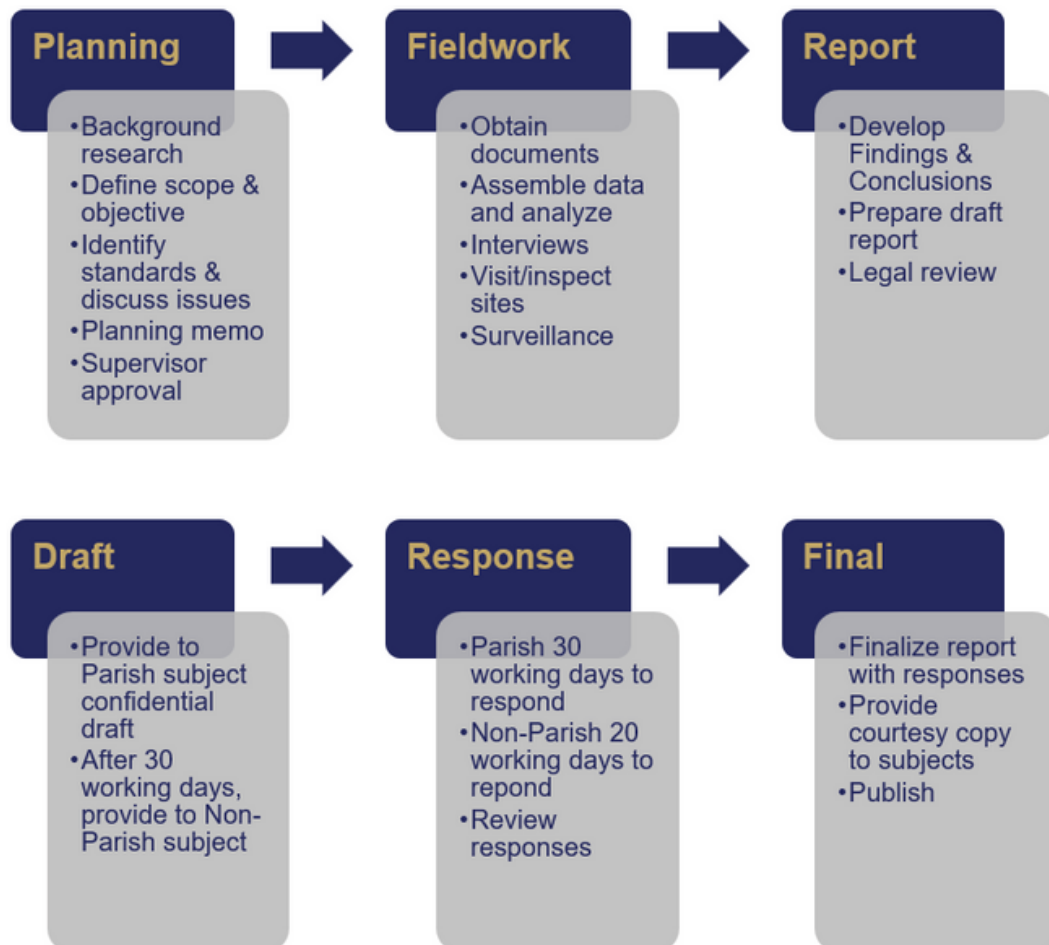
64
Public Reports
2013-2023

6
Amended
Ordinances
related to JPOIG

REPORTS

During 2023, the JPOIG reported on oversight activity which included investigative, audit, and evaluation activity. Investigative reports were developed based upon information provided to or learned by the JPOIG. Audit reports were the product of planned audit activity. Evaluations are ongoing.

Investigations, audits, and evaluations which result in a public report follow a similar process. This process reflects compliance with both professional standards and the Jefferson Parish code of ordinances:



“Prior to concluding a report or recommendation, which contains findings as to the person or entity being reported or who is the subject of the recommendation, the inspector general shall provide the affected person or entity an opportunity to respond by providing a copy of the report or recommendation.” Jefferson Parish Code of Ordinances, Section 2-155.10 (9), Office of Inspector General.

Investigative Activity

The JPOIG initiates and conducts investigative activity in compliance with the *Principles and Standards for Offices of Inspectors General* (Green Book) promulgated by the Association of Inspectors General. Investigative activity took place under the supervision of Deputy Inspector General Jeffrey Adolph.

JPOIG investigative activity includes:

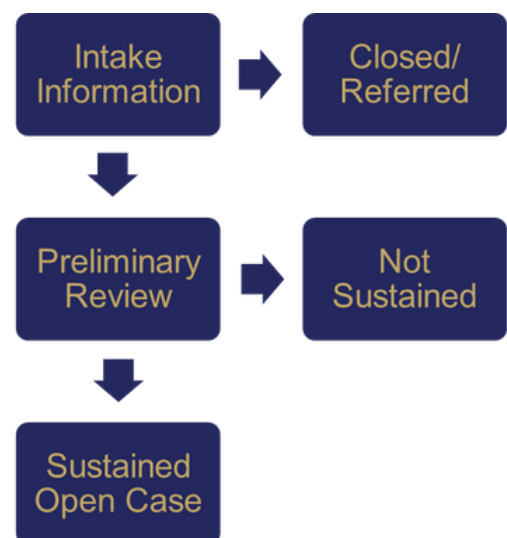
- Receiving and processing information about fraud, waste, abuse, and illegal acts;
- Referring information about fraud, waste, abuse, and illegal acts to local, state, and federal regulatory and law enforcement agencies;
- Investigating fraud, waste, abuse, and illegal acts;
- Working jointly with other local, state, and federal regulatory and law enforcement agencies;
- Providing investigative support to audit; and
- Serving subpoenas, when necessary.

Intakes

Information is key to preventing and detecting fraud, waste, abuse, and illegal acts within government. The JPOIG systematically captured, tracked, maintained, and assessed information received.

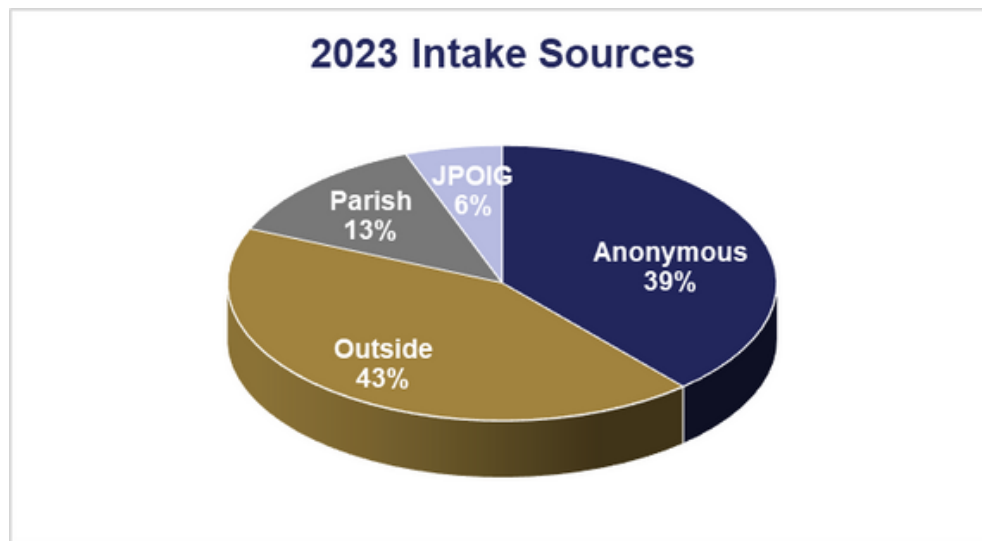
The JPOIG deployed a three-step process:

1. Intake Information: Information is initially received as an Intake. An Intake may be closed if the JPOIG lacks jurisdiction to act. If another enforcement agency has jurisdiction, then the information is referred. If the JPOIG has jurisdiction, the intake proceeds to a preliminary review.
2. Preliminary Review: During a preliminary review, the JPOIG works to validate information provided through independent research, inquiry, examination, and analysis. If the information cannot be validated, the Intake is closed as not sustained or declined.
3. If information can be validated, the Intake will proceed to a case, resources permitting.



The JPOIG opened 70 Intakes in 2023. The sources for Intakes were balanced between anonymous individuals and known individuals outside of Parish government:

- 30 Intakes were generated from information provided by known individuals outside of Parish government, and included referrals from other enforcement, integrity, or oversight entities;
- 27 Intakes were generated by persons wishing to remain "Anonymous." These individuals may be Parish employees or individuals who are otherwise connected to the Parish;
- 9 Intakes were generated from information provided by Parish employees, officials, board members, or the like; and
- 4 Intakes were generated from information developed or learned by the JPOIG staff.



The JPOIG staff also closed 63 Intakes. Intakes are closed when information is validated, and a case is opened. Intakes may also be closed due to a lack of resources to work information which can be validated. Finally, Intakes are closed when information cannot be validated.

Cases

From 2023 Intakes, the JPOIG opened six (6) new investigative cases. The JPOIG also closed one (1) case in 2023 which resulted in a public report. Cases may be closed due to inadequate resources to develop sufficient information to satisfy professional standards and develop a public report.

Referrals

The JPOIG made twelve (12) referrals to outside enforcement entities. Records of referrals may be confidential depending upon the nature of the information, agency, or legal restrictions.

JPOIG #2022-0038 Security Services Contracting

Published
October 25

Objectives: The investigative objectives were: (1) to determine if the Parish contracted with a vendor who did not possess the requisite state licenses, and (2) if so, to determine if there were sufficient controls to prevent it. The investigation also considered whether there was a preventable loss or avoidable risk had the Parish acted on the JPOIG's findings and recommendations in its two previous reports related to the Parish's contract for security services.

Investigative Highlights: The JPOIG examined the qualifications of New Era Technology, L.L.C. (New Era) who provided security services to the Parish since 2015. The investigation also re-examined past contracts with New Era for security services as well as advertised Request for Proposals (RFPs) for security services.

We found that the Parish Council approved contract(s) with a vendor, New Era, who did not possess the required state license because (1) services were not procured via RFP as required by ordinance, and (2) where services were procured via RFP, the RFP was not properly prepared. We also found that New Era, as an unqualified proposer, was recommended for selection to the Parish Council because proposals were not evaluated on specific required experience and technical expertise. Finally, we found that the Parish Council selected a contractor where there was no proper disclosure of a subcontractor.

We recommended the Parish Council amend an ordinance to prevent this from happening again. We also recommended the Parish, specifically the Parish Attorney and Purchasing Department, create a process to systematically review RFPs and negotiated contracts to ensure compliance with applicable laws. We also recommended the Parish develop evaluation criteria which specifically correlates to the qualifications advertised in the RFP. Finally, we recommended the Parish review existing forms relied upon by the Purchasing Department and modify them to support compliance.

**Questioned Costs of \$5,119,688**

Audit Activity

The JPOIG initiates and conducts audit activity in compliance with the Principles and Standards for Offices of Inspectors General (Green Book) promulgated by the Association of Inspectors General. These standards call upon the office to adopt one of two national standards: (1) Standards for the Professional Practice of Internal Auditing, commonly referred to as the "Red Book"; or (2) Generally Accepted Government Auditing Standards (GAGAS), commonly referred to as the "Yellow Book". Audit activity took place under the supervision of Deputy Inspector General Erica Smith as of July 2022.

The JPOIG started one (1) new audit in 2023 and closed three (3) audits. Audits can start in one year and end in another depending the time of year. There are three (3) audits planned for 2024.

Audit Report

The JPOIG published two (2) audit reports and one (1) follow-up audit report in 2023. The JPOIG also published "Lessons Learned," a summary report of past audits of volunteer fire companies. A summary of these reports follows.



JPOIG #2022-0025: Nine Mile Point Volunteer Fire Company

Published
February 1

Objectives: The audit objectives were: (1) to determine the adequacy of internal controls; (2) to ensure that funds were spent in accordance with governing laws and the fire district millage restrictions; and (3) to assess compliance with the Fire Protection Agreement. The scope period of the audit was 01/01/2021 through 12/31/2021 and included all public fund expenditures during that period.

Audit Highlights: The JPOIG's testing revealed numerous areas that lacked basic internal controls over payroll, expenditures, vehicles, and fuel. The Nine Mile Point Volunteer Fire Company (NMP VFC) created a "Longevity Pay Policy" that allowed fulltime employees to receive annual bonuses which totaled \$2,355 which may violate the Louisiana Constitution and the Fire Protection Agreement. We also noted a lack of payroll internal controls that could result in employees being paid for hours they did not work. Expenditures did not contain evidence of written approval prior to payment. The JPOIG also noted a lack of internal controls over vehicles and fuel. The NMP VFC did not submit a current vehicle inventory report to the Office of Fire Services nor did it title its vehicles to the fire district as required by the contract. Employees did not put accurate odometer readings in the fuel management system which could result in fuel being dispensed for personal or unauthorized purposes. The JPOIG also noted some positive findings: NMP VFC maintained an accurate inventory of vehicles at its stations; complied with federal and state overtime laws; and prepared the bank reconciliations properly.

**Questioned Costs of \$2,355****At-risk Dollars of \$1,987,760**

JPOIG #2022-0028: Bridge City Volunteer Fire Company

Published
July 14

Objectives: The audit objectives were: (1) to determine the adequacy of internal controls; (2) to ensure that funds were spent in accordance with governing laws and the fire district millage restrictions; and (3) to assess compliance with the Fire Protection Agreement, dated 11/15/2017. The scope period of the audit was 01/01/2021 through 12/31/2021 and included all public fund expenditures during that period.

Audit Highlights: The JPOIG's testing revealed numerous areas that lacked basic internal controls over payroll, expenditures, vehicles, and fuel. The BC VFC created a "Tenure Pay Policy" that allowed full-time employees to receive an additional \$4,120 in annual compensation. This program may violate the Louisiana Constitution and the Fire Protection Agreement. The BC VFC also paid off-duty firefighters \$1,693 in public funds to work private fundraisers which may have violated the Fire Protection Agreement.

We also noted a lack of payroll internal controls that could result in employees being paid for hours they did not work. Expenditures did not contain evidence of written approval prior to and/or after payment. The JPOIG also noted a lack of internal controls over vehicles and fuel. The BC VFC did not submit a current vehicle inventory report to the OFS nor did it title all vehicles properly. Finally, employees did not consistently put accurate odometer readings in the fuel management system which could result in fuel being dispensed for personal or unauthorized purposes.

The JPOIG also noted several positive findings. The BC VFC maintained an accurate inventory of vehicles at its stations and prepared the bank reconciliations properly, and someone other than the preparer reviewed those reconciliations.

**Questioned Costs of \$5,813****At-risk Dollars of \$365,806**

REPORTS

JPOIG #2023-0002: Security Services Follow-up

Published
October 25

Objectives: On 04/23/2020, the JPOIG issued an audit titled Security Services Contracting. The audit resulted in eight findings pertaining to the Parish’s Security Services Contract with New Era Information Technologies, LLC (New Era). In 2023, the JPOIG conducted a follow-up audit. The objective of the follow-up audit was to determine if the Parish resolved the findings noted in the initial audit by implementing corrective actions. The scope period was 01/01/2021 through 12/01/2022.

Audit Highlights: The original audit resulted in eight (8) findings. As shown in the table below, the JPOIG determined that one (1) finding was resolved; four (4) findings were partially resolved; and three (3) findings were not resolved. The JPOIG notes that the original audit was issued under a previous Administration and Director of Security.

Follow-up Summary				
Finding	Finding Description	Resolved	Unresolved	Partially Resolved
1	The Security Services Contract did not establish limits or criteria.			✓
2	The Parish did not effectively utilize existing controls to ensure that vendors do not exceed contract limits.		✓	
3	VEC did not provide support for labor costs to New Era, and New Era did not request support for invoices.			✓
4	VEC did not provide support for equipment costs to New Era, and New Era did not request support for invoices.			✓
5	New Era billed the Parish for sales taxes.			✓
6	The Parish approved invoices for equipment and labor costs that exceeded the rates stipulated in the contract.		✓	
7	Contractors were not required to provide evidence of a written agreement with subcontractors.		✓	
8	The Director of Security did not provide comprehensive recommendations on security measures.	✓		



Questioned Costs of \$293,310

Objectives: The objective was to gain perspective and understanding on how the Parish provides fire prevention and suppression services to unincorporated West Jefferson, Lafitte, and Grand Isle residents utilizing (1) findings made in previous audits and/or reviews conducted by the JPOIG; (2) responses to surveys from volunteer fire companies; (3) information available from public filings and records.

Audit Highlights: The Parish contracts with volunteer fire companies (VFCs) to provide fire suppression and prevention services to unincorporated West Jefferson, Lafitte, and Grand Isle residents through cooperative endeavor agreements. The VFCs received roughly \$21.6 million per year in public funds to provide these services. Between 2013 and 2023, we conducted 18 audits and/or reviews. **We identified over \$28 million in questioned costs and funds or other assets that were at risk for fraud, waste, or abuse by VFCs.** We learned:

- \$8.5 million in funds were misspent;
- Expenditures and timecards were not approved;
- Pay was not properly calculated and/or falsified;
- Employees cashed out more leave than they earned;
- Trucks and vehicles were not properly titled;
- VFCs had outdated and inaccurate inventory records; and
- VFCs were “Not in Good Standing” with the State of Louisiana.

Description	Amount
Prohibited Expenditures	\$8,532,547
At-Risk Payroll	\$2,838,685
Avoidable/Unnecessary Payroll	\$460,449
Inaccurate Payroll	\$131,096
Falsified Payroll	\$47,076
Unsupported Expenditures	\$176,465
At-Risk Expenditures	\$425,247
At-Risk Vehicles	\$15,674,278
At-Risk Fuel	\$152,753
TOTAL	\$28,438,596

Based upon responses to surveys and information available from public filings, issues identified in these audits and/or reviews remain persistent and pervasive. We proposed three possible solutions:

- Consolidate fire districts into one fire district;
- Engage in a Request for Proposal process to identify a single VFC with whom to contract; or
- Review, re-negotiate, and amend current contracts with VFCs.

Evaluation and Inspections Activity

Evaluations and inspections are new functions to the office. The JPOIG initiates and conducts evaluation activity in compliance with the Principles and Standards for Offices of Inspectors General (Green Book) promulgated by the Association of Inspectors General.

We have two on-going evaluations and inspections.

JPOIG # 2021-0019 East Bank Consolidated Fire/Volunteer Fire Drug Testing

Objectives: An evaluation of drug testing policies to determine whether policies are adequate to address public safety. Estimated completion date of 03/31/2024.

JPOIG # 2022-0020 Personnel - Hiring Practices

Objectives: An evaluation of departments ability to efficiently and effectively recruit employees and provide departments with qualified candidates for employment. Estimated completion date of 12/31/2024.



RISK ASSESSMENT

The JPOIG conducts an annual risk assessment. A risk assessment is a systematic process of identifying, analyzing, and evaluating the risk of an event occurring that adversely impacts operations or objectives. The JPOIG risk assessment identifies relevant risks to the Parish so we can initiate audits, evaluations, and investigations to mitigate those risks. The process also provides a framework for prioritizing current and future projects so resources are allocated efficiently and effectively. The JPOIG utilizes a six-step process to conduct a risk assessment.

Process Overview

Step
1

Understand the Audit Universe. The audit universe was defined to be 150 departments and functions within Parish government. The universe was developed using the Parish's 2023 Annual Budget book.

Step
2

Research. The JPOIG met with elected officials, directors, and others to discuss risks. The JPOIG reviewed: (1) the Parish Annual Comprehensive Financial Report (ACFR); (2) Council minutes; (3) internal and external audit reports; (4) intelligence and information developed by the JPOIG; and (5) media articles and other publicly available information.

Step
3

Risk Assessment Criteria. The JPOIG developed risk criteria using professional judgment, knowledge of Parish government, and results of research. A risk assessment worksheet was created using risk criteria to assess departments and/or functions comprising the audit universe.

Step
4

Assess Risk and Risk Interactions. Departments and/or functions were scored against risk criteria using a score of 1-10, with 1 representing low risk and 10 representing high risk. The JPOIG used professional judgment to assign scores.

Step
5

Prioritize Risk. Scores were added, and high risk areas were identified based upon total risk scores. The JPOIG ranked each department and/or function from highest risk to lowest risk.

Step
6

Develop a Risk-Based Work Plan. The JPOIG staff discussed the risk assessment results and identified high risk areas. The JPOIG staff considered the results within the context of on-going JPOIG matters to identify projects, weigh resources, and establish priorities for 2024 Work Plan.

RISK ASSESSMENT

Each year the Inspector General prepares a Work Plan which includes risk assessment criteria. Our risk assessment considered three overall risk categories: (1) Dollars-At-Risk; (2) Operational Risk; and (3) Political Risk. As outlined below, each overall risk category contains specific risk areas that the JPOIG assessed.

Risk Criteria

High-Level Risk Category: Dollars-At-Risk

Fraud Risk	The risk of fraud, waste, or abuse involving financial transactions occurring within a department, vendor/supplier, or component entity.
Corruption Risk	The risk of corruption by public officials with influence or management authority over the activities of a department, vendor/supplier, or component entity.
Theft Risk	The risk that inventory or equipment is not managed, maintained, or safeguarded and could be diverted from government coffers.

High-Level Risk Category: Operational Risk

Compliance Risk	The risk that the department, vendor/supplier, or component entity does not comply with professional standards and/or federal, state, or local laws and may result in fines, penalties, or fees.
Management Ineffectiveness	The risk that management is ineffective or mismanages operations, personnel, or assets.
Employee Risk	The risk that the department, vendor/supplier, or component entity does not have competent people in the proper jobs to perform critical Parish services.
Technological Inadequacy	The risk of technology being inadequate, outdated, or ill-used, and produces insufficient or unreliable information.
Process Risk	The risk that policies may be immature, outdated, not well-documented, and/or not regularly communicated to employees.

High-Level Risk Category: Political Risk

Political Pressure	The risk that political pressure could adversely impact or influence the department, vendor/supplier, or component entity.
Political Change	The risk that the political environment and/or legislative changes may adversely impact strategic planning or other operational processes.

RISK ASSESSMENT

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Risk Assessment Results

The risk assessment process identified these high-risk areas:

1. East Bank Consolidated Fire Services

East Bank Consolidated Fire Department is responsible for providing fire rescue, suppression, and prevention. It also provides Parish-wide arson investigations, response, and fire dispatching for all of Jefferson Parish. In 2023, it had a \$50 million adopted budget and reported 283 positions.

2. Personnel Department

The Personnel Department is responsible for the personnel functions, including policies, rules, job classifications, administration, recruitment, employment, applicant certification, and employee appeals for positions in the Parish Classified Service. In 2023, it had a \$2 million adopted budget and reported 21 positions.

3. Purchasing Department

The Purchasing Department provides central procurement services for all Parish departments' requests for services, equipment, supplies, and public works projects. In 2023, it had a \$1.3 million adopted budget and reported 15 positions.

4. Consolidated Recreation (Recreation)

The Recreation Department operates community centers, parks, Bucktown Marina, and Bonnabel Boat Launch. It promotes athletics and provides activities to fit leisure needs of citizens. In 2023, it had a \$3.5 million adopted budget and reported 321 positions.

5. Public Works Administration

Public Works Administration is an internal service fund consisting of the Public Works director and other public works departments who work to consolidate services and eliminate duplication. In 2023, it had a \$3.7 million adopted budget and reported 30 positions.



JPOIG relies upon professional judgment to select and plan projects based upon:

- risk assessment results;
- staff expertise; and
- available funding.

Resources do not allow audits or evaluations of all high risk areas.

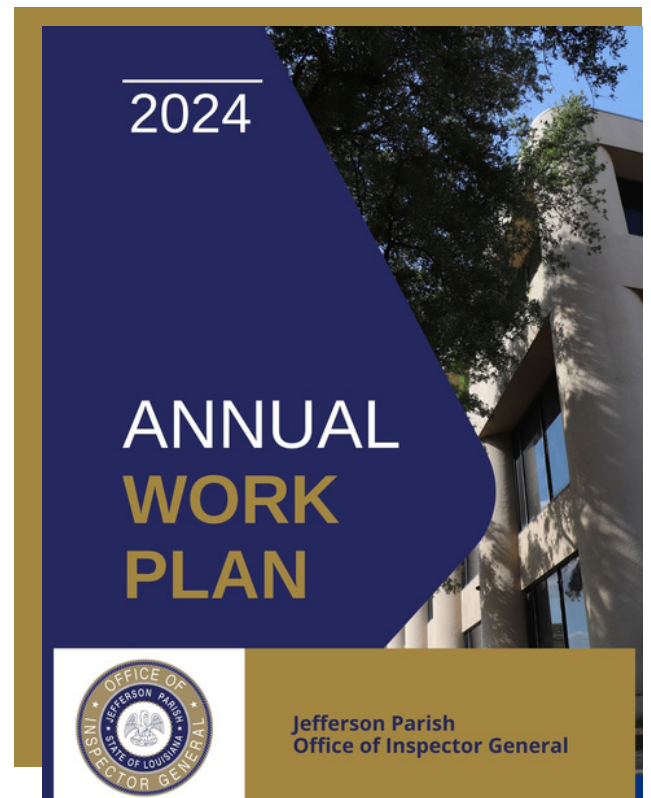


ANNUAL WORK PLAN

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We are required by Parish ordinance to present an annual work plan for the upcoming year. The plan must include a schedule of projects and risk assessment criteria. Our planned projects for 2024 focus on the highest-risk areas identified by our risk assessment. Planned projects are focused on areas that would most benefit Parish government and the public.

Our annual work plan includes planned audits, evaluations, and inspections. The primary purpose of audits is to test whether public dollars are spent in compliance with policies, laws, and regulations. The primary purpose of evaluations is to increase efficiency and effectiveness within government. Audits and evaluations assure increased accountability and serve as a resource to improve operations.



To see more details about the 2024 Annual Work plan, visit us at: <https://www.jpoig.net>



ANNUAL WORK PLAN

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2024 Planned Audits

East Bank Consolidated Fire Department Sick Leave

An audit to examine the nature and extent of sick leave usage to determine if it is used appropriately and taken in accordance with laws and regulations.

East Bank Consolidated Fire Department Overtime/Payroll

An audit to examine the nature and extent of overtime usage to determine if it is reasonable and payments are accurate and paid out in accordance with laws and regulations.

Contract Oversight & Monitoring

An audit to determine if Parish Departments are providing adequate contract oversight and monitoring to ensure that the Parish is receiving the goods and services required in its contracts.



2024 Planned Evaluations and Inspections

Hospital Service District No. 1 (West Jefferson Medical Center)

- An evaluation to determine whether capital improvements were made to West Jefferson Medical Center (WJMC) in accordance with terms of contract.
- An evaluation to determine whether proceeds derived from lease of WJMC are expended in compliance with applicable laws and regulations.

Booster Clubs

An evaluation to determine compliance and performance with applicable terms of contracts and laws and to assess efficiency of use of public property.

Monitoring Council Discretionary Funds

A transparency initiative to capture expenditure of Council discretionary funds by Council district and across sources of revenue.

COMMITMENT TO EXCELLENCE

All JPOIG projects are completed in accordance with applicable standards. Work is subject to both external and internal quality assurance measures.

Bimonthly Reports to the Ethics and Compliance Commission

The Ethics and Compliance Commission (ECC) is an independent oversight authority, separate from the JPOIG. Like the JPOIG, it was established by the Parish Charter. The ECC meets regularly. At each meeting, the ECC hears a report from the Inspector General which includes status updates, a presentation of recent public reports, and a report on short-term and long-term challenges to the office. The meetings are open to the public.

Annual Review by the Quality Assurance Review Committee

Each year, our final published reports from the preceding year are reviewed by the Quality Assurance Review Committee (QAR). Finalized public audits, investigations, inspections, and performance reviews which have been published by the Office of Inspector General shall be subject to annual quality assurance reviews by an advisory committee to include one (1) representative named by the Parish Council, one (1) representative named by the Parish President, and one (1) representative named by the Ethics and Compliance Commission. Jefferson Parish Code of Ordinances, Section 2-155.10(16), Office of Inspector General. In recent years, the QAR has been composed of the following members:

- John Benz (Chairman) - Council Appointee;
- Duke McConnell - Administration Appointee; and
- Jim Letten - Ethics and Compliance Commission Appointee.

The QAR annually reports on conclusions reached and any response made by the Inspector General. The report is presented at a public meeting scheduled after publication of the Inspector General's annual report but not later than May 31st. In the most recent report, the QAR noted:

Having read, reviewed, analyzed and discussed the OIG's reports for 2022, the Review Committee unanimously agrees once again that Inspector General Kim Chatelain and her very capable, highly qualified staff, continues their thorough, ethical, and effective manner in arriving at and presenting the results of their investigations, positions, recommendations and monitoring reports with the primary goals of providing genuine transparency, thereby deterring and reducing fraud, waste and abuse -- as well as simply offering in some instances options and recommendations for more efficient and cost-effective expenditure of taxpayer's money.

COMMITMENT TO EXCELLENCE

Triennial Review by the Peer Review Committee

Every three years, the JPOIG undergoes a peer review by the Association of Inspectors General (AIG). The AIG is a national organization whose members include inspectors general from federal, state, and local government. JPOIG audits, investigations, inspections, and performance reviews must be initiated and conducted in accordance with AIG Principles and Standards for Offices of Inspectors General (Green Book). These standards include:

- Planning;
- Organizing;
- Staff qualifications;
- Direction and control;
- Reporting;
- Confidentiality; and
- Quality assurance.

Our professional standards require an external peer review to determine if our internal quality control system is suitably designed and operating effectively. The AIG Peer Review provides assurance that the JPOIG is following established policies and procedures and applicable standards.

Internal Review

As part of the internal quality assurance and improvement efforts, the JPOIG reviews professional standards and implements internal policies and procedures. The JPOIG developed a manual that conforms to the Principles and Standards for Offices of Inspectors General (Green Book) promulgated by the Association of Inspectors General. The JPOIG staff also participates in various training activities to consistently grow and diversify knowledge, skills, and experience.

“The office of inspector general shall be subject to peer review by the Association of Inspectors General every three (3) years. Such peer review shall be paid for by the office of the inspector general... Copies of the written report resulting from this peer review shall be furnished to the ethics review board, parish council, and the parish president. This report shall also be made available to the public, when such process is completed.” Jefferson Parish Code of Ordinances, Section 2-155.10 (16)(b), Office of Inspector General.



STORIES THAT CONNECT

Community Engagement

We work to be informed about our community and to inform the community about the work we do. We engage with local civic associations and business organizations to educate the community about the mission of our office and to discuss our recent reports. This engagement helps the community to understand the role of the JPOIG, our objectives, and our challenges. It also allows the JPOIG to listen to the concerns of the community. In 2023, we were privileged to present before the following organizations:

- Woodmere Civic Association;
- Westbank Civic Coalition;
- River Region Republican Women’s Club;
- Terrytown Civic Association; and
- Jefferson Chamber Governmental Affairs Committee

We value the opportunity to engage with the public and to educate the public about the work of oversight professionals. We can be contacted to speak at: <https://www.jpoig.net/contact-us/request-a-speaker>.

Throughout 2023, Inspector General Kim Chatelain was interviewed by local print and television news stations about the work of the office and published reports. Media engagement helps us to educate and raise awareness about the impact of oversight on local government.

We also regularly engage with the community through posts to our website, press releases, and social media posts. Our reports can be read in full by visiting us at: <https://www.jpoig.net/reports-news-info/reports-memorandums-correspondence>. To understand more about the work we do, you can also view our FAQs.



STORIES THAT CONNECT

Professional Engagement

We are also active participants within our professional communities. Developing and maintaining relationships with others working as oversight and government integrity professionals ensures that we are always learning and always leading.

Inspector General Kim Raines Chatelain and Deputy Inspector General Erica Smith serve on the Board of Directors for the Association of Inspectors General (AIG), a national non-profit organization committed to standards of excellence among inspectors general and educating those doing the work. Kim Raines Chatelain serves as 2nd Vice-Chair and Deputy Inspector General Erica Smith serves on the Executive Committee. Both have instructed at the AIG training courses. They were joined this year by Deputy Inspector General Jeffrey Adolph.

Inspector General Kim Raines Chatelain and Deputy Inspector General Jeffrey Adolph actively participate in the Anti-Corruption Coalition hosted by the U.S. Department of Justice. This coalition brings local, state, and federal fraud professionals together for round-table discussions to share information, learn about current trends in fraud and corruption, and hear from experts.

Deputy Inspector General Erica Smith also serves as Treasurer for the New Orleans Chapter of the Board of Governors of the Institute of Internal Auditors (IIA). She is a frequent instructor for local courses in forensic auditing and fraud detection.



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