

ARTICLE XIII. OFFICE OF INSPECTOR GENERAL (OIG)

City Code Sec. 2-1120. Office of Inspector General

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(1) Creation of the city Office of Inspector General . Pursuant to section 9-401 of the Home Rule Charter of the city, this article establishes the city Office of Inspector General .

(2) Purpose. The purpose of this section 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. This oversight includes audits, criminal and administrative investigations, inspections and evaluations, and monitoring. The scope of oversight activities includes all entities subject to the jurisdiction of the Office of Inspector General , as set out in paragraph (12).

(3) Appointment.

(a) Appointing authority and procedure.

1. In the case of a vacancy in the position of Inspector General, the Ethics Review Board shall be responsible for appointing a new Inspector General.
 - a. The appointing authority shall convene within 60 days of a vacancy in the position of Inspector General to initiate the selection process for a new Inspector General.
 - b. The appointing authority shall conduct a nationwide search to fill the position of Inspector General.
 - c. Appointment of an Inspector General shall be by an affirmative vote of a majority of all the authorized membership of the appointing authority.
 - d. The chairperson of the appointing authority may appoint an Interim Inspector General to serve until such time as a successor Inspector General is appointed.
 - i. The eligible candidates for Interim Inspector General are: an existing First Assistant Inspector General, Deputy Inspector General, or other Office of Inspector General management personnel.
 - ii. The appointing authority may, by a majority vote of all of its members, overrule the chairperson's appointment and appoint an alternative eligible candidate as Interim Inspector General.
2. The appointing authority shall approve the Inspector's General's annual salary each year at a meeting of its board.

(b) Qualifications for appointment.

1. In considering a candidate for the position of Inspector General, the appointing authority shall evaluate and consider any and all qualifications that are relevant to the position of Inspector General, including, but not limited to:
 - a. The candidate's integrity;
 - b. The candidate's potential for strong leadership;
 - c. The candidate's demonstrated experience and/or ability in accounting, auditing, finance, law, management analysis, public administration, investigation, criminal justice administration, or other closely related fields;
 - d. The candidate's demonstrated experience and/or ability in working with local, state and federal law enforcement agencies and the judiciary; and
 - e. Any other qualifications deemed relevant by the appointing authority.

2. The appointing authority's decision to appoint a particular candidate shall not under any circumstances be based in any part upon the candidate's age, gender, race, sexual orientation, religious affiliation or political affiliation.
3. A qualified candidate for Inspector General shall be a person who:
 - a. Holds a bachelor's degree from an accredited institution of higher education;
 - b. Possesses demonstrated knowledge, skills, abilities and experience in conducting audits, investigations, inspections, and performance reviews; and
 - c. Has at least five years of experience in any one, or a combination, of the following fields:
 - i. As an Inspector General;
 - ii. As a federal law enforcement officer;
 - iii. As a federal or state court judge;
 - iv. As a licensed attorney with experience in the areas of audit or investigation of fraud, mismanagement, waste, corruption, or abuse of power;
 - v. As a senior-level auditor or comptroller; or
 - vi. As a supervisor in an Office of Inspector General or similar investigative agency.
4. A highly qualified candidate shall be a qualified candidate who:
 - a. Has managed and completed complex investigations involving allegations of fraud, waste, abuse, illegal acts, theft, public corruption, deception or conspiracy; or
 - b. Holds an advanced degree in law, accounting, public administration, or other relevant field.

5. The Inspector General shall obtain professional certification as a certified Inspector General within one year of appointment. Such certification shall be paid for by the Office of Inspector General .

(c) Term of office.

1. The Inspector General shall be appointed for a term of four years, which term shall begin when the Inspector General begins employment with the city.
2. The Inspector General may be reappointed to subsequent four year terms at the discretion of the appointing authority.

(d) Restrictions on appointment.

1. A former or current elected official or employee of New Orleans city government, including a former or current elected official or employee of governmental entities that receive funds directly or indirectly from the city or its citizens, may not be appointed Inspector General within four years following the end of such individual's period of service. This restriction shall not prohibit the reappointment of an Inspector General currently holding the position of New Orleans Inspector General.
 - a. Notwithstanding the foregoing restriction, employees of the Office of Inspector General who have served in the office for two or more years may be immediately eligible for appointment to the position of Inspector General.
2. A former or current elected official or employee of the state or its political subdivisions may not be appointed Inspector General within four years following that individual's period of service.

3. The Inspector General shall not hold, nor be a candidate for, any elective office while Inspector General, or for four years thereafter. The Inspector General shall not hold office in any political party or political committee, nor shall he/she participate in any political campaign of any candidate for public office, nor make any campaign contribution or campaign endorsement, while Inspector General.
 - a. An officer or employee of the office of the Inspector General shall not hold, or be a candidate for, any elective office while an officer or employee, or for four years thereafter. An officer or employee of the office of the Inspector General shall not hold office in any political party or political committee, or participate in any political campaign of any candidate for public office, or make any campaign contribution or campaign endorsement, while an officer or employee of the Office of Inspector General .

(4) Removal from office. Following a public hearing by the appointing authority, the Inspector General may be removed from office for cause by an affirmative vote of two-thirds of the entire authorized membership of the ethics review board, which must then publicly report the reasons for removal to the city council.

(a) Causes for removal may include abuse of power or authority; conviction of a state or federal felony; entry of a guilty or nolo contendere plea to a state or federal felony charge; discrimination; ethical misconduct in office; unprofessional conduct; or other acts tarnishing the integrity of the Office of Inspector General .

(5) Resources.

(a) Pursuant to section 9-401(3) of the Home Rule Charter of the city, the Office of Inspector General shall be funded by an annual appropriation by the city council as part of the city's operating budget.

(b) The Office of Inspector General shall prepare and transmit an annual operating budget to the chief administrative officer, identifying in the budget all proposed expenditures for the following fiscal year.

(6) Organizational placement.

(a) The office of the Inspector General shall be considered a city law enforcement agency for the purposes of this chapter, but shall not be a police force.

1. Pursuant to section 4-502(2)(a) of the Home Rule Charter of the city, upon the request of the Inspector General, the superintendent of police shall deputize investigative employees of the Office of Inspector General with limited police powers. Such deputies shall not be granted arrest power, and shall be deputized solely for the purpose of carrying out the duties of the Office of Inspector General and only in connection with the investigation of a matter within the purview of the Office of Inspector General .

(b) The Office of Inspector General shall be at all times operationally independent from the legislative and executive branches of the city government, including the Council of the City of New Orleans, and the office of the mayor.

1. "Operationally independent" shall be defined as "not prevented, impaired, or prohibited from initiating, carrying out, or completing any audit, investigation, inspection or performance review."

2. For the purposes of performing the duties, powers, and functions of this section, legal counsel may be retained by the ethics review board who may, upon request of the Office of Inspector General , provide legal advice and representation on behalf of the Office of Inspector General .

(c) The Office of Inspector General is authorized and encouraged to work cooperatively with the ethics review board in carrying out its functions and duties as laid out in this section.

1. Upon request of the Ethics Review Board, the Office of Inspector General may conduct preliminary inquiries or investigations on behalf of the Ethics Review Board.

(7) Records disclosure. All records of the Office of Inspector General shall be exempt from public disclosure and shall be considered confidential, unless it is necessary for the Inspector General to make such records public in the performance of his or her duties. Unauthorized disclosure of information by the Inspector General or any employee of the Office of Inspector General is subject to review and disciplinary action by the appointing authority.

(8) Reporting the results of Inspector General findings.

(a) Upon completion of any audit, evaluation or investigation, the Office of Inspector General shall report the results of its findings and any recommendations to the ethics review board.

(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.

(c) This section shall not apply when the Inspector General, in conjunction with a district attorney, attorney general, or United States Attorney, determines that supplying the affected person or entity with such report would jeopardize a pending criminal investigation.

(d) This section shall not apply when, upon completion of any audit, evaluation or investigation, the Inspector General determines that:

1. There was no criminality, but rather employee misconduct;
2. The affected individual was presented with the allegations, and had an opportunity to rebut; and
3. Making the report public could jeopardize confidentiality of sources and means.

(9) Annual reports. The Inspector General shall report annually to the ethics review board on the activities of the Office of Inspector General for the preceding calendar year.

(a) Such report shall be submitted no later than March 31 and 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 .

(b) Copies of the report shall be provided to the city council and the office of the mayor upon completion, and to any other entity subject to the jurisdiction of the Inspector General upon request.

(c) Upon issuance, members of the media and the public shall be promptly advised of the issuance of the report. A copy of the report shall be made available to the public on the Office of Inspector General 's website.

(10) Authority. The Office of Inspector General is authorized to engage in the following specific functions:

- (a) Audit, evaluate, investigate, and inspect the activities, records, and individuals with contracts, subcontracts, procurements, grants, agreements, and other programmatic and financial arrangements undertaken by city government and any other function, activity, process, or operation conducted by city government.
- (b) Audit the efficiency and effectiveness of city government operations and functions and conduct reviews of city government's performance measurement system.
- (c) Review the reliability and validity of the information provided by city government performance measures and standards.
- (d) Initiate such investigations, audits, inspections, and performance reviews of city government as the Inspector General deems appropriate.
- (e) Receive complaints of fraud, waste, abuse, inefficiency, and ineffectiveness from any source and investigate those complaints that the Inspector General deems credible.
- (f) Engage in prevention activities, including, but not limited to, the prevention of fraud, waste, abuse, and illegal acts; review of legislation; review of rules, regulations, policies, procedures, and transactions; and the supplying, providing, and conducting of programs for training, education, certification and licensing.
- (g) Conduct joint investigations and projects with other oversight or law enforcement agencies, including, but not limited to, the district attorney, attorney general, and the United States Attorney.
- (h) Issue reports and recommend remedial actions to be taken by the city council, the office of the mayor, or municipal departments or agency heads to overcome or correct operating or maintenance deficiencies and inefficiencies identified by the Office of Inspector General .
- (i) Issue public reports as set forth in subsections (8) and (9).
- (j) Monitor implementation of recommendations made by the Office of Inspector General and other audit, investigative, and law enforcement agencies.
- (k) Establish policies and procedures to guide functions and processes conducted by the Office of Inspector General .
- (l) Require reports from the office of the mayor, city council, or city departments, agencies, boards, commissions, or public benefit corporations regarding any matter within the jurisdiction of the Office of Inspector General .
- (m) File a complaint with the ethics review board or state board of ethics upon detecting a potential violation of any state ethics law or city ethics ordinance or code.
- (n) Attend all city meetings relating to the procurement of goods or services by the city, including meetings involving third-party transactions.
 - 1. The Office of Inspector General may pose any questions and raise any concerns at such meetings consistent with its functions, authority and powers of the Office of Inspector General .
 - 2. The Office of Inspector General shall be notified in writing prior to any meeting of a selection or negotiation committee relating to the procurement of goods or services. The required notice shall be given as soon as possible after a meeting has been scheduled, but in no event later than 24 hours prior to the scheduled meeting.
 - a. An audio recorder or court stenographer may be utilized to record any selection or negotiation committee meetings attended by the office of the Inspector General.

(o) Assist any city department, agency, board, commission, public benefit corporation, the office of the mayor, the city council, any city council member, or the governing body of any agency, board, commission, or public benefit corporation, upon request, with implementation of any suggested legislation or legislative policy. In such an event, the Inspector General may assign personnel to conduct, supervise, or coordinate such activity.

(p) Do all things necessary to carry out the functions and duties set forth in this section, including promulgate rules and regulations regarding the implementation of responsibilities, duties and powers of the Office of Inspector General .

(11) Duties.

(a) When efficiency problems are noted, the Inspector General has an affirmative duty to provide a standard of efficient practice to the unit in question, and assess whether adequate resources are available for implementation of a program. This may be done in the form of a public letter or other appropriate vehicle.

(b) The Office of Inspector General shall maintain information regarding the cost of investigations and cooperate with appropriate local, state, and federal administrative and prosecutorial agencies in recouping such costs from nongovernmental entities involved in willful misconduct. The Office of Inspector General shall also work with state and federal prosecutorial agencies to maximize the recovery of the costs of investigation and funds lost as a result of willful misconduct by nongovernmental authorities.

(c) Upon discovering credible information of corruption, fraud, waste, abuse or illegal acts in carrying out his duties and responsibilities as Inspector General, the Inspector General shall report to the district attorney, or the United States Attorney, or other appropriate law enforcement agency.

(d) Duties to refer matters.

1. Whenever the Inspector General has reasonable grounds to believe there has been a violation of federal or state law, the Inspector General shall refer the matter to the district attorney, the United States Attorney or other appropriate law enforcement agency.

a. After referring the matter to an appropriate law enforcement agency, the Office of Inspector General may assist the law enforcement agency in concluding any investigation.

2. When the Inspector General has reason to believe he must recuse himself from a matter, because of a potential conflict of interest, the Inspector General shall refer such matter to the district attorney, the United States Attorney or other appropriate law enforcement agency.

3. The Inspector General shall refer audit, investigative, inspection, or performance review findings to the ethics review board, the state board of ethics, or to any other federal, state or local agency he deems appropriate.

(e) The Office of Inspector General shall submit any proposed changes to its governing policies to the city council for review and acceptance.

(12) Powers.

(a) The Office of Inspector General shall have access to all records, information, data, reports, plans, projections, matters, contracts, memoranda, correspondence, audits, reviews, papers, books, documents, computer hard drives, e-mails, instant messages, recommendations, and

any other material of the city council, office of the mayor, all city departments, agencies, boards, commissions, public benefit corporations or of any individual, partnership, corporation, or organization involved in any financial capacity or official capacity with city government that the Inspector General deems necessary to facilitate an investigation, audit, inspection, or performance review. This includes any and all information relative to the purchase of supplies and services or anticipated purchase of supplies and services from any contractor by any city department, agency, board, commission, or public benefit corporation, and any other data and material that is maintained by or available to the city which in any way relates to the programs and operations with respect to which the Inspector General has duties and responsibilities.

(b) The Inspector General may request information, cooperation, and assistance from any city department, agency, board, commission, or public benefit corporation. Upon receipt of a request for such information, cooperation, and assistance from the Inspector General, each person in charge of any city department, or the governing body of any city agency, board, commission, or public benefit corporation shall furnish the Inspector General or his authorized representative with such information, cooperation, and assistance.

(c) The Office of Inspector General shall have direct and prompt access to all employees of the city, including, but not limited to, any elected official, deputy mayor, or head of any city department, agency, board, commission, or public benefit corporation.

(d) At all times, the Office of Inspector General shall have access to any building or facility that is owned, operated or leased by the city or any department, agency, board, commission or public benefit corporation of the city, or any property held in trust to the city.

(e) No subpoena is required for the information or documents mentioned in this paragraph. All information and documents are to be provided upon written request from the Office of Inspector General .

(13) Professional standards. Standards for initiating and conducting audits, investigations, inspections, and performance reviews by the Office of Inspector General will conform to the Principles and Standards for Offices of Inspectors General (Green Book) promulgated by the Association of Inspectors General. The Office of Inspector General shall develop an operations manual available to the public that contains principles based on these standards.

(14) Physical facilities. The city shall provide the ethics review board and the Office of Inspector General with office space, which shall be located in close proximity to, but not within, city hall. The city shall also provide the ethics review board and the Office of Inspector General with sufficient and necessary equipment, office supplies, and office furnishings to enable the ethics review board and the Office of Inspector General to perform their functions and duties.

(15) Organizational structure.

(a) The Office of Inspector General and the ethics review board shall have the power to establish personnel procedures and procurement procedures for their respective offices. The Office of Inspector General and the ethics review board shall have the power to appoint, employ, contract, and remove such assistants, employees, consultants, and personnel, including legal counsel, as deemed necessary for the efficient and effective administration of the activities of their respective offices.

(b) The Office of Inspector General shall include, but not be limited to, a division of criminal investigations, a division of audit, a division of inspections, and a division of performance review.

(16) External review of the Office of Inspector General .

(a) Completed reports of audits, inspections and performance reviews, and public reports of investigation, shall be subject to an annual quality assurance review by a third-party advisory committee, known as the quality assurance review advisory committee for the Office of Inspector General .

1. The quality assurance review advisory committee for the Office of Inspector General shall include a representative appointed by the city council, who shall serve as chair of the committee; a representative appointed by the office of the mayor; and a representative appointed by the ethics review board.
 - a. The committee shall be renewed annually, although representatives may be reappointed at the discretion of the appointing entities.
 - b. The chair shall be responsible for:
 - i. Providing each committee member with materials for the annual review;
 - ii. Setting a public meeting at which the committee will present its written review. The public meeting shall take place after the publication of the OIG's annual report mandated by subsection (9), but before May 31;
 - iii. Presenting the committee's written review to the Office of Inspector General at least 15 calendar days prior to the date of its public meeting.
 - c. Committee members must be domiciled in Orleans Parish.
 - d. A committee member may not hold any elective or appointed position with the city nor any other government or political party office, nor be employed by any entity that is subject to review by the Office of Inspector General . Additionally, a member may not have held any of these positions within two years before appointment to the committee.
2. As the entity being reviewed, the Office of Inspector General does not participate on the committee, but will provide full cooperation, including access to all completed reports. The Inspector General will appear before the committee at its annual public meeting.

(b) The Office of Inspector General shall be subject to peer review by the Association of Inspectors General every three years. Such peer review shall be paid for by the office of the Inspector General. When completed, the Association of Inspectors General shall submit its recommendations and findings of such peer review to the Inspector General. The office of the Inspector General shall comply with the recommendations of the peer review within 90 days, provided that the recommendations and findings are accepted and approved by the ethics review board. Copies of the written report resulting from this peer review shall be furnished to the ethics review board, city council, and office of the mayor. This report shall also be made available to the public, when such process is completed.

(17) Annual work plan. The Inspector General shall present to the ethics review board an annual work plan for the ensuing calendar year. The plan shall be submitted no later than September 1 of each year and shall include:

- (a) Risk assessment criteria used in establishing the work plan;
- (b) A schedule of projects and anticipated completion dates; and
- (c) Quality assurance procedures planned for implementation.

(18) Subpoena power.

(a) For purposes of an investigation, audit, inspection, or performance review, the office of the Inspector General may administer oaths and affirmations, subpoena witnesses, compel their attendance and testimony under oath, take evidence, and require the production of any records which the Inspector General deems relevant or material to an investigation, audit, inspection or performance review.

(b) In the performance of its duties, the office of the Inspector General may compel the attendance of witnesses to be deposed under oath or the production of public and private records by issuing a subpoena. The subpoena may be served by certified mail, return receipt requested, at the addressee's residence or business address, or by representatives appointed by the Office of Inspector General .

1. The procedure for obtaining approval of such a subpoena shall be in accordance with the requirements of state law.
2. Any subpoena for production of private records shall be in compliance with all applicable constitutionally established rights and processes.
3. Any request for financial records in the possession or under the control of a bank pursuant to this chapter is subject to and shall comply with the requirements and procedures of R.S. 6:333.

(c) Any person or entity that is the subject of a subpoena issued by the Office of Inspector General may challenge the sufficiency or scope, or both, of the subpoena by filing a protective order or motion to quash in the Orleans Parish Civil District Court.

(d) If a person or entity refuses to comply with a subpoena issued by the Office of Inspector General , the Orleans Parish Civil District Court may issue an order requiring the person or entity to appear before the court to show cause why an order should not be issued ordering such person to comply with the subpoena.

1. Any costs and attorney's fees incurred [by] the Office of Inspector General may be taxed against the person who failed or refused to comply with the terms of the subpoena.

(19) Reserved.

(20) Cooperation.

(a) It shall be the duty of every city officer, employee, department, agency, board, commission, public benefit corporation, contractor, subcontractor, licensee of the city, and applicant for certification of eligibility for a city contract or program, to cooperate with the Office of Inspector General in any investigation, audit, inspection, performance review, or hearing pursuant to this chapter.

(b) It shall be the duty of every city officer, employee, department, agency, board, commission, public benefit corporation, contractor, subcontractor, and licensee of the city to report to the Office of Inspector General any instance of fraud or abuse.

(c) With the exception of those contracts specified in subsection (1) of this paragraph, every city contract and every contract amendment where the original contract does not include this statement, and every bid, proposal, application or solicitation for a city contract, and every application for certification of eligibility for a city contract or program shall contain the following statement:

"It is agreed that the contractor or applicant will abide by all provisions of City Code § 2-1120, including, but not limited to, City Code § 2-1120(12), which requires the contractor to provide the Office of Inspector General with documents and information as requested. Failure to comply with such requests shall constitute a material breach of the contract. In signing this contract, the contractor agrees that it is subject to the jurisdiction of the Orleans Parish Civil District Court for purposes of challenging a subpoena."

1. The provisions of subparagraph (c) shall not apply to contracts with other government agencies or to contracts where the city is the recipient of funds.

(d) Any employee, appointed officer or elected official of the city who violates any provision of this chapter shall be subject to discharge or such other discipline as may be specified in an applicable collective bargaining agreement, in addition to any other penalty provided in the City Charter or ordinances.

(21) Allegations by public employees. The Office of Inspector General may receive and investigate allegations or information from any public employee concerning the possible existence of any activity constituting fraud, waste, abuse, and illegal acts. The Office of Inspector General shall not, after receipt of a complaint or information from an employee, disclose the identity of the employee without the written consent of said employee, unless the Inspector General determines such disclosure is necessary and unavoidable during the course of the investigation. In such event the employee shall be notified in writing at least seven days prior to such disclosure. Any employee who has authority to take, direct others to take, recommend, or approve any personnel action shall not, with respect to such authority, take or threaten to take any action against any employee as a reprisal for making a complaint or disclosing information to the Office of Inspector General, unless the complaint was made or information disclosed with the knowledge that it was false or with willful disregard for its truth or falsity.

(M.C.S., Ord. No. 22444, § 1, 11-2-06; M.C.S., Ord. No. 22553, § 1, 3-1-07; M.C.S., Ord. No. 22888, § 1, 11-1-07; M.C.S., Ord. No. 24395, § 1, 4-28-11)