



Annual Work Plan

2027

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Inspector General



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OVERVIEW

The City of New Orleans Office of Inspector General's (OIG) Annual Work Plan (2027 Work Plan) covers the period from September 1, 2026 through August 31, 2027.

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

Each year, pursuant to the City Charter, the enabling Ordinance, and applicable professional standards, the OIG conducts a planning process that identifies goals, priorities, and strategies which align with our mission and vision while effectively using available resources. OIG staff conduct a cyclical planning process by assessing the risk associated with City of New Orleans (City) departments and component entities.

The OIG uses the results of this City-wide Risk Assessment to allocate the OIG's resources efficiently and effectively, identify potential projects, and create a framework to determine the OIG's audit and evaluation priorities in future years.

The 2027 Annual Work Plan also takes into account the timely and relevant assessment of high-profile local events and related responses. The plan is designed to communicate the OIG's priorities and proposed work while allowing flexibility and discretion in the timing and selection of projects.

MISSION OF THE OFFICE OF INSPECTOR GENERAL

The mission of the OIG is to promote accountability, integrity, and efficiency in City government operations by preventing and detecting fraud, waste, and abuse. We do so by conducting audits, inspections, evaluations, and investigations. The OIG provides its reports, findings, and recommendations to the public, the Ethics Review Board (ERB), the Mayor, the City Council, and other interested parties. In addition, the OIG routinely investigates allegations of fraud, abuse, and misconduct that may be criminal in nature and refers the results of these investigations to federal, state, or local prosecuting agencies. In many instances, the



OIG will collaborate with other federal, state, or local law enforcement agencies and will always continue to assist prosecutors throughout the judicial process.

Autonomy and independence are critical to the OIG's ability to fulfill its mission. The City's Home Rule Charter and City Code of Ordinances, Section 2-1120, established the OIG as an independent, nonpartisan body. As such, the OIG's unique structural and operational framework provides the needed autonomy and independence from the City's Executive and Legislative branches. The ERB is responsible for the appointment of the Inspector General (IG) to a four-year term. While the ERB may request that the OIG conduct preliminary investigations on behalf of the ERB, the ERB has no direct authority over OIG operations. However, the ERB provides critical oversight by meeting regularly to review OIG reports and activities. This organizational structure was designed to provide the public with reasonable assurance that all OIG activities are conducted in an objective and independent manner.

VISION OF THE OFFICE OF INSPECTOR GENERAL

The vision of the OIG is to incorporate ingenuity and intelligence into every aspect of the OIG's operations as we assess and mitigate the threats facing New Orleans and our stakeholders.

We accomplish this through our office culture, workforce, and infrastructure. We continually focus on leadership and effective communications to create a culture that facilitates innovation, accountability, and transparency. We also continue to enhance our workforce by seeking and hiring the most qualified candidates and increasing employees' technical skills through trainings and collaboration among departments. Due to the current digital environment, in which we face continuous external threats to bulk data, we continue to improve our infrastructure to secure digital data, storage, and transmission capacity.

As the OIG enhances its skilled workforce by incorporating intelligence and bulk data analysis, we continue to work seamlessly as an integrated team to deliver timely and relevant products that ensure our mission's success.

Our state-of-the-art infrastructure combines with a diverse, competent, and enthusiastic workforce to create an efficient and effective team of watchdogs. As a result, the OIG will continue to boost the integrity of City government and ensure the effective mitigation of fraud, waste, abuse, and public corruption while maintaining a work environment conducive to productivity, efficiency, and mutual respect.

II. RISK CATEGORIES, METHODOLOGY AND ACCEPTANCE

Managing risk is a vital part of creating a secure and resilient operating environment within City government and related entities. Risk is defined as “the possibility of an event occurring that will have an impact on the achievement of objectives. Risk is measured in terms of impact and likelihood” (Institute of Internal Auditors, 2017). Risk management is accomplished by identifying potential threats and utilizing a formula to calculate current as well as emerging risks.

The OIG developed a risk assessment framework that drives strategic and operational plans and priorities. The risk assessment framework includes four risk categories as defined below.

RISK CATEGORIES

- **COMPLIANCE RISK**

Compliance risk is the risk that the agency is not conforming with local, state, or federal laws, regulations, contracts, grant requirements, or professional standards.

- **FINANCIAL RISK**

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

- **OPERATIONAL RISK**

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

- **STRATEGIC RISK**

Strategic risk is the risk that an organization's overall direction, business model, or high-level goals will be severely impaired or fail to align with changing external forces.

METHODOLOGY

The OIG has identified 136 City entities and/or boards and commissions to be included in our Risk Assessment. Due to staffing constraints, the OIG cannot assess all 136 entities each year. Therefore, the OIG established a three-year rolling plan for its annual Risk Assessment in order to maximize the number of those 136 identified entities included in the Risk Assessment over the three-year period 2024 through 2026.

The OIG established the following methodology to determine which entities and/or revenue streams would be subjected to the 2026 Risk Assessment:

- The 136 City entities and/or boards and commissions were divided into two populations:
 - **Population 1:** City departments and/or component entities that receive General Fund and/or non-General Fund revenue of \$5 million or greater (44 entities).
 - **Population 2:** City departments and/or component entities that received General Fund and/or non-General Fund revenue less than \$5 million (24 entities) and City boards and commissions that receive any City funding (68 entities).
- The OIG then selected 20 entities, consisting of the remaining 13 entities from Population 1 that had not yet been tested in 2024 or 2025, along with seven entities randomly selected from Population 2. To maximize coverage across all City entities, these selections will be excluded from the 2027 Risk Assessment.
- To assess risk and determine priorities, the OIG gathered information on each of the 20 selected entities. This involved obtaining questionnaires, internal policies, and other documentation related to governance for the selected entities. The OIG also conducted interviews of City employees and reviewed news coverage, external audits, and any other publicly available information for the entities. The OIG analyzed the entities using the four risk categories. For the Risk Assessment, the OIG reviewed data related to the selected entities and updated risk categories as needed to provide current assignments.

The following graph depicts the OIG's overall approach to Risk Assessment.

1. Information Gathering and Scoping

- Gain an understanding of City operations and the current operating environment risks.
- Review technical guidance from professional standard-setting bodies to identify changes to audit and accounting requirements.
- Update the audit and evaluation population based on data and information received from external stakeholders.

2. Risk Identification and Analysis

- Request and review survey responses from City entities regarding their assessment of risk.
- Interview various City officials, department executives, and designated staff to obtain various points of view regarding risks.

3. Development and Vetting of Proposed Plan

- Develop the proposed Annual Work Plan based on interviews, Risk Assessment, resource availability, and budget.

4. Next Steps

- Formalize and distribute the Annual Work Plan in accordance with the New Orleans City Code of Ordinances, Chapter 2, Article XIII, Section 2-1120 (17).

2027 ANNUAL WORK PLAN LIMITATIONS

The OIG is committed to serving as a valuable resource and trusted adviser in identifying, responding to, and aiding in the improvement of City-wide department programs, services, and critical activities.

However, as limited resources prevent the OIG from addressing every risk, it is important to clearly communicate to City officials and external stakeholders the limitations of the 2027 Annual Work Plan. The Annual Work Plan does not, nor does it intend to, provide coverage for all City-wide departments or all of the City's component entities. The primary goal is to use our limited resources to conduct investigations, audits and evaluations in the areas that would most benefit the City and the public.

The 2027 Annual Work Plan focuses on critical risk areas, yet builds in flexibility to allow the OIG to add additional projects in response to changing circumstances or new information. Our Annual Work Plan allocates the OIG's resources to critical priorities and needs of the City.

III. RISK RESULTS AND ENTITIES

Through the 2026 City-wide Risk Assessment, the OIG determined the following five entities to be high-risk. Due to constraints described previously, not all entities considered high risk are included on this list. The following are the top five riskiest entities that were identified in 2026.

NEW ORLEANS POLICE DEPARTMENT

In 2025, the New Orleans Police Department (NOPD) reported spending nearly \$25 million on more than 350,000 overtime hours, despite having no formal budget appropriation for overtime expenditures. An OIG review of NOPD's overtime practices, policies, and procedures identified significant deficiencies in oversight, transparency, and accountability.

The termination of the Federal Consent Decree in November 2025 reflects the substantial progress NOPD has achieved over the past decade. Nevertheless, meaningful risks remain. While the department maintains operational policies and its personnel are subject to ongoing monitoring by the Professional Standards and Accountability Bureau, NOPD's decentralized structure and inconsistent oversight practices continue to pose risks of "backsliding" on the reforms and improvements made in recent years.

NEW ORLEANS RECREATION DEVELOPMENT COMMISSION

The New Orleans Recreation Department Commission (NORDC) has experienced significant increases in City funding over the past decade, including continued budget growth during the current fiscal crisis. Despite this increased support, resource allocation remains imbalanced. Approximately \$15.5 million of NORDC's \$22 million 2025 budget was dedicated to staffing costs, while only \$1.7 million was allocated for facility maintenance.

Despite this substantial investment in personnel, NORDC has frequently attributed performance issues to staff shortages and insufficient resources. Employees have been found to engage in misconduct, and NORDC has failed to consistently adhere to its own policies and procedures. For example, a recent OIG report identified that NORDC did not conduct adequate background checks on youth sports coaches, highlighting significant lapses in its internal controls.

OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER

The Office of the Chief Administrative Officer (CAO) is one of the most essential and complex components of City government. Nearly every City entity operates under the CAO's broad authority and oversight.

Because of its central role and far-reaching responsibilities, the CAO inherently carries significant organizational and operational risks. Enhancing transparency in its budgeting, operations, and oversight practices would meaningfully reduce those risks and reinforce accountability across all levels of City government.

The City's Office of Risk Management is a division of the CAO that is charged with administering the City's risk management program and self-insurance fund. The Office of Risk Management has a rare, if not unique, situational context since the ORM has few assets of its own, yet manages virtually all of the City's assets and liabilities.

NEW ORLEANS HEALTH DEPARTMENT / HEALTH AND HUMAN SERVICES

The New Orleans Department of Health was recently reorganized under the new administration, with the Deputy Mayor for Health and Human Services now overseeing nine distinct sub-units. Beyond its considerable size and organizational complexity, the department's most significant vulnerability is its heavy reliance on federal funding. In 2025, federal grants accounted for more than \$49 million of its \$67 million budget. This dependence is especially concerning given periods in which City leadership found itself politically at odds with state and federal officials on key public health matters.

NEW ORLEANS OFFICE OF INFORMATION TECHNOLOGY AND INNOVATION

The Office of Information Technology and Innovation (ITI) is central to the City's operations. While ITI faces risks unique to its mission, those risks affect virtually every City entity. ITI manages the City's core technology platforms and services, more than 120 network sites, and two data centers. It also plays a critical role in disaster recovery and resiliency planning.

Because the cybersecurity environment is constantly evolving, ITI must continually adapt to new threats and help nearly every other City department adapt as well. The rapid emergence and adoption of artificial intelligence adds another layer of long-term internal and external risk for both ITI and the City.

CORRUPTION

Fraud and corruption are perennial concerns in New Orleans. Regrettably, the City has a well-documented history of corruption. A lack of internal controls, insufficient processes and outdated technology at many departments and agencies create opportunities for fraud. The City's decentralized structure with more than 100 outside boards and commissions also creates the potential for a lack of accountability and transparency.

The OIG's projects are intended to provide the City with information that can be used to mitigate risk. As mentioned, the 2027 Work Plan provides flexibility, allowing the OIG to review and modify the schedule of activities as circumstances warrant.

PROJECTS UNDERWAY

Anticipated completion dates are noted in parentheses and are subject to change.

- Equipment Maintenance Division Fleet Management (2026)
- New Orleans 311 Performance Audit (2027)
- New Orleans Recreation Department Booster Clubs and Athletics (2026)
- New Orleans Recreation Department Maintenance Audit (2026)
- Non-profit Property Tax Exemptions (2026)
- Sanitation Department Illegal Dumping Policies and Enforcement (2027)
- Sanitation Department Recycling Services (2027)
- Sewerage and Water Board Employee Overtime (2027)
- Sewerage and Water Board Lead Service Line Follow-up (2026)

PROPOSED PROJECTS STARTING IN 2027

The projects listed below will begin as current audits and evaluations are completed. New projects may be delayed due to the carryover of existing projects, identification of more urgent projects, or actions beyond the control of the OIG.

CHIEF ADMINISTRATIVE OFFICE

- Office of Risk Management

DEPARTMENT OF CODE ENFORCEMENT

- Fines and Collections

DEPARTMENT OF FINANCE

- Budget Reconciliation
- Contract Monitoring

DEPARTMENT OF PROPERTY MANAGEMENT

- Asset Management

DEPARTMENT OF PUBLIC WORKS

- Contract Change Orders
- Street Light Maintenance

DEPARTMENT OF SAFETY AND PERMITS

- Short-Term Rentals

DEPARTMENT OF REVENUE

- Alcohol Sales Tax Monitoring and Collections

OFFICE OF COMMUNITY DEVELOPMENT

- New Orleans Housing Trust Use of Funds

SEWERAGE AND WATER BOARD OF NEW ORLEANS

- Catch Basin Maintenance
- Storm Reporting Requirements

PUBLIC CORRUPTION

- Conduct Fraud Awareness seminars for employees and contractors
- Conduct investigations and refer evidence to appropriate prosecutors

V. QUALITY ASSURANCE AND QUALITY CONTROL

To ensure that the OIG's work is supported by sufficient and appropriate evidence, City Code Section 2-1120(16) established a system of quality assurance and quality control as outlined below.

QUALITY ASSURANCE

PEER REVIEW

The Association of Inspectors General (AIG) conducts a triennial peer review of the New Orleans Office of Inspector General Audit & Review, Investigations, and Inspections & Evaluations divisions.

The peer review assesses the OIGs internal policies and procedures to ensure continued compliance with Generally Accepted Government Auditing Standards (Yellow Book) and the AIG Principles and Standards for Offices of Inspector General (Green Book). The most recent peer review was completed and published in 2025.

CITIZEN REVIEW

Every year, the Mayor, City Council, and ERB are responsible for appointing a committee of three citizens to review the published work products of the OIG from the preceding year. The most recent Quality Assurance Review evaluated engagements completed and published in 2024.

QUALITY CONTROL

The OIG developed the following goals, objectives, and strategies to ensure that our work adheres to the highest standards of professional conduct and to ensure we achieve our mission.

GOAL 1: PREVENT AND DETECT FRAUD, WASTE, AND ABUSE

Objective 1: To educate citizens of New Orleans, department managers, and those charged with governance on how to prevent and detect fraud, waste, and abuse.

STRATEGIES:

- Conduct fraud awareness trainings for City employees and the public.
- Organize and lead a Citizen's Academy to engage interested City employees and community members.
- Provide guidance and best practices to publicly funded boards through the OIGs Handbook for Boards and Commissions.

Objective 2: To provide continuous monitoring over contracts and other activities to deter fraud, waste, and abuse.

STRATEGIES:

- Collaborate with the Chief Procurement Office to assess and evaluate new procurements.
- Monitor high-risk City contracts.
- Conduct investigations into allegations of procurement fraud or abuse, and refer credible evidence to appropriate authorities.
- Evaluate City procurement and purchasing policies.

GOAL 2: FOCUS OIG ACTIVITIES ON THE RIGHT ISSUES AT THE RIGHT TIME

Objective 3: To ensure the OIG directs resources to the issues of greatest concern and that the most important projects are selected for review.

STRATEGIES:

- Develop an annual work plan based on assessed risks for all departments in the City and its component entities.
- Assign resources according to priorities identified in the risk assessment.
- Complete projects in a timely manner to provide accurate and relevant reports.

Objective 4: To respond to and mitigate external threats to the City.

STRATEGIES:

- Incorporate intelligence with bulk data analysis to identify and mitigate threats.

- Monitor current events and emerging trends.
- Monitor the OIG's hotline for complaints and tips.
- Respond to and investigate credible information alleging fraud, waste, and abuse.
- Maintain professional relationships with external partners.

GOAL 3: PROVIDE CREDIBLE AND ACCURATE REPORTS

Objective 5: To ensure that projects are performed by independent (free of personal and professional conflicts) staff, to achieve objectives in accordance with professional standards.

STRATEGIES:

- Remain organizationally independent as established by the City Charter and the City Code of Ordinances.
- Require all OIG employees to certify professional and personal independence before commencing projects.
- Require the Inspector General to recertify professional and personal independence at the conclusion of each project.
- Require OIG employees to disclose and mitigate potential conflicts of interest.

Objective 6: To ensure that the OIG staff possess sufficient knowledge and skills to achieve the objectives of OIG projects.

STRATEGIES:

- Require staff employees to obtain the continuing professional education required to maintain their professional licenses and certifications.
- Require OIG employees to meet the minimum job qualifications, including receiving advanced degrees, obtaining prior work experience, and/or earning nationally recognized certifications.

Objective 7: To ensure that the OIG develops and implements methodology in accordance with professional standards, and the methodology is appropriate to achieve objectives.

STRATEGIES:

- Develop policies and procedures to ensure a high level of quality control of each project. Quality control procedures include proper planning and supervision throughout each phase of the project.
- Communicate policies and procedures to all employees.

GOAL 4: COMMUNICATE COMPLETE AND ACCURATE REPORTS TO THE CITIZENS OF NEW ORLEANS, DEPARTMENT MANAGERS, AND/OR THOSE CHARGED WITH GOVERNANCE

Objective 8: To involve department managers and/or those charged with governance in all projects.

STRATEGIES:

- Communicate findings or other information with managers and/or those charged with governance throughout the project to encourage corrective action.
- Inform decision makers of findings, identify underlying causes of reported problems, and work with decision makers to develop recommendations that serve as a basis for improvement.

Objective 9: To ensure that OIG reports meet all form and content requirements established by City ordinance and professional standards.

STRATEGIES:

- Review reports to ensure all information required by City ordinance and professional standards are included in the reports.
- Review reports to ensure clear, concise and objective information and encourage stakeholders to take appropriate corrective action.
- Publish and distribute reports to New Orleans citizens, department managers, those charged with governance, and the public.

CONCLUSION

The OIG will continue to effectively and efficiently allocate its resources to promote accountability, integrity, and efficiency in City government by preventing fraud, waste, and abuse.