

**THE SIXTH ANNUAL
QUALITY ASSURANCE REVIEW
OF THE
JEFFERSON PARISH
OFFICE OF THE INSPECTOR GENERAL'S
OIG 2023 REPORT**

**BY
THE JEFFERSON PARISH
OFFICE OF THE INSPECTOR GENERAL
QUALITY ASSURANCE REVIEW COMMITTEE**

**John E. Benz, Chair
Duke McConnell
Jim Letten**

**Presented to
The Jefferson Parish Inspector General**

May 1, 2024

CC: The Jefferson Parish President

The Members of the Jefferson Parish Council

The Jefferson Parish Ethics and Compliance Committee

I

Introduction

The three members of the Jefferson Parish Office of Inspector General's Quality Assurance Review Committee (*hereafter OIG Review Committee, Review Committee or Committee*) are pleased to present to the Inspector General (hereafter OIG or IG), the Parish President, Council Members and the Ethics and Compliance Committee, this our Sixth Annual Review of the OIG's 2023 Annual Report—and the second such report by Inspector General Kim Chatelain (in her new role) and her staff and administration upon conclusion of her second full year.

We remain grateful for the continued trust which the members of the Jefferson Parish Ethics and Compliance Committee, Parish Government, Inspector General's Office and the citizens of the parish have placed in each of us both initially and through our re-appointments, by relying upon the three members of this committee to provide an objective view of—and make constructive observations and recommendations on—the IG's 2023 performance and report.

Moreover, we value and appreciate this continuing opportunity to provide meaningful feedback and input to help contribute to and enhance the continued quality of future OIG reports, processes, work product and positive outcomes—all in service to the government and citizens of Jefferson Parish.

II

The Committee's Continuing Mission and Goals

This is the *sixth* such report which the Review Committee has been tasked to produce. In 2019, the first year in which the Committee met and rendered a report, we had to *define* our mission and did so in the first OIG Annual Report which covered 2018. That is to say, the three members of the Review Committee felt—and *continue to feel strongly*—that in order to ensure that our service continues to have relevance and value, we are bound by the ongoing need and duty to understand and therefore define for the taxpayers what our continuing mission and goals consist of—and equally importantly, *what they do not*...and to remain consistent with those. Stated simply, we have unanimously determined that the contours of our mission and goals as stated in our reviews of the annual OIG reports remain valid, useful and appropriate.

It is therefore important to note that since the very formation of this Committee, we continue to recognize that our mission is *not to re-investigate, analyze, evaluate or pass judgment on* the OIG's investigations, decisions, conclusions, findings or recommendations. To do so would, in our estimation, run afoul of both the intent of the Parish in establishing the Review Committee and the essential separation of powers — by potentially intruding on the function, judgment and authority of the OIG as an essential, independent, non-political component of Jefferson Parish government. Stated simply, we the Committee do not seek to stand in the shoes of the Inspector General—nor do we seek to supplant or replace that office or any of its members or functions.

Rather, we have unanimously determined that our focus should and does remain on carefully reviewing the OIG's processes, functions and work product and additionally sharing practical

observations, recommendations and possible options which could hopefully assist the Inspector General's Office in producing reports of its functions and conclusions in the clearest, simplest, most understandable and easy-to-address format available under the circumstances; and to further provide, when appropriate, various options for the IG to consider with a view to improving future processes and reports issued by that office.

Moreover, and perhaps most critically, we continue to do so without regard to any external or self-serving personal interests, ideologies, political opinions, philosophies or views.

III

The Office of the Jefferson Parish Inspector General: **Continued Dynamic Leadership**

The IG and her staff of professionals have worked diligently with focus and energy, as illuminated here by Inspector General Kim Chatelain in the 2023 Report. The Jefferson Parish Office of Inspector General is an office which under its 2022 change in leadership, has implemented continuing changes in and modifications to various systems, processes and methods of tracking, maintaining and reporting data, among others.

The year 2023 marked the 10th full year of the Jefferson Parish Inspector General's office since its creation—and the second full year of veteran Kim Chatelain as Inspector General since her appointment in March of 2022.

Having previously served as the First Assistant Inspector General, it is important to note that IG Chatelain continuously served in that role since the office was created in 2013 until 2022. Her extensive experience in hands-on management of the office and its staff, functions, missions and reports has given her a significant veteran status which has allowed her to bring with her the tools and depth to fully understand and work effectively in the Jefferson Parish government environment.

In addition to her many years of hands-on leadership and extensive investigative experience, IG Chatelain is a most capable veteran in this important role with some 31 years of licensed law practice as an attorney and no less than four advanced certifications.

The Jefferson Parish Inspector General's Office mission has three primary objectives:

1. To detect and deter fraud, waste, abuse, and illegal acts through independent oversight.
2. To promote efficiency in government by assisting in improving operations.
3. To provide increased accountability in Parish government.

IV

JPOIG 2023-2024:

Remaining Responsive and Proactive

The OIG Review Committee notes that an essential component of the Quality Assurance Review Process is the goal of establishing and testing the consistent responsiveness of the Office of the Inspector General, in order to ensure that this important office is willing to listen and itself be responsive and accountable to the citizens it serves—even as it works to ensure that those governmental components it monitors are as well.

The IG continues to build on the Office’s history and tradition of eager and effective responsiveness to questions posed by the Committee in the pursuit of transparency, excellence and increased accountability of government.

Now in 2024, we in the Committee take great pleasure in reporting for the *sixth* consecutive year that Inspector General Chatelain and her office management and staff continue to be available and eager to respond to all of the Committee’s questions.

We feel that this level and degree of transparency and responsiveness is exemplary and continues to resoundingly evidence an Inspector General and staff which continue to be dedicated to the highest standards in terms of efficiency in responding to the needs of parish government and the citizens they serve.

V

The Inspector General’s 2023 Annual Report

Summary/Overview

Having reviewed, analyzed and discussed the OIG’s report for 2023, the Review Committee unanimously agrees once again that Inspector General Kim Chatelain and her very capable, highly qualified staff, continue 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 objective and diligent oversight, thereby deterring and reducing fraud, waste and abuse—as well as producing options and recommendations for more efficient and cost-effective expenditure of taxpayer money.

The 2023 report contains detailed information and descriptions of investigative staff members’ academic and professional qualifications which evidence the impressive capabilities of the auditing and investigative staff—which in turn provides the credibility and necessary gravitas for all in the quest to leverage adherence to compliance requirements by all Parish officials.

The Inspector General herself has some 12 years in the Inspector General community, with a Bachelor of Arts degree from LSU (1989), and a Juris Doctorate from Tulane University Law School (1992). In addition to her 31 years as a licensed attorney, 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).

Additionally, her top management team of professionals is equally impressive:

- Deputy Inspector General for Investigations: Jeffrey Adolf, with six years of experience in the inspector general community, has a bachelor of general studies degree from LSU (2008), and a Master of Business Administration From the University of New Orleans (2011). He is additionally a Certified Inspector General Investigator (CIG) and a Certified Inspector General Evaluator (CIGE).
- Deputy Inspector General for Audit: Erica Smith has 14 years of experience in the inspector general community, with a bachelor of science degree in accounting and a masters degree in accounting from the University of Florida (2003 and 2005 respectively); and is a Certified Public Accountant (CPA), Certified Financial Forensics Specialist (CFF); Certified Fraud Examiner (CFE)), Certified Inspector General (CIG); and certified Inspector General Auditor (CIGA).

In all, the office staff qualifications are impressive to say the least, including:

Attorney (Juris Doctor degree): 2

Master's Degree: 6

Bachelor's Degree: 10

Certified Compliance and Ethics Professional: 1

Certified Financial Forensics Specialist: 1

Certified Public Accountant: 2

Certified Fraud Examiner: 3

Certified Inspector General Evaluator: 2

Certified Inspector General Investigator:3

Certified Inspector General Auditor:3

Certified Inspector General: 3

This Committee notes that all members of the information technology, investigative and auditing staff have bachelor's degrees, *with all professional (non-support) members having either a Juris Doctorate (JD) or Masters' Degree*. Moreover, the geographic diversity of the professional staff is impressive, with members hailing from no fewer than six different states.

VI

OIG Mission and Meeting Challenges

The Inspector General's office (in spite of continuing budget and funding demands and challenges) continues to energetically pursue all components of its mission, consisting of investigations, audits, inspections and performance reviews of parish government operations, in order facilitate improvements in those operations and, wherever possible, deter fraud, waste,

abuse, and corruption. That goal in turn is focused on providing increased accountability of all parish government departments, agencies, districts and entities receiving funds—as well as employees and officials themselves.

For 2023, the Inspector General’s office oversight responsibility extends across virtually all parish government operations and functions, to include:

- Expenditures of \$850 million
- Assets of some \$6,000,000,000
- 68 Parish departments
- 49 special review funds
- 7 internal service funds
- 3 enterprise funds
- 31 special taxing districts

The OIG oversight responsibility also extends to individuals and organizations which receive Parish funds totaling some 689 contracts with a combined value of more than \$620 million in funds.

Lessons Learned

Accomplishments during 2023 are notable, with the IG’s office having published a report entitled “Lessons Learned”, which is reportedly the first of its kind issued by that office. That report provides a summary of a decade of oversight and investigation of the Fire Suppression and Prevention Services provided by the private fire companies serving parish residents in unincorporated West Jefferson, Harahan, Kenner, Westwego, Lafitte and Grand Isle.

This report captures the wealth of information collected by the Inspector General’s Office between 2013 and 2023, which allows the OIG to identify over \$28 million in questioned costs and funds or other assets, which are considered “at risk” for fraud, waste or abuse.

The “Lessons Learned” publication provides an important window into the Parish’s process through which it provides fire prevention and suppression services—and perhaps most importantly, identifies persistent and pervasive problems as well as potential solutions.

New Findings Tracker

In last year’s Annual 2022 Report, the Committee determined from the IG’s response that the existing *Recommendation Tracker* was in the process of being discontinued to make way for a new data management process which as reported, is calculated to achieve similar results, while designed to utilize less time to enter necessary data.

According to the Inspector General’s explanation, the existing *Case Management Tracking System* (CMTS) was originally established in 2015, and consists of a web-based application

which is designed to support operations and serve as a repository for numerous types of data, including information about fraud, waste, abuse and illegal acts received by the JPOIG; as well as audit and investigative work progress and reports; referrals by the JPOIG to law-enforcement agencies; and document compliance by the JPOIG, with national standards to support review.

The IG added (as reported in the OIG 2022 Annual Report) that the *Recommendation Tracker* functions would be replaced by *and included within* the new Case Management Tracking System (CMTS). IG Chatelain indicated that the time required for office personnel to update and input data manually for the *Recommendation Tracker* was not ideally time or resource-efficient—and that when the office completes the process of updating the new CMTS, reports of their findings would be available—including information which the *Recommendation Tracker* had previously provided.

Since that time, the Inspector General’s Office also commenced the implementation of the new case management tracking system update to its CMTS basic case management system which was commenced in 2015. That update—well underway—now allows JPIG to utilize existing data and provides for the development of a Findings Tracker.

When completed this year, the Findings Tracker will offer important information into areas for the public, including:

- Avoidable costs
- Funds recovered
- Fraud
- Funds at risk of fraud
- Revenues
- Potential economic loss which was prevented
- Waste and abuse
- Questioned costs

Referrals to Agencies

Considering the OIG’s value to parish government in terms of dollars... The IG points out that the government can be measured through the *deterrence* of fraud, waste, abuse and illegal acts. In pursuing these goals and focusing on deterrence, the IG notes that cases were referred for investigation and enforcement to *no less than 30 different agencies and departments*, including, among others:

- FBI
- US Coast Guard
- Jefferson Parish District Attorney
- Jefferson Parish Sheriff’s Office
- Louisiana State Police

- City of New Orleans Inspector General
- Louisiana Attorney Disciplinary Board

Some 93 referrals of this type have been made during the last decade, including 12 in 2023.

Additionally, during the last decade, the OIG opened 591 matters, with six new investigations and three new audits in 2023.

In 2023, the OIG opened no less than 70 new matters, with the sources for “intakes” spread among anonymous individuals and known individuals outside parish government.

In 2023, the OIG commenced a new audit and closed three, with three audits planned for 2024.

Annual Risk Assessments

In addition to the above, the OIG conducts and Annual Risk Assessments which is a systematic process of identifying, analyzing and evaluating the risk of an event occurring that could adversely impact a department’s or agency’s operations or objectives; and identifies relevant risks—all for the purpose of allowing the parish to initiate audits, evaluations and investigations to eliminate or mitigate those risks. In 2023, that risk assessment process identified high risk areas, including among others:

- East Bank Consolidated Fire Services
- Personnel Department
- Purchasing Department
- Recreation Department
- Public Works Administration

Moreover, there are three major planned audits scheduled to commence in 2024, with three major evaluations and inspections scheduled this year.

VI

Funding and Budget

Notwithstanding ever-present budget and funding demands and challenges, the OIG continues to pursue its multiple missions of investigation, audits, inspections and performance reviews of parish government operations to assist in improving those operations and, wherever possible, to deter and identify fraud, waste, abuse and illegal conduct. IG Chatelain and her staff are committed to accomplishing all prongs of this mission.

The OIG investigative staff consists of 12 professionals and operates with a budget of \$1.2 million, with which it endeavors to accomplish all three of its previously referenced functions.

As noted, budget and funding for the Jefferson Parish Inspector General's Office is funded by a dedicated property tax. In November 2020, the citizens voted to renew the tax mileage to fund the office for an additional 10 years, through 2032.

Specifically, in 2022, the millage rate for the district returned to .5 when the citizens voted to renew the millage for the additional 10 years. This year (2024), the properties will be assessed again and the Council can "roll forward" the district rate of .5 instead of adopting an adjusted rate. Thus, maintaining that .5 mil would increase funding by approximately \$100,000 and allow for the cost of inflation.

The OIG salaries for employees are determined by the Inspector General while the Parish calculates related, additional benefits, such as health, retirement and post-employment benefits.

The office's personnel costs for 2023 were \$1,025,027 which represented 72% of the office budget; and the IG's leased space in Elmwood (which is mandated to be separate from government buildings and which is shared with the Ethics and Compliance Commission), was \$111,300.

VII

A Conversation with Inspector General Chatelain: Questions and Straightforward Answers

During the course of our compilation of the OIG's 2023 Annual Report, the members of the Review Committee had the privilege of communicating directly and very productively with Inspector General Chatelain and her team leaders.

She was gracious enough to make herself available at any time, to field any questions or requests— for which we are grateful.

The following are some of the questions we posed to the IG, along with her candid and helpful responses.

Question 1. What progress do you believe your office is making in the ongoing process of auditing the Volunteer Fire Companies on what you have reported?

IG Response: *According to the Inspector General, her office has received "good responses" from those fire companies. However, the problems identified in the OIG report have not been solved as the IG believes that more central supervision and coordination is necessary to achieve more efficiency, and to limit at-risk funds.*

Presently, each company has a governance committee populated by its own members. A feasibility study to determine how to effectively centralize governance over these diverse companies is underway. Currently, the Parish fire chief does not exercise authority or control

over those volunteer fire companies in question, which would require a potentially expensive structural change.

Question 2. What type of active oversight (if any) do you believe should be imposed upon the volunteer fire departments in question?

(For instance, should there be active oversight by the Parish Fire Chief? And if so, would this likely help to ameliorate some of the problems which the OIG has to investigate and address?)

IG Response: According to the IG, the ongoing study which would ideally make such a determination and possibly recommendation—would have it as goal the overall, consistent supervision of those volunteer fire departments. Whether this would help to relieve some of the problems addressed, should be identified in such a report, although more feedback is needed in the course of the investigation.

Question 3: When was the last time your office had a triennial peer review by the National Association of Inspectors General (NAIG)?

IG Response: According to the IG, (and as mentioned in the office's 2023 Report), the last peer review took place three years ago, with another one scheduled to take place this coming September 2024. The IG also pointed out that JPOIG has consistently received very good scores during these peer reviews.

Question 4: Regarding your office's referrals of matters to the other agencies listed in your report...Can you say if any cases have resulted from those?

IG Response: IG Chatelain responded that because such referrals generally result in investigations (with a good number of them potentially criminal), feedback during the course of such processes is for the most part unavailable—and therefore not in the Tracker. This is something over which the IG and her staff do not have control, and she further noted that in cases where referrals to other agencies occur, the only way to know the results of those would likely be in those cases in which criminal charges and proceedings have occurred.

Question 5: Regarding the 2022 changes which you commenced making to the office systems... How successful do you feel the migration to Microsoft Office 365 has been?

IG Response: *The to Microsoft Office 365 is complete. The migration of data related to the Case Management System is complete. The deployment of a Findings Tracker was not completed by end of 2023, but it was deployed in first quarter 2024.*

Question 6: How do you feel the new Findings Tracker (which replaced the Recommendations Tracker) is performing in the CMTS?

IG Response: *Inspector General Chatelain indicates that while it's a work in progress, she feels it is performing well. Encouragingly, she has presented it to various public groups, and has received overall positive reactions.*

Question 7: Is the updating of CMTS to replace the Recommendation Tracker completed?

IG Response: *According to the Inspector General, the process is underway, and the "Findings Tracker" –which consists of two reports (one of findings and one of identified costs) is working well. Together, these two reports incorporate data not previously published:*

- 1. Categorized findings according to the issue identified;*
 - 2. Publishing of current status of findings: i.e., resolved, partially resolved, or unresolved; and*
 - 3. Costs identified by type and finding.*
-

Question 8: Are you seeing improvements and responses to your questions or recommendations by the Parish departments, agencies and entities your office is overseeing?

IG Response: *The IG reminded us that the responses by the Volunteer Fire Departments have been good, and the Inspector General did state that she considers responses to be improving overall, noting candidly that still only approximately 1/3 of items addressed over the year have been corrected, and there's still not yet a 100% response rate. In some cases, however, she's happy that the office sometimes receives responses, but not always solutions.*

Question 9: Referring to page 25 of the OIG’s 2023 Report regarding parish employee drug testing... Do you or your office recommend any particular course of action with employees who test positive?

IG Response: *The Inspector General noted that as part of the current background investigation process, new Parish employees are tested during the hiring process, although not thereafter. Random drug testing is carried out by the Parish on employees occupying safety and security sensitive positions, such as firefighters. The OIG drug testing evaluation is on-going but will be published in 2024*

The Committee recommends that the Inspector General keep us surprised of any developments in this area.

Question 10: How do you feel your office is progressing in tackling all three designated functions?

IG Response: *The IG reported that, as indicated in her office’s Annual Report, all three functions are being carried out to the extent needed. She also notes that with more funding, the office could do even more.*

Question 11: Are all of your available positions (FTEs) now filled?

IG Response: *Inspector General reported that the office does not currently have the position of in-house counsel (legal representative) filled, which would require the expenditure of a high salary. So, for economic efficiency, the office is paying outside legal counsel for legal advice on occasion, as needed.*

Question 12: Regarding the .5 mil assessment for 2024, the Inspector General was asked what her office would do with any additional funding received.

IG Response: *The Inspector General responded that any additional funding would be used to keep up with increasing costs due to inflation.*

VIII

Conclusion

For this, the sixth consecutive year of the Committee’s review, Jefferson Parish’s Inspector General Kim Chatelain and her staff of highly educated and qualified professionals were at all times, accessible, responsive, candid, clear, helpful, and eager to provide whatever information we requested in order to make our sixth review as complete, accurate and effective as possible.

As citizens of Jefferson Parish, we the members of the Quality Assurance Review Committee have an interest—shared with all those who live and work here—in Parish government which is honest, efficient, transparent and responsive to the needs of all.

The Office of the Inspector General under IG Chatelain’s leadership continues to provide accountability and oversight of government functions in positive, constructive ways by operating fairly and without political or personal agendas, thus maintaining productive dialogs with all branches with which it interacts. Moreover, it does so while maintaining the essential political, economic, social, personal and other distance and objectivity to enable it to effectively demand accountability and point out shortcomings in Parish government components and processes in need of repair whenever necessary.

We remain grateful for the honor and privilege to have the trust of the citizens we serve in this role—and we thank Inspector General Kim Chatelain and her outstanding team for their work, accessibility, cooperation and dedication to public service. We commend and offer our gratitude to Inspector General Chatelain and her entire staff for a job well done in service to us all—and wish her the best in her second successful year in this important role.