

Public Investigative Report

2018 – 0003

Parish Allowance Report

OFFICE OF INSPECTOR GENERAL

JEFFERSON PARISH



PUBLIC INVESTIGATIVE REPORT

PARISH ALLOWANCE REPORT

2018-0003

INVESTIGATION
ISSUED 12/11/2018

PARISH ALLOWANCE REPORT 2018-0003

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OFFICE OF INSPECTOR GENERAL JEFFERSON PARISH

DAVID N. MCCLINTOCK
INSPECTOR GENERAL



DATE: 12/11/2018

TO: The Citizens of Jefferson Parish

FROM: David McClintock, Inspector General

RE: Investigative Report #2018-0003 Parish Expense Allowance Report

Introduction

Please find attached the Jefferson Parish Office of Inspector General's ("JPOIG") Public Release of an investigation on Parish expense allowances. The investigation addresses the Parish's issuance of cell phone and miscellaneous expense allowances to employees and elected officials. The investigation determined that in addition to a lack of proper authorization corrective actions to both the cell phone and miscellaneous allowances could save the Parish approximately \$117,800 per year.

The Parish pays 135 employees a cell phone allowance that is approximately double the cost of obtaining the same services available under several national provider plans. Should the Parish utilize the suggested corrective action methodology, the Parish can save approximately \$6,974.85 a month, \$83,000 per year or \$836,982.00 over the following 10 years.

Further, the Parish currently pays a monthly miscellaneous expense allowance of \$450.00 to the Parish President and \$350.00 per month to each Council member, totaling \$2,900 per month or \$34,800 per year. The Parish has expended \$512,000 to elected officials since 2001. The JPOIG recommends the Parish cease the practice of issuing the miscellaneous expense allowances to elected officials.

The objectives of the investigation were to:

- (1) Determine the level of Parish expenditures for cell phone expense allowances.
- (2) Determine the level of Parish expenditures for miscellaneous expense allowances.
- (3) Determine the legal foundation for both cellphone and miscellaneous expense allowances.
- (4) Assess the supporting documentation for expenditures relating to expense allowances, including any ordinances, resolutions, policies, procedures, or directives authorizing expense allowances.
- (5) Assess potential cost savings to the parish relating to expense allowances.

A Confidential Draft Report was issued on 09/27/2018 to the Parish Council, the Parish President, the Parish Chief Operating Officer, and the Parish Attorney. Per Parish Ordinance §2-155.10(9), response(s) from recipients of the report were due on or before 11/08/2018.

After the draft was issued, the following actions were taken and responses received:

- On 10/30/2018, a Corrective Action Plan meeting was held and attended by representatives from the Parish President's Office, the Parish Attorney's Office, the Director of EIS Management and Communications, and the JPOIG. Although the meeting was productive, a formal Corrective Action Plan was not submitted by the Administration.
- On 11/7/2018, upon request by the Administration, the JPOIG granted an extension to the deadline of the draft period until 11/23/2018.
- On 11/7/2018, the Council passed Resolution Number 132564, "requesting the Council's Office of Research and Budget Analysis to work with the Administration to draft a plan for Council consideration to clarify, revise, and codify the Parish's policies with regard to car, phone and other allowances for executive and elected officials of Jefferson Parish." There has been no formal Corrective Action Plan meeting between the JPOIG and any Council representatives.¹
- On 11/8/2018, the JPOIG received correspondence from a representative of Chairwoman Lee-Sheng's office stating that the Council had adopted Resolution 132564 in response to the draft Parish Allowance Report.²
- On 11/8/2018, the JPOIG received a letter from Councilwoman Van Vrancken responding to individual findings and reiterating her support for Resolution 132564.³
- On 11/27/2018, Chief Operating Officer, Keith Conley, submitted a written response to individual findings, on behalf of the Administration.⁴

Findings

The report reached three findings. Three of the findings were directed to the Parish Council and one of the findings was directed to the Parish Administration. The findings and recommendations are summarized below:

Finding 1: Accepted in Part – Council passed Resolution 132564.

Finding 2: Accepted in Part – Council passed Resolution 132564.

Finding 3: Accepted in Part – Council passed Resolution 132564.

Finding #1 (Parish Council) – Accepted in Part:

The cell phone allowance is a practice without authorization.

The Parish President, Parish Council members, and Council employees are receiving a cell phone allowance when there is neither an ordinance nor policy which authorizes the receipt of

¹ Attachment H.

² Attachment I.

³ Attachment J.

⁴ Attachment K.

this benefit. Other Parish employees are receiving the cell phone allowance under an outdated policy.

Recommendations:

- The Parish Council should cease the practice of paying cell phone allowances by choosing to secure and issue Parish cell phones in lieu of monetary allowances or take action to authorize such allowances.

Responses:

The Parish Council passed Resolution Number 132564 on 11/7/2018, “requesting the Council’s Office of Research and Budget Analysis to work with the Administration to draft a plan for Council consideration to clarify, revise, and codify the Parish’s policies with regard to car, phone and other allowances for executive and elected officials of Jefferson Parish.” Chairwoman Lee-Sheng’s office sent an email to the JPOIG announcing the adoption of Council Resolution 132564. Additionally, Councilwoman Van Vrancken separately responded.

The Parish Administration agrees “with the OIG’s conclusion that the 135 employees receiving the tiered cell phone allowance is unnecessary in many cases and fully commits to work with the Council’s Office of Research and Budget Analysis, as provided in Council Resolution No. 132564.” However, the Administration disagrees with “the OIG’s conclusion that the present system of providing the cell phone allowances by the adoption of the annual budget ordinances is invalid.”

Finding #2 (Parish Administration/Parish Council) – Accepted in Part:

The Parish is expending more than \$83,000 in unnecessary cost per annum under the current cell phone allowance program.

The Parish pays, on average, nearly \$100 per month to 135 individuals, including elected officials and employees, to maintain a private cell phone on which Parish business may be conducted.

The JPOIG has identified several options to reduce the cost to Parish to under \$50 per month per user. The three (3) national carriers (AT&T, Verizon and Sprint) offer programs for government to acquire cell phones for public officials and employees with unlimited talk, text, and data plans. Assuming the number of Parish officials and employees currently receiving cell phone allowances remains consistent, the Parish would save approximately \$6,974.85 a month, or \$836,982.00 over 10 years by purchasing phones and plans for elected officials and employees.

Recommendation:

- The Administration and the Council should reduce annual cell phone allowance expenses by rescinding the current cell phone allowance and issuing Parish owned cell phones, or reduce the allowance to a monthly rate (\$50) commensurate with the actual cost of cell phone service under government contract and regularly assess the current market rates available.

Responses:

The Parish Council passed Resolution Number 132564 on 11/7/2018, “requesting the Council’s Office of Research and Budget Analysis to work with the Administration to draft a plan for Council consideration to clarify, revise, and codify the Parish’s policies with regard to car, phone and other allowances for executive and elected officials of Jefferson Parish.” Chairwoman Lee-Sheng’s office sent an email to the JPOIG announcing the adoption of Council Resolution 132564. Additionally, Councilwoman Van Vrancken responded separately, stating that while she disagrees “with the analysis of the cost savings, I have taken the recommended action of authorizing a cell phone allowance and developing a cell phone allowance policy by voting in support of” Council Resolution 132564.

The Administration agrees that there is an opportunity for cost savings under the present system, however, disagrees “with the OIG’s suggestion that the Parish should acquire and issue cell phones under a presumed contract with a cellular provider.”

Finding #3 (Parish Council) – Accepted in Part:

The Parish issues miscellaneous expense allowances to elected officials without authorization.

The Parish currently pays out a monthly miscellaneous expense allowance of \$450.00 per month to the Parish President and \$350.00 per month to each Council member. Since 2001, the Parish has expended more than \$512,000 on miscellaneous expense allowances.

According to the Parish Finance Director, the miscellaneous expense allowance is authorized by Resolution 2101 which was passed in 1961. There are no known policies or procedures adopted by the Parish establishing the rate for the miscellaneous expense allowance or otherwise setting criteria for eligibility and purpose.

The public purpose served by Resolution 2101, to the extent one can be deduced, has been negated over time by the practices of (1) paying specific allowances, such as cell phone; and (2) establishing reimbursement processes for other expenses incurred. Thus, funds expended on miscellaneous expense allowances to elected officials are expended without accountability and represent additional compensation to elected officials which has not been authorized.

Recommendations:

- The JPOIG recommends the Parish cease the practice of issuing the miscellaneous expense allowances to elected officials.

Responses:

The Parish Council passed Resolution Number 132564 on 11/7/2018, “requesting the Council’s Office of Research and Budget Analysis to work with the Administration to draft a plan for Council consideration to clarify, revise, and codify the Parish’s policies with regard to car, phone and other allowances for executive and elected officials of Jefferson Parish.” Chairwoman Lee-Sheng’s office sent an email to the JPOIG announcing the adoption of Council Resolution 132564. Additionally, Councilwoman Van Vrancken responded separately, stating that while she

believes the miscellaneous expense allowance is in fact authorized via Resolution 2101, she voted in favor of Council Resolution 132564.

The Parish Administration “agrees that specific legislative authorization is more desirable,” but disagrees that the miscellaneous is not an authorized expense allowance. The Administration reiterated “its intended full cooperation with the Council Office of Research and Budget Analysis.”

Conclusion

The very purpose of an Office of Inspector General and the oversight process within local government is to effect meaningful change through independent identification of fraud, waste and abuse. This is most frequently done through the issuance of reports upon which the relevant element of Parish government is to address, with certainty, through a Corrective Action Plan the findings and recommendations of the Inspector General. Reaching that point requires leadership, cooperation, a sense of purpose and timely follow-through.

The JPOIG has long expressed its concern with the Parish’s failure to meaningfully achieve positive change regarding the issues identified. This topic was addressed in some detail in our 2017 Annual Report. Since that time we have experienced positive movement in that there has often been post draft report meetings to discuss the report in detail, clarify language, identify root causes and otherwise work towards a corrective action plan. Corrective action plans should be in writing and represent a firm commitment to specific actions, measures of effectiveness, and identification of persons accountable for the change. Unfortunately, the Parish was unable to accomplish these goals for this report in the nearly two months since the draft was issued.

It is absolutely possible to reach an agreed upon Corrective Action Plan within the post report period. The JPOIG urges the Parish to identify a process that addresses reports and mandates corrective action plans and/or that full responses be achieved within the prescribed period.

Respectfully,



David McClintock

cc:

Michael S. Yenni, Parish President
Chairwoman Cynthia Lee-Sheng, At-Large “B”
Councilman Chris Roberts, At-Large “A”
Councilman Ricky J. Templet
Councilman Paul D. Johnston
Councilman Mark D. Spears, Jr.
Councilman Dominick Impastato
Councilwoman Jennifer Van Vrancken
Keith A. Conley, Chief Operating Officer
Jeremy Dwyer, Parish Attorney



OFFICE OF INSPECTOR GENERAL
JEFFERSON PARISH

DAVID N. McCLINTOCK
INSPECTOR GENERAL



Date of Report: 12/11/2018	PUBLIC INVESTIGATIVE REPORT	Case: 2018-0003
Timeframe: 01/01/2001 – 12/31/2017	Report By: Jeff Adolph	Status: Final
<u>Subject of Investigation</u> <ul style="list-style-type: none">• Jefferson Parish Cell Phone Allowance• Jefferson Parish Miscellaneous Expense Allowance		

INTRODUCTION

Pursuant to JPCO §2-155.10(11) (a), the Jefferson Parish Office of Inspector General (“JPOIG”) initiated a review of the Parish’s expenditures related to cell phone allowances and miscellaneous allowances. Allowances are received by Jefferson Parish (“the Parish”) elected officials and employees. The review was initiated based on internal information. It was conducted in accordance with the Association of Inspectors General (“AIG”) Standards.

OBJECTIVES

The JPOIG’s objectives for this review were to:

- Determine the level of Parish expenditures for cell phone allowances;
- Determine the level of Parish expenditures for miscellaneous expense allowances;
- Determine the legal foundation for both cellphone and miscellaneous expense allowances;
- Assess the supporting documentation for expenditures relating to allowances, including any ordinances, resolutions, policies, procedures, or directives authorizing allowances;
- Assess potential cost savings to the Parish relating to allowances.

SCOPE & METHODOLOGY

The scope of the review is cell phone and miscellaneous expense allowances paid by the Parish to elected officials and employees between 01/01/2001 and 12/31/2017.

To accomplish the objectives, the following was undertaken:

- Reviewed information maintained in the Parish’s finance/accounting system;
- Reviewed the Jefferson Parish Cell Phone Allowance “Administrative Management Policy Memorandum;”
- Reviewed internal communications regarding the Jefferson Parish Cell Phone Allowance “Administrative Management Policy Memorandum”;
- Questioned Parish Department directors and employees regarding the history on paying allowances and the basis for determining allowances;
- Surveyed recipients of miscellaneous expense allowance payments by the Parish.

Acronyms

APM	Administrative Policy Manual	JPCO	Jefferson Parish Code of Ordinances
JPOIG	Jefferson Parish Office of Inspector General	PPO	Parish President's Office

BACKGROUND

In addition to compensation and benefits, where earned, the Parish pays to elected officials and employees the following monthly allowances: (1) vehicle allowance, (2) cell phone allowance, and (3) miscellaneous expense allowance.

1. Vehicle allowance

JPCO Section 23-61, *Car allowance for private automobiles*, provides for employees under the direction of the Parish President and the Parish Council to receive mileage allowances. The Accounting Department has also issued policies regarding vehicle allowance for employees.¹ While neither the ordinance nor the policies provide for a vehicle allowance to elected officials, the Parish President and Parish Council members, receive a monthly vehicle allowance as a matter of practice.² The Parish accounting system distinctly identifies those receiving vehicle allowances from other allowances paid.³ The scope of this report does not extend to vehicle allowances, but vehicle allowances are noted here for purposes of background.

2. Cell phone allowance

The Parish President, Parish Council members and certain Parish employees receive a monthly cell phone allowance. From 2001-2017, the Parish expended approximately \$1,513,475.00 on cell phone allowances.⁴

The cell phone allowance is a benefit which is not authorized by ordinance. The practice of paying cell phone allowances to employees is authorized by an "Administrative Management Policy Memorandum," issued by former Parish President Tim Coulon in 12/2001. Subsequently, it was amended in 1/2004 and 4/2009 by former Parish President Aaron Broussard.⁵ The policy

¹ See Attachment A, Employee Car Allowance Policy & Procedure. Employees of other Parish entities and Parish departments, including the JPOIG, whose payroll is processed through Parish Accounting receive vehicle allowances in the same manner.

² Some elected officials receive a Parish vehicle in lieu of a vehicle allowance. See also Attachment G, Resolution 2101 passed 04/13/1961 which reads, "BE IT RESOLVED by the Jefferson Parish Council that the Parish President and Finance Director be and they are hereby authorized and directed to continue the policy which was in effect prior to April 1, 1961, of paying monthly automobile and expense allowances to the various officials and employees of the Parish."

³ See Attachment B, Email from CJ Smith.

⁴ The Jefferson Parish finance system records in some cases combine amounts of more than one allowance resulting in a lack a clarity regarding amounts expended per allowance. Thus, the specific figures expended per allowance, as opposed to globally, may reflect de minimis variations.

⁵ See Attachment C, Cell Phone Allowance "Administrative Management Policy Memorandum".

establishes criteria for eligibility, and based upon eligibility criteria, the policy establishes three levels, “Categories,” of cell phone allowance:

Category “A”	\$110.00 per month
Category “B”	\$100.00 per month
Category “C”	\$75.00 per month

The requirements for receiving an allowance under each category is set out in the policy:

1. “An “A” designation requires that person to have a cell phone and wireless e-mail device (must be a Blackberry handheld platform 1.1.0.63)”
2. “A “B” designation requires that person to have a cell phone and a wireless e-mail device (must be Blackberry handheld platform 1.1.0.63).”
3. “A “C” designation requires that person to have a cell phone for emergency contact and a wireless e-mail device (must be a Blackberry handheld platform 1.1.0.63).”⁶

The policy is limited to administrative unclassified staff under the direction of the Parish President. There is no policy providing for a cell phone allowance for the Parish President, Parish Council members or Parish Council employees.⁷

As a matter of practice, the Parish President and Parish Council members receive \$110 per month, as allowed under Category “A”. Council member aides also receive \$110 per month as allowed under Category “A.” Other employees working for the Council receive \$110 per month as allowed under Category “A” while others receive a different amount of allowance. In all, there are 69 individuals receiving \$110 per month under Category “A.” There are 39 Parish employees, which includes some department directors and executive management, who receive \$100 per month under Category “B.” There are 26 Parish employees, including a department director and department managers, who receive \$75 per month under Category “C.”⁸ There is one Parish Council employee who receives a \$50 per month cell phone allowance which is not covered under any category.

The Parish accounting system distinctly identifies those employees who receive the cell phone allowance. The Parish accounting system identifies those elected officials receiving a cell phone allowance. However, the system does not separate the cell phone allowance from the miscellaneous expense allowance paid to elected officials. The two allowances are bundled.

3. Miscellaneous expense allowance

The Parish President and Parish Council members receive a miscellaneous expense allowance of \$450 per month and \$350 per month, respectively. From 2001-2017, the Parish has expended approximately \$512,560.00 on miscellaneous expense allowances to elected officials.⁹

⁶ See Attachment C, Cell Phone Allowance “Administrative Management Policy Memorandum”.

⁷ See Attachment C, Cell Phone Allowance “Administrative Management Policy Memorandum”. Employees of other Parish entities and Parish departments, including the JPOIG, whose payroll is processed through Parish Accounting receive cell phone allowances in the same manner.

⁸ See Attachment D, Breakout of monthly cell phone allowance categories.

⁹ Due to the manner in which the allowance records are kept in Jefferson Parish’s finance system manual

The miscellaneous expense allowance is not authorized by ordinance or policy. It is paid as a matter of long-standing practice. The Accounting Department bundles the miscellaneous expense allowance with the cell phone allowance for elected officials. The Parish pays \$560.00 per month and \$460 per month to the Parish President and Parish Council members, respectively, in cell phone allowance and miscellaneous expense allowance.¹⁰

DATA REVIEW & ANALYSIS

The JPOIG queried the Parish’s accounting system for allowance data for the time period of 01/2001 through 12/2017. Based on the data retrieved, the Parish has paid approximately \$1,513,475.00 in cell phone allowances to elected officials and employees.¹¹ During this same time period, the Parish has paid \$512,560.00 in miscellaneous allowances to elected officials.

Cell and Miscellaneous Allowances Paid Out by the Parish 2001-2017	
Group	Total
Monthly Miscellaneous Allowance for Elected Officials	\$512,560.00
Monthly Cell Allowance (\$110) for Elected Officials	\$171,270.00
Monthly Cell Allowances (\$110, \$100, \$75, and \$50) for other Parish Employees	\$1,342,205.00
Total:	\$2,026,035.00

A. Cell Phone Allowance Analysis

To begin, the “Administrative Management Policy Memorandum” only addresses “unclassified staff essential-duty status employee.” Under the policy, “any employee required or directed by the Parish President or his authorized designee to be readily available at all times must at their personal expense obtain a cellular telephone *and* a Blackberry handheld platform. Monthly expense reimbursement will be provided...” as determined by the Parish President’s Office.¹² The policy sets out criteria for determining eligibility, and based upon criteria, for determining the amount of the cell phone allowances. Despite investigative efforts, including calls to staff members in multiple departments, the history behind the policy, its methodology or justification, remains unclear.¹³

manipulation of the data is required to determine this number, which may result in an immaterial discrepancy between what is reported in this report and the actual total allowances expensed by the Parish.

¹⁰ See Attachment B, Email from Cliff Smith dated 06/05/2018. See also Attachment E, Breakout of monthly miscellaneous expense allowance categories.

¹¹ The data was retrieved based upon unique hour codes.

¹² Bold and italics added. See Attachment C, Cell Phone Administrative Management Policy Memorandum. The current cell phone “administrative management policy memorandum” states that a cell phone allowance is to be given to an employee, who meets at least 3 of the 7 criteria spelled out in the policy and is approved by the Chief Administrative Officer. The number of criteria the employee meets determines which category the employee is placed, which ultimately determines how much money the employee receives as an allowance. At the time of this report, the cell phone allowances are paid out to eligible parish employees on the second paycheck of every month.

¹³ JPOIG reached out to Payroll Department, HR Department, Accounting/Finance Department, Council Chief of

There is no like policy to provide for a cell phone allowance to the Parish President, Parish Council members or employees of the Parish Council. Notwithstanding the lack of policy or apparent authorization, the Parish President, Parish Council members and Parish Council employees receive a cell phone allowance. It appears that Parish Council employees receive an allowance based upon a loose application of the policy irrespective of the fact that, by its very terms, does not apply to them. The Parish President and Parish Council members receive the highest cell phone allowance anticipated by the policy. Again, the policy, by its terms, does not apply to elected officials, including the Parish President.

Given the above considerations, the analysis which follows focuses on two aspects of the Parish's practice of paying cell phone allowances: (1) whether the allowances are authorized by law; and (2) whether the need for cell phones can be met at a lower cost to the Parish.

Allowances are paid without assessment or authority

Public funds may be utilized to equip public officials and employees with regard to their public duties and responsibilities, according to an Attorney General opinion.¹⁴ Providing efficient and effective means of communication between critical employees serves a public purpose and creates a public benefit of having quick response by public officials to everyday business and emergencies. Some governments have provided public officials and employees with government issued cell phones, and some governments have sought to reimburse employees for official business conducted on personal cell phones. The Attorney General has opined on these practices. According to an Attorney General opinion, government may reimburse public officials and employees for expenses incurred associated with public business conducted on a personal phone.¹⁵

The Attorney General opined that government may reimburse employees for use of the personal cell phones for public business as long as government can demonstrate a reasonable expectation of receiving at least an equivalent value. However, the Attorney General would not opine on the reasonableness of the amount of reimbursement because the Attorney General is not in position to determine whether the proposed expenditure is proportionate to the perceived public benefit. Therefore, the Attorney General has not definitively stated that a specific expenditure of public funds for personal cell phones is valid under Louisiana law.¹⁶

The Attorney General cautioned that government must ensure that public funds are not being spent to reimburse employees for personal use of their cell phones. Doing so would be a violation of La. Const. art. VII, Section 14 and may make the employee liable for the public funds spent for personal use pursuant to La.R.S. 42:1461.¹⁷ The expenditure must be

Staff, and the Council's Research and Budget Analyst to attempt to understand the history, justification, and evolution of the cell phone allowance policy.

¹⁴ AG Opinion 09-0146.

¹⁵ AG Opinion 09-0146.

¹⁶ AG Opinion 09-0146, p. 4.

¹⁷ La.R.S. 42:1461, *Public property; personal obligations of officials, employees and custodians; actions; prescription*, provides, "A. Officials, whether elected or appointed and whether compensated or not, and employees of any "public entity", which, for purposes of this Section shall mean and include any department, division, office, board, agency, commission, or other organizational unit of any of the three branches of state government or of any parish, municipality, school board or district, court of limited jurisdiction, or other political subdivision or district, or the office of any sheriff, district attorney, coroner, or clerk of court, by the act of accepting such office or employment assume a personal obligation not to misappropriate, misapply, convert,

reasonable, and the decision must be made by the Parish Council as to what constitutes reasonable.¹⁸

In the course of conducting this review, the JPOIG did not find any documentation that the Parish engaged in, or engages in, a purposeful assessment to determine whether the cell phone allowances paid are reasonable. Based upon the assessment below and plans available, it does not appear as though the Parish's practices of paying varying cell phone allowances can be justified today in the same way it may have once been justified. Assuming the Parish did engage in any assessment, there is no authority upon which to substantiate the expenditure because the allowance is paid notwithstanding the lack of legislative or policy action on the part of the Council.

Opportunity for cost savings

Throughout 2017, the average monthly cost to the Parish for cell phone allowances was \$13,239.46. The table which follows shows the total number of Parish elected officials or employees receiving cell phone allowances and the amount received as of 12/15/2017.

Cell Phone Allowance Cost by Category		
Allowance	Employees	Cost per
\$110.00	69	\$7,590.00
\$100.00*	39	\$3,850.00*
\$75.00	26	\$1,950.00
\$50.00	1	\$50.00
Total	135	\$13,440.00

*Contains an allowance recipient who retired mid-month and only received ½ the monthly allowance.

The cell phone allowance of \$110.00, \$100.00, and \$75.00 are paid primarily to the Parish President, Parish Council members, Council Aides, Directors, Assistant Directors, PPO Executives, Supervisors, and other select employees spread throughout the three categories.

The \$50.00 cell phone allowance category is not listed in the cell phone policy, but contains the parish clerk.¹⁹ The JPOIG did not find any foundation for paying a cell phone allowance of this amount as is not listed on the cell phone policy.

The Parish could realize cost savings and enhance transparency by converting to a program of government issued cell phones based upon the current market. Assuming all other conditions remain the same, including the number of individuals receiving a cell phone allowance, the Parish could save approximately \$6,974.85 a month, \$83,698.20 per year, \$251,094.60 in three years or \$836,982.00 over 10 years. All major cell phone carrier plans offer substantial saving ability.

misuse, or otherwise wrongfully take any funds, property, or other thing of value belonging to or under the custody or control of the public entity in which they hold office or are employed.”

¹⁸ AG Opinion 09-0146, p. 4.

¹⁹ The Registrar of Voters also receives a \$50.00 per month cell phone allowance. Other entities, not Jefferson Parish Government, that the Parish performs a payroll function for receive allowances. These entities are the Jefferson Parish Coroner, District Attorney, 24th District Courts, First Parish Court, Juvenile Court, and Second Parish Court. Investigation was not conducted in regards to the allowances these entities receive.

AT&T, Sprint and Verizon have contracts with the State of Louisiana to provide cell phone service to governmental entities. Based on information received from AT&T, Sprint and Verizon, plans offering unlimited talk, text, and data for government entities cost government an average of \$47.89. These same carriers also offer competitive options for acquiring premium cell phone equipment. Therefore, any cost savings realized from government issued cell phones would not be lost to acquisition cost of equipment. Service providers are offering devices for \$0.99 per device.

AT&T

JPOIG assessed AT&T as a viable provider. At the time, AT&T was offering the following unlimited data pricing structure per month to government entities:

AT&T Data Plans	
Unlimited Talk, Text, and Data and Enhcd Push to Talk	\$47.99/month
Unlimited Talk, Text, Data, Enhcd Push to Talk, Hotspot/Tethering	\$57.99/month
Unlimited Data, Hotspot/Tethering for Data Only Devices	\$37.99/month

Further, AT&T offers these plans under their FirstNet program. This program allows network prioritization for public safety users in times of high network usage. Therefore, converting to government issued cell phones would not only bring about cost savings, but it would also offer elected officials and employees access to priority usages in times of emergency. The plans come with no contract terms, highly discounted pricing on devices, as well as a selection of no cost smart phones such as the iPhone 6S 32GB and various Android devices.

SPRINT

JPOIG assessed Sprint as a viable provider. Sprint was offering the following unlimited data pricing structure per month to government entities:

Sprint Data Plans	
Unlimited Talk, Text, and Data for Premium	\$44.99/month
Unlimited Talk, Text, and Data for Value Devices	\$30.00/month

Sprint offers the prices listed above with a 2-year service agreement. Examples of a premium device are an Apple iPhone 8 and a Samsung Galaxy S8. These are offered to acquisition at a cost of \$0.99 per device under the contract. An example of a value device would be a Motorola Moto E4 which is \$0.00 under the contract. In addition to talk, text, and data, Sprint also offers mobile device manager software for \$2.50/month per device which “allows admin to control features and aspects of the device from blocking applications, websites, features, remote lock and wipe.”

VERIZON

JPOIG assessed Verizon as a viable provider Verizon was offering the following unlimited data pricing structure per month to government entities:

Verizon Data Plans	
Unlimited Talk, Text, Data, and Mobile Hotspot	\$50.70/month
Unlimited Data for Tablets, Mifis, and other internet	\$39.99/month

Verizon offers the Apple iPhone 6S 32GB and Samsung S7 32GB for \$0.99 per phone under this contract as well as many other iPhones and Android devices at higher prices.

B. Miscellaneous Expense Allowance Analysis

The Parish President and Parish Council members receive a miscellaneous expense allowance of \$450 per month and \$350 per month, respectively. The allowance is not authorized by ordinance, current policy or current directive. Since 2001 the Parish has expended more than \$512,000 for this purposes.

The Accounting system bundles the miscellaneous expense allowance with the cell phone allowance. The miscellaneous expense allowance paid to each elected official is, therefore, calculated by subtracting the assumed cell phone allowance of \$110 from the total allowance paid to the elected officials, separate from the vehicle allowance. The need to extrapolate how much elected officials are receiving demonstrates the lack of transparency with regard to allowances.²⁰

Given the above considerations, the analysis which follows focuses on two aspects of the Parish's practice of paying miscellaneous allowances: (1) whether the allowances are authorized by law; and (2) whether the allowances are spent for a public purpose.

Allowances are paid without authority

Historical data indicates that the miscellaneous expense allowances predate the cell phone allowance, and it was paid in addition to a vehicle allowance.²¹ The foundation for the practice appears to be a resolution from April of 1961. See Attachment G.

While conducting interviews, the JPOIG learned that many were unaware of or knew very little about the miscellaneous expense allowance. For this reason, the JPOIG surveyed the elected officials receiving the allowance. The Parish President and five of seven Council members responded.²² Of those who responded, all were aware that their elected position came with a cell phone allowance and vehicle allowance. The Parish President and two of the five responding Council members were aware they received a miscellaneous expense allowance which was combined with their cell phone allowance. Thus, the JPOIG could confirm that only three of eight elected officials, including the Parish President and two Council members, knew they were receiving a miscellaneous expense allowance.

²⁰ See Attachment B: Email from Cliff Smith on 06/05/2018

²¹ See Attachment F: Email from Timothy Palmatier on 6/20/2018 He also provided Resolution 2101 from 04/13/1961 stating "that the Parish President and Finance Director be and they are hereby authorized and directed to continue the policy which was in effect prior to April 1, 1961, of paying monthly automobile and expense allowances to the various officials and employees of the Parish."

²² Two Council members did not respond to the survey.

The lack of knowledge coupled with the lack of policy and procedures raises the question as to whether the miscellaneous expense allowance is an authorized expenditure. According to the Finance Director, the miscellaneous expense allowance is included in the Parish budget approved by the Council each year.²³

The Attorney General has issued numerous opinions regarding allowances, including vehicle allowances, cell phone allowances and miscellaneous expense allowances. The Attorney General has consistently opined that vehicle allowances are considered compensation, and money expended by government on vehicle allowances represents compensation.²⁴ The Attorney General has also opined that government may reimburse public officials for cell phone expenses as long as it is reasonable and public funds are not be expended on personal usage.²⁵ On at least one occasion, the Attorney General has opined that an elected official may receive an expense allowance as part of compensation.²⁶ In all instances, government was seeking an opinion on an expense allowance which was authorized or expected to be authorized by government.

In this instance, it is unclear whether the miscellaneous expense allowance received by elected officials is authorized particularly in light of the fact that only three of the eight receiving the miscellaneous expense allowance acknowledged knowing about it. Further, the Attorney General has opined that including an allowance, or passing upon an allowance, via a budget ordinance does not necessarily obviate the need for separate legislative action to authorize the allowance.²⁷

Allowances are not related to public purpose

There is no reliable data on what or how miscellaneous expense allowances are being spent by elected officials. Only three of the eight elected officials acknowledged knowing about the miscellaneous expense allowance.

According to the Finance Director, the miscellaneous expense allowance “is for expenses related to the respective office held and not covered by either the phone or automobile allowance should one receive each of those allowances.”²⁸

Presently, elected officials, like employees, can be reimbursed by the Parish expenses related to public office providing there is sufficient documentation submitted. Operational expenses for the Parish President and Council districts is likewise treated in a similar manner as other Parish departments. Therefore, it is unclear what “expenses” the miscellaneous expense are intended to cover which are not covered under a separate process.

In the absence of authorization or proper accounting, including internal controls, the expenditure of public funds on miscellaneous expenses could be considered as a gratuitous alienation of public funds or potentially as additional income for elected officials. The longstanding practice combined with the development of allowances over the years has obscured the purpose and rationale of the miscellaneous expense allowance.

²³ See Attachment F: Email from Timothy Palmatier on 6/20/2018.

²⁴ See AG Opinion 18-0023, citing AG Opinion 94-244.

²⁵ See AG Opinion 09-0146, pp. 4-5.

²⁶ See AG Opinion 91-13.

²⁷ See AG Opinion 10-0041.

²⁸ See Attachment F: Email from Timothy Palmatier on 6/20/2018.

The Parish accounting system does not separately recognize miscellaneous expense allowances paid to elected officials, but rather, it bundles the miscellaneous expense allowance with the cell phone allowance paid for elected officials. Further, the Parish payroll combines all allowances (vehicle, cell phone and miscellaneous) between two hour codes. Thus, the allowances are paid in such a manner as to defeat transparency. In order to establish transparency, the Parish must establish separate cost codes in the budget and separate hour codes in the payroll system in order to differentiate between cell phone allowances, miscellaneous expense allowances, and vehicle allowances. Each allowance should be expressly authorized, budgeted for and expensed independently.

FINDINGS AND RECOMMENDATIONS

The following is a summary of our findings to substantiate our objectives outlined in this review:

Finding #1: The cell phone allowance is a practice without authorization.

Condition:

The Parish President, Parish Council members, employees of Council members are receiving a cell phone allowance when there is neither an ordinance nor policy which authorizes the receipt of this benefit. Other Parish employees are receiving the cell phone allowance under an outdated policy.

Recommendation:

The JPOIG recommends that the Parish Council should:

1. Cease the practice of paying cell phone allowances. The Parish Council may choose to secure and issue Parish cell phones in lieu of monetary allowances. See finding #2.
OR
2. Take action to authorize such allowances. The Parish Council may choose to authorize cell phone allowances by amending ordinances relative to compensation.²⁹ Alternatively, the Parish Council may pass a separate ordinance specifically to authorize cell phone allowances.

²⁹ JPCO 2.03(C), Composition, Election, and Compensation, for Council members. JPCO 3.01(A), Election of the Parish President, Ordinance 22940, Parish Executive Pay Plan.

Finding #2: The Parish is expending more than \$83,000 in unnecessary cost per annum under the current cell phone allowance program.

Condition:

The current practice of paying cell phone allowances does not require an assessment of reasonableness and fails to relate the allowance to actual cost. The Parish pays, on average, nearly \$100 per month to 135 individuals, including elected officials and employees, to maintain a private cell phone on which Parish business may be conducted.

The JPOIG has identified several options to reduce to cost to Parish to under \$50 per month per user. The three (3) national carriers (AT&T, Verizon and Sprint) offer programs for government to acquire cell phones for public officials and employees with unlimited talk, text, and data plans. Assuming the number of Parish officials and employees currently receiving cell phone allowances remains consistent, the Parish would save approximately \$6,974.85 a month, or \$836,982.00 over 10 years by purchasing phones and plans for elected officials and employees.³⁰

Recommendation:

Administration

The Administration move to reduce annual cell phone allowance expenses by 51% or \$68,621.16 per annum by:

1. Acquiring and issuing cell phones for Parish President and employees currently receiving a cell phone allowance for Parish business.
OR
2. Should the Parish Council authorizes a cell phone allowance, develop a cell phone allowance policy which provides for the following:
 - Regular assessment of rate allowance for reasonableness against current cellular plans;
 - A single allowance for all employees based upon available rate plans. Current data indicates a monthly allowance of (\$50) is commensurate with the actual cost of cell phone service.
 - Under this corrective action model, the Parish Administration should reevaluate the costs periodically (at least every 3 years) to ensure the rate remains relative to current national plans.

Council

The Council reduce annual cell phone allowance expenses by 55% or \$15,677.04 per annum by:

1. Acquiring and issuing cell phones for Council members and Council employees currently receiving a cell phone allowance for Parish business.
OR
3. Authorizing a cell phone allowance and developing a cell phone allowance policy which provides for the following:

³⁰ Our review revealed that the Parish has the opportunity to save a significant amount of money per month by issuing cell phones. The Parish does not face a large start-up cost for the purchase of equipment because the service providers are offering the devices for \$0.99 per device.

- Regular assessment of rate allowance for reasonableness against current cellular plans;
- A single allowance for all employees based upon available rate plans. Current data indicates a monthly allowance of (\$50) is commensurate with the actual cost of cell phone service.
- Under this corrective action model, the Parish Administration should reevaluate the costs periodically (at least every 3 years) to ensure the rate remains relative to current competitive national plans.

Finding #3: The Parish issues miscellaneous expense allowances to elected officials without authorization.

Condition:

The Parish currently pays out a monthly miscellaneous expense allowance of \$450.00 per month to the Parish President and \$350.00 per month to each Council member. Since 2001, the Parish has expended more than \$512,000 on miscellaneous expense allowances.

According to the Parish Finance Director, the miscellaneous expense allowance is authorized by Resolution 2101 which was passed in 1961.³¹ The resolution reads “that the Parish President and Finance Director be and they are hereby authorized and directed to continue the policy which was in effect prior to April 1, 1961, of paying monthly automobile and expense allowances to the various employees of the Parish.” There are no known policies or procedures adopted by the Parish establishing the rate for the miscellaneous expense allowance or otherwise setting criteria for eligibility and purpose.

The public purpose served by Resolution 2101, to the extent one can be deduced, has been negated over time by the practices (1) paying specific allowances, such as cell phone; and (2) establishing reimbursement process for other expenses incurred. Thus, funds expended on miscellaneous expense allowances to elected officials are expended without accountability and represent additional compensation to elected officials which has not been authorized.

Recommendation:

The JPOIG recommends the Parish Council eliminate the miscellaneous expense allowance.

³¹ Attachment G, Resolution 2101 passed 04/13/1961 which reads, “BE IT RESOLVED by the Jefferson Parish Council that the Parish President and Finance Director be and they are hereby authorized and directed to continue the policy which was in effect prior to April 1, 1961, of paying monthly automobile and expense allowances to the various officials and employees of the Parish.”

Employee Car Allowance Policy & Procedure



Employee Car Allowance Policy & Procedure

Sec. 1.0 – OBJECTIVE AND SCOPE

Sec. 1.1 - This statement is the Administration's policy and procedure regarding employee car allowances for miles driven during the normal course of business. The objective of this policy is to ensure that Jefferson Parish (hereinafter referred to as the "Parish") employees are reimbursed for use of their personal vehicles while conducting official Parish business. This policy applies to all Parish employees receiving monthly car allowances.

Sec. 1.2 - Certain Parish employees may be required to have a personal vehicle for job related duties at all times, including after hours and during emergencies. Such employees are required to work whatever hours are necessary and incumbent to fulfill Parish employment obligations and shall have their personal automobiles available. Job descriptions for such employees require that these employees possess valid Louisiana driver's licenses to the extent that the employees are required to drive to complete assigned duties and responsibilities, including attending meetings at the request of the Parish administration and council, representing the Parish and their department(s) away from their office at public meetings, hearings, commissions, depositions, trials, regional council meetings, legislative committee meetings, trade association seminars, meeting with other governmental agencies, community and civic organizations, etc.

Sec. 2.0 – POLICY & PROCEDURE

Sec. 2.1 - Employees utilizing privately owned vehicles in performing given Parish job duties and responsibilities shall comply with all federal, state and local laws, the Jefferson Parish Administrative Management Policies Manual, as well as the established Safety Rules and the Substance Use Policy.

Sec. 2.2 - An employee receiving a monthly car allowance shall have in his or her possession a valid unexpired Louisiana state driver's license at all times while operating a vehicle in performing defined Parish job duties and responsibilities.

Sec. 2.3 - An Employee receiving a monthly car allowance shall provide the Parish Payroll Division of the Accounting Department with proof of valid unexpired licensure by the State of Louisiana, and proof of valid unexpired auto insurance of levels acceptable to Jefferson Parish.

Sec. 2.4 - An employee receiving a monthly car allowance shall immediately notify his/her appointing authority in the event that his/her license is suspended, revoked, or canceled, or the employee is otherwise disqualified from driving.

Sec. 2.5 – Payment of the monthly car allowance shall be suspended whenever the employee is on extended leave of absence from duty for any reason (sick leave, annual leave, leave without pay, etc.) for a period in excess of thirty (30) days.



JEFFERSON PARISH

Department of Finance

Michael S. Yenni
Parish President

Timothy J. Palmatier, JD, CPA
Director

TO: ALL DEPARTMENTS

FROM: CLIFFORD SMITH, ACCOUNTING OPERATIONS MANAGER

DATE: DECEMBER 15, 2017

SUBJECT: MILEAGE REIMBURSEMENT AND
ADJUSTMENTS IN PER DIEM RATES

MILEAGE REIMBURSEMENT

Effective January 1, 2018 the mileage rate as authorized by the IRS for those employees who use their automobiles for Parish business will be 54.5 cents per mile, up from 53.5 cents per mile as of January 1, 2017.

MONTHLY EXPENSE ALLOWANCES

Monthly allowances based on 1250 miles	681.25 (previously \$668.75)
Monthly allowances based on 500 miles	272.50 (previously 267.50)
Monthly allowances based on 250 miles	136.25 (previously 133.75)

Please notify all employees in your department who receive an expense allowance and those who request mileage reimbursement on a per use basis about this change in rate.

PER DIEM RATES

The maximum per diem rate paid for meals in connection with travel may also be revised to reflect new rates applicable to the city which you travel. Please contact the Accounting Department to verify the appropriate per diem rates to use when traveling.

Attachment B

Email from CJ Smith



From: [CJ Smith](#)
To: [Jeff Adolph](#)
Subject: RE: Expense Allowance Account Question
Date: Tuesday, June 5, 2018 3:47:36 PM

Jeff,

I apologize for not getting back with you sooner. We have been busy with the Parish auditors and preparation of the financial report.

For elected public officials, the expenses contained in 7032 are for cell phones and miscellaneous expense allowance. Vehicle allowances for public officials are expensed to 7033.

For other Parish employees, expense account 7033 accounts for cell phones and mileage allowances.

Please let me know if you have any questions.

Thanks,

Cliff

[Clifford G. Smith Jr.](#)
Accounting Operations Manager * Jefferson Parish Accounting Department
Ph. (504)-364-2782 cjsmith@jeffparish.net
Fax (504)-364-2815

From: Jeff Adolph [mailto:jadolph@jpoig.net]
Sent: Friday, June 01, 2018 9:35 AM
To: CJ Smith
Subject: Expense Allowance Account Question

Good Morning Cliff,

I just wanted to follow up on my email below.

Thanks,

[Jeff Adolph](#)

From: Jeff Adolph [mailto:jadolph@jpoig.net]
Sent: Thursday, May 3, 2018 9:56 AM
To: 'CJ Smith' <CJSmith@jeffparish.net>
Subject: Expense Allowance Account Question

Cliff,

It is my understanding that expense account numbers 7032 "Elected Officials Expense Allowances" and 7033 "Expense Allowances" only contain allowances for vehicles and cell phones. Is this correct, or are there any other allowances rolled up into these accounts for employees or elected officials? If you have any questions please give me a call.

Thanks,

Jeffrey Adolph

Special Agent-Investigations

Office of Inspector General-Jefferson Parish, Louisiana

5401 Jefferson Highway, Suite C

Jefferson, LA 70123

Office: 504-736-8962 Ext. 344

Fax: 504-736-8963

jadolph@jpoig.net

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Cell Phone Administrative Management Policy Memorandum





AARON F. BROUSSARD
PARISH PRESIDENT

JEFFERSON PARISH LOUISIANA

OFFICE OF PARISH PRESIDENT

Section No.	<u>3</u>
Policy No.	<u>3.10</u>
Issue Date	<u>12/2001</u>
Amended:	<u>1/2004</u>
	<u>4/2009</u>

ADMINISTRATIVE MANAGEMENT POLICY MEMORANDUM

I. **SUBJECT:**
Cell Phone Policy

II. **POLICY:**
As an administrative unclassified staff essential-duty status employee, a condition of your employment is to be readily available for duty on a 24-hour per day basis. Accordingly, any employee required or directed by the Parish President or his authorized designee to be readily available at all times must at their personal expense obtain a cellular telephone and a Blackberry handheld platform. Monthly expense reimbursement will be provided to directors, executive staff members and key employees based upon their category designation as determined by the Parish President's Office. Only those employees designated by the Parish President are eligible for the monthly cell phone expense reimbursement.

III. **CRITERIA**
Designation of "A", "B" and "C" are determined by Chief Administrative Officer after utilizing assessment system of point valued criteria. Criteria items reflect duties and responsibilities of each position as follows:

- Daily out-of-office meetings.
- Member of the E.O.C. Activation Team
- Daily direct contact with constituents
- Likely to be contacted after hours or on weekends by Parish President, C.A.O. and/or elected officials
- Has subordinate employees on duty or on-call on nights and weekends
- Frequent night or weekend work-related meetings
- Department provides a critical service to Jefferson Parish citizens

Points: One per criteria listed above

- Category A Designation based upon 6 or more points
Category B Designation based upon 4 to 5 points
Category C Designation based upon 3 or less points

IV. CATEGORY DESIGNATION:

All administrative unclassified staff employees may be assigned a category designation of "A", "B", or "C".

- A. An "A" designation requires that person to have a cell phone and wireless e-mail device (must be Blackberry handheld platform 1.1.0.63).
- B. A "B" designation requires that person to have a cell phone and a wireless e-mail device (must be Blackberry handheld platform 1.1.0.63).
- C. A "C" designation requires that person to have a cell phone for emergency contact and a wireless e-mail device (must be Blackberry handheld platform 1.1.0.63).

V. REIMBURSEMENT RATES:

"A" Category	\$110 per month
"B" Category	\$100 per month
"C" Category	\$ 75 per month

VI. POLICY OBJECTIVES:

To ensure that the Parish President has the ability to readily communicate with any Director, Executive Staff member or key employee during emergency situations outside regular working hours during times of need, at any time, including weekends and holidays.

VII. POLICY SCOPE:

This policy applies to all directors, executive staff members and employees of the Parish that have been designated as either a Category "A", "B" or "C" employee under the rules of this policy by the Parish President.

VIII.

POLICY PROCEDURES:

- A. Cell phones must be kept in a place that is readily accessible at all times when the staff person is out of the office during the workday, at night and on weekends.
- B. Directors, executive staff members and designated key employees are responsible for the payment of all fees associated with purchase, maintenance and use of their cellular phone and for their Blackberry to include accessories.
- C. The local service area of the cellular phone shall be no less than 100 miles from the geographical boundaries of Jefferson Parish.
- D. All Executive Team Members as well as directors shall be required to submit document/contract with a Blackberry service provider containing provision for unlimited wireless e-mail.
- E. Annually, the Telecommunications Department will require the completion of a Cellular Phone Certification Form for all employees required to have a cell phone and blackberry device with unlimited e-mail. Once completed by the employee and returned to Telecommunications, this form will be forwarded to the Payroll Division.
- F. Employees must notify the C.A.O. and their C.A.A. immediately of any changes in cell phone number or service.
- G. Employees must keep cell phones and blackberry devices in proper working order at all times. If any of the electronic devices required by this policy are out of service, employee must notify your immediate supervisor.



**AARON F. BROUSSARD
PARISH PRESIDENT**

Breakout of Cell Phone Allowance Recipients



\$110 Monthly Cell Phone Allowance			
	Name	Title	Monthly Amt
1	YENNI, MICHAEL	PARISH PRESIDENT	\$110.00
2	SPEARS, MARK	COUNCILMAN DISTRICT 3	\$110.00
3	ROBERTS, CHRISTOPHER	COUNCIL AT LARGE - DIVISION A	\$110.00
4	SHENG, CYNTHIA	COUNCIL AT LARGE - DIVISION B	\$110.00
5	VAN VRANCKEN, JENNIFER	COUNCILMAN DISTRICT 5	\$110.00
6	TEMPLET, RICKY	COUNCILMAN DISTRICT 1	\$110.00
7	JOHNSTON, PAUL	COUNCILMAN DISTRICT 2	\$110.00
8	IMPASTATO, DOMINICK	COUNCILMAN DISTRICT 4	\$110.00
9	BURMASTER, LOWELL	CHF OF STAFF OF PARISH COUNCIL	\$110.00
10	GANDOLFI, ALAN	RESEARCH DIRECTOR	\$110.00
11	ROTH, CYNTHIA	EXECUTIVE ASST TO PARISH PRES	\$110.00
12	WEBB, LEO	ASST DIR PARKS & RECREATION	\$110.00
13	BONANO, DEANO	ADM AIDE/COUNCIL AT LARGE A	\$110.00
14	DUMAS, JOHN	PERSONNEL DIRECTOR	\$110.00
15	GIBSON, CLINTON	PARKS & RECREATION DIRECTOR	\$110.00
16	QUIGLEY, MICHAEL	ADM AIDE TO COUNCIL DIST # 4	\$110.00
17	GRECO, JOSEPH	DIRECTOR OF FIRE	\$110.00
18	HENDERSON, CHRISTOPHER	ADMIN ASSIST TO THE FIRE CHIEF	\$110.00
19	GONZALEZ, JOSE	PUBLIC WORKS DIRECTOR	\$110.00
20	TODD, BRETT	WASTEWATER DIRECTOR	\$110.00
21	FRANCIS, ANTHONY	GENERAL SERVICES DIRECTOR	\$110.00
22	WARD, DARRYL	CHIEF ADMIN ASSIST/INFORM SER	\$110.00
23	MAFFEI, S	WATER DIRECTOR	\$110.00
24	MARTINEZ, DANIELLE	EXECUTIVE ASSISTANT	\$110.00
25	BROWN, DARNELL	EXECUTIVE ASSISTANT	\$110.00
26	WILKEN, TIFFANY	DIRECTOR OF LEGAL ANALYSIS	\$110.00
27	THERIOT, MITCHELL	DRAINAGE DIRECTOR	\$110.00
28	NEWTON, NATALIE	DEPUTY CHIEF OPERATING OFFICER	\$110.00
29	YOUSSEF, REDA	DIRECT CAP PROJ & PUB WRK COOR	\$110.00
30	SHAW, TAMITHIA	COMMUNITY DEVELOPMENT DIRECTOR	\$110.00
31	BURMASTER, BROOK	PARKWAYS DIRECTOR	\$110.00
32	DREWES, MARK	ENGINEERING DIRECTOR	\$110.00
33	DWYER, JEREMY	DEPUTY PARISH ATTORNEY	\$110.00
34	CONLEY, KEITH	CHIEF OPERATING OFFICER	\$110.00
35	TALAMO, TERRY	ADM AIDE TO COUNCIL DIST # 1	\$110.00
36	GEGENHEIMER, CHERREEN	RES & BUDGET ANALYST II	\$110.00
37	VALLLOT, AIMEE	INSP & CODE ENFORCEMENT DIR	\$110.00
38	LAWSON, BRETT	ADM AIDE/COUNCIL AT LARGE A	\$110.00
39	JUMPIERE, CASEY	ADM AIDE TO COUNCIL DIST # 3	\$110.00
40	POWER, MICHAEL	PARISH ATTORNEY	\$110.00
41	GIANGROSSO, GREGORY	ADM AIDE/COUNCIL AT LARGE B	\$110.00
42	BLANCHARD, ROYCE	CHIEF ADMIN ASSIST/OPERATIONS	\$110.00
43	BEAULIEU, ROBIN	ANIMAL SHELTER DIRECTOR	\$110.00
44	THOMAS, CHRISTINE	COMPLIANCE AND ETHICS OFFICER	\$110.00
45	ST CYR, BRYAN	ADM AIDE TO COUNCIL DIST # 2	\$110.00

46	PALMATIER, TIMOTHY	FINANCE DIRECTOR	\$110.00
47	MCCLINTOCK, DAVID	INSPECTOR GENERAL	\$110.00
48	GONZALES, MICHELLE	DIR FLOOD PLAIN MGT/HAZ MITIG	\$110.00
49	TATE, JEBBY	EIS DIRECTOR	\$110.00
50	HAZELBAKER, TARA	INTERNAL AUDIT DIRECTOR	\$110.00
51	TOPPEL, CATHERINE	DIR PROP MTC ZON/QUALITY LIFE	\$110.00
52	SIMNO, JEFFREY	ADM AIDE TO COUNCIL DIST # 5	\$110.00
53	LACHUTE, STEVEN	ADM AIDE/COUNCIL AT LARGE B	\$110.00
54	CARAWAY, STEPHEN	CHIEF ADMIN ASSIST/OPERATIONS	\$110.00
55	BROLIN, VALERIE	CHIEF ADMIN ASSIST	\$110.00
56	MCDONALD, DIANE	CHIEF ADMIN ASSIST/OPERATIONS	\$110.00
57	LARocca, VICTOR	BUDGET DIRECTOR	\$110.00
58	HARGRODER, GARY	SECURITY DIRECTOR	\$110.00
59	VALIENTE, JOSEPH	EMERGENCY MANAGEMENT DIRECTOR	\$110.00
60	LOCKWOOD, MICHAEL	ENVIRON & DEVELOP CONTROL DIR	\$110.00
61	LEADER, SHARON	TRANSIT DIRECTOR	\$110.00
62	GREEN, DEONTRINELLE	DIRECTOR OF LEGAL ANALYSIS	\$110.00
63	RUSSO, DONNA	CITIZENS AFFAIRS DIRECTOR	\$110.00
64	HARRIS, ANTWAN	PUBLIC INFORMATION OFFICER	\$110.00
65	AVERILL, LAUREN	COASTAL ZONE MANAGEMENT COORD	\$110.00
66	KEEN, AUBREY	DIR OF PUB SAFETY GRANTS & ADM	\$110.00
67	LEON, MARIA	RISK MANAGEMENT DIRECTOR	\$110.00
68	SCHNEIDER, NEIL	STREETS DIRECTOR	\$110.00
69	TIBBETTS, DAVID	FIRE CHIEF	\$110.00
TOTAL			\$7,590.00

\$100 Monthly Cell Phone Allowance			
	Name	Title	Monthly Amt
1	BARTON, PEGGY	HUMAN RESOURCES DIRECTOR	\$100.00
2	NOBLE, RUBY	SR ASSISTANT PARISH ATTORNEY	\$100.00
3	MOREL, MICHELE	SR ASSISTANT PARISH ATTORNEY	\$100.00
4	FOLSE, LYDIA	GENERAL MANAGER-ALARIO CENTER	\$100.00
5	SAUNDERS, DAVID	ASSISTANT DIRECTOR-FIRE SERVIC	\$100.00
6	COLLINS, RHONDA	PUB INFORMATION OFFICER AIDE	\$100.00
7	MILLER, GLENN	SEW OPER/MAINT PROGRAM MANAGER	\$100.00
8	SAVOIE, JODY	ENGINEER II PROFESSIONAL	\$100.00
9	PERTUIT, DOUGLAS	ASSISTANT DIRECTOR WATER	\$100.00
10	TOMBA, NICOLE	SR ASSISTANT PARISH ATTORNEY	\$100.00
11	HEINE, CRYSTAL	SR ASSISTANT PARISH ATTORNEY	\$100.00
12	JUNCKER, ROY	JUVENILE SERVICES DIRECTOR	\$100.00
13	MARINO, LOREN	SR ASSISTANT PARISH ATTORNEY	\$100.00
14	CERVINI, MARIA	PUB WKS ADMIN OPERATIONS COOR	\$100.00
15	CIRAVOLO, G	SR ASSISTANT PARISH ATTORNEY	\$100.00
16	HOTARD, CLINTON	ASSISTANT DIRECTOR DRAINAGE	\$100.00
17	DIGEROLAMO, NICHOLAS	FLEET MANAGEMENT DIRECTOR	\$100.00
18	HOGAN, DONALD	ASSISTANT DIRECTOR STREETS	\$100.00
19	HOPKINS, KELLY	SR ASSISTANT PARISH ATTORNEY	\$100.00

20	MOLAISON, JACQUES	SR ASSISTANT PARISH ATTORNEY	\$100.00
21	SMITH, WILLIAM	SR ASSISTANT PARISH ATTORNEY	\$100.00
22	CHATELAIN, KIM	1ST ASST I.G./COUN & PROG OVER	\$100.00
23	SCHUDMAK, JESSE	SR ASSISTANT PARISH ATTORNEY	\$100.00
24	KLIBERT, ROBIN	SR ASSISTANT PARISH ATTORNEY	\$100.00
25	KROBERT, KENNETH	SR ASSISTANT PARISH ATTORNEY	\$100.00
26	MCMANUS, BRYAN	SR ASSISTANT PARISH ATTORNEY	\$100.00
27	SMITH, BRIAN	DEPUTY INSPECTOR GENERAL	\$100.00
28	OWEN, DAVID	OIG AUDITOR	\$100.00
29	FRENCH, EMILY	SR ASSISTANT PARISH ATTORNEY	\$100.00
30	HURLEY, TONI	SR ASSISTANT PARISH ATTORNEY	\$100.00
31	RICHARD, BRAD	SR ASSISTANT PARISH ATTORNEY	\$100.00
32	DEVERGES, PAUL	SR ASSISTANT PARISH ATTORNEY	\$100.00
33	ANDREWS, SUSAN	DEPUTY INSPECTOR GENERAL	\$100.00
34	SPRAGUE, BARRY	FILM COORDINATOR	\$100.00
35	LUMPKIN, PAUL	OIG SPECIAL AGENT	\$100.00
36	FRANKLIN, SIERRA	OIG AUDITOR	\$100.00
37	MAHRLE, KENNETH	DATA ANALYST - IT SPECIALIST	\$100.00
38	WILENSKY, STACIE	SR ASSISTANT PARISH ATTORNEY	\$100.00
39	WINTER, MARGARET*	ASST DIRECTOR ENV & DEV CONT	\$50.00
TOTAL			\$3,850.00

*Retired in the middle of December 2017, therefore only received half of the \$100 allowance.

\$75 Monthly Cell Phone Allowance			
	Name	Title	Monthly Amt
1	HADDICAN, MARYLYN	LIBRARY DIRECTOR	\$75.00
2	COSTANZA, KATHERINE	ASST DIRECTOR ENV & DEV CONT	\$75.00
3	SAN MARTIN, PABLO	PUBLIC WKS OPER/MAINT PROG MGR	\$75.00
4	THOMPSON, NICOLE	ASST DIR - HUMAN RESOURCE MGMT	\$75.00
5	DENNY, JOSEPH	ADMINISTRATIVE MGMT SPEC IV	\$75.00
6	WILKINSON, TERESA	PLANNING DIRECTOR	\$75.00
7	PATEL, BRENDA	PURCHASING DIRECTOR	\$75.00
8	PERCLE, DAVID	COMP SYSTEMS ANALYST SENIOR	\$75.00
9	ROSE, MARIA	COMPUTER SYSTEMS ANALYST SUPV.	\$75.00
10	FRANK, JONATHAN	STATIONARY ENGINEER II	\$75.00
11	TROSCLAIR, CHRISTOPHER	ASST DIRECTOR JUVENILE SERVICE	\$75.00
12	CALL, LAUREN	ASSISTANT PERSONNEL DIRECTOR	\$75.00
13	WEGNER, SHARON	WORK FORCE CONNECTION DIRECTOR	\$75.00
14	HUDSON, CHARLES	EMERGENCY MGMT COORDINATOR III	\$75.00
15	LEBARON, JACK	TELECOMMUNICATIONS SUPERVISOR	\$75.00
16	BROUSSE, GREGORY	GIS MANAGER	\$75.00
17	GAUTREAU, TIMOTHY	EMERGENCY MGMT COORDINATOR II	\$75.00
18	RELF, RYAN	COMPUTER SYSTEMS SUPERVISOR	\$75.00
19	CALUDA, LIZA	ASSISTANT PARISH ATTORNEY I	\$75.00
20	WOODS, KEVIN	EMERGENCY MGMT COORDINATOR II	\$75.00
21	LAMPARD, RONALD	COMMUNITY JUSTICE AGENCY DIR	\$75.00
22	JACKSON, JEDIDIAH	JEFFCAP EXECUTIVE DIRECTOR	\$75.00

23	CASTILLE, JUSTIN	INFORMATION SPECIALIST	\$75.00
24	RANTA, SARAH	INFORMATION SPECIALIST	\$75.00
25	JONES, WAYNE	SAFETY PROGRAM MANAGER	\$75.00
26	WARD, CLAIRE	EMS PROGRAM COMPLIANCE SPECIAL	\$75.00
TOTAL			\$1,950.00

\$50 Monthly Cell Phone Allowance			
	Name	Title	Monthly Amt
1	LOPEZ, EULA	PARISH CLERK	\$50.00
TOTAL			\$50.00

Breakout of Miscellaneous Expense Allowance Recipients



\$450 Monthly Miscellaneous Expense Allowance			
	Name	Title	Monthly Amt
1	YENNI, MICHAEL	PARISH PRESIDENT	\$450.00
TOTAL			\$450.00

\$350 Monthly Miscellaneous Expense Allowance			
	Name	Title	Monthly Amt
1	SPEARS, MARK	COUNCILMAN DISTRICT 3	\$350.00
2	ROBERTS, CHRISTOPHER	COUNCIL AT LARGE - DIVISION A	\$350.00
3	SHENG, CYNTHIA	COUNCIL AT LARGE - DIVISION B	\$350.00
4	VAN VRANCKEN, JENNIFER	COUNCILMAN DISTRICT 5	\$350.00
5	TEMPLET, RICKY	COUNCILMAN DISTRICT 1	\$350.00
6	JOHNSTON, PAUL	COUNCILMAN DISTRICT 2	\$350.00
7	IMPASTATO, DOMINICK	COUNCILMAN DISTRICT 4	\$350.00
TOTAL			\$2,450.00

Email from Timothy Palmatier



From: [Jeffrey Adolph](#)
To: jadolph@jpoig.net
Subject: FW: Expense Allowance Account Question
Date: Wednesday, June 20, 2018 2:36:38 PM
Attachments: [misc. expense allowance \(192 KB\).msg](#)

From: Timothy Palmatier
Sent: Thursday, June 14, 2018 1:12 PM
To: CJ Smith; Jeffrey Adolph
Subject: FW: Expense Allowance Account Question

Jeff: this miscellaneous expense allowance has been authorized since at least the 1960's (please see attached resolution dated 4/13/61) and is included in the budget as approved by the Council each year. The allowance is for expenses related to the respective office held and not covered by either the phone or automobile allowance should one receive each of those allowances.

Should you have any questions or concerns, please let me know.

Thank you.

From: Jeff Adolph [<mailto:jadolph@jpoig.net>]
Sent: Wednesday, June 13, 2018 9:34 AM
To: CJ Smith
Subject: RE: Expense Allowance Account Question

Cliff,

Could you give me examples of what makes up the miscellaneous expense allowance paid to elected officials?

Also, could you provide me with any resolutions or legislation authorizing the payment of this allowance?

Thanks,
Jeff Adolph
Office of Inspector General-Jefferson Parish, Louisiana
5401 Jefferson Highway, Suite C
Jefferson, LA 70123
Office: 504-736-8962 Ext. 344
Fax: 504-736-8963
jadolph@jpoig.net<<mailto:jadolph@jpoig.net>>

From: CJ Smith [<mailto:CJSmith@jeffparish.net>]
Sent: Tuesday, June 5, 2018 3:48 PM
To: Jeff Adolph <jadolph@jpoig.net>
Subject: RE: Expense Allowance Account Question

Jeff,

I apologize for not getting back with you sooner. We have been busy with the Parish auditors and preparation of the financial report.

For elected public officials, the expenses contained in 7032 are for cell phones and miscellaneous expense allowance. Vehicle allowances for public officials are expensed to 7033.

For other Parish employees, expense account 7033 accounts for cell phones and mileage allowances.

Please let me know if you have any questions.

Thanks,

Cliff

Clifford G. Smith Jr.
Accounting Operations Manager * Jefferson Parish Accounting Department
Ph. (504)-364-2782 cjsmith@jeffparish.net<<mailto:cjsmith@jeffparish.net>>
Fax (504)-364-2815
From: Jeff Adolph [<mailto:jadolph@jpoig.net>]
Sent: Friday, June 01, 2018 9:35 AM
To: CJ Smith
Subject: Expense Allowance Account Question

Good Morning Cliff,

I just wanted to follow up on my email below.

Thanks,

Jeff Adolph

From: Jeff Adolph [<mailto:jadolph@jpoig.net>]
Sent: Thursday, May 3, 2018 9:56 AM
To: 'CJ Smith' <CJSmith@jeffparish.net<<mailto:CJSmith@jeffparish.net>>>
Subject: Expense Allowance Account Question

Cliff,

It is my understanding that expense account numbers 7032 "Elected Officials Expense Allowances" and 7033 "Expense Allowances" only contain allowances for vehicles and cell phones. Is this correct, or are there any other allowances rolled up into these accounts for employees or elected officials? If you have any questions please give me a call.

Thanks,

Jeffrey Adolph
Special Agent-Investigations
Office of Inspector General-Jefferson Parish, Louisiana
5401 Jefferson Highway, Suite C
Jefferson, LA 70123
Office: 504-736-8962 Ext. 344
Fax: 504-736-8963
jadolph@jpoig.net<<mailto:jadolph@jpoig.net>>

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Resolution 2101



20-4
On motion of Mr. Caremore seconded by Mr. Miller
the following resolution was offered:

RESOLUTION NO. 2101

BE IT RESOLVED by the Jefferson Parish Council that the Parish President and Finance Director be and they are hereby authorized and directed to continue the policy which was in effect prior to April 1, 1961, of paying monthly automobile and expense allowances to the various officials and employees of the Parish.

BE IT FURTHER RESOLVED that under Section 2.01 A of the Home Rule Charter, the Jefferson Parish Council hereby adopts the aforesaid policy as a policy of the Parish.

The foregoing resolution having been submitted to a vote, the vote thereon was as follows:

YEAS: 6

NAYS: None

ABSENT: None

The above resolution was declared to be adopted this the 13th day of April, 1961.

- (15) Develop and administer a system of parish parks, playgrounds, recreation programs, libraries, museums, and other recreation and cultural facilities and programs.
- (16) Prepare, enact, and enforce uniform building and related technical codes, which may provide for examination and licensing.

Annotation—Streets contiguous with plaintiff's property were abandoned and exchanged with deferment for property he owned under state law permitting same under certain circumstances. Ct. of appeal held facts did not support contention that transition came within the circumstances permitting exchange. *LaRocca v. Dupepe, et al.*, No. 21 038, Ct. of App., Parish of Orleans.

Article 2

THE PARISH COUNCIL

Section 2.01. Powers and Duties.

(A) The Parish Council shall be the legislative and policy-making body of the parish and shall have authority, except as otherwise provided by this Charter, by the Constitution of this State, and specifically by Article XIV, Section 3(c) of the Constitution, pertaining to the powers of the Sheriff, the Tax Assessor, the Clerk of the District Court, the School Board, and the incorporated municipalities of the parish, to exercise all powers of the parish, and to adopt such ordinances and resolutions as may be proper in the exercise thereof. Without limitation of the foregoing authority, the Council may:

- (1) Levy and collect taxes, special assessments, service charges, license charges, fees, and other revenues, and borrow money in such manner, and subject to such limitations, as may be provided by law.
- (2) Make appropriations for all parish purposes.
- (3) Require periodic and special reports from all parish officers concerning the affairs of their respective departments, offices, agencies, or special districts, which reports shall be submitted by and through the Parish President in the case of departments, offices, agencies, and special districts subject to his jurisdiction.
- (4) Make investigations of parish affairs by inquiring into the conduct of any department, office, agency, or

special district of the parish, including the investigation of the accounts, records, and transactions of the department, office, agency, or special district and for these purposes subpoena witnesses, administer oaths, and require the production of books, papers, and other evidence; and any person who fails or refuses to obey any lawful order of the Council shall be guilty of a misdemeanor and shall be punishable in such manner as the Council shall fix by ordinance.

- (5) By ordinance, abolish or consolidate any parish department, office, or agency, or provide for the consolidation and transfer of any of the functions of such departments, offices, or agencies subject to Section 4.01B provided that:
 - (a) The police powers of the Sheriff, including the power, authority, and duty to preserve the public peace and order, to apprehend all disturbers thereof, to prevent crime and to apprehend criminals, to protect the rights of persons and property, and to enforce the laws shall not be transferred or diminished and provided further that the Sheriff's functions as ex officio tax collector as provided in Article VII, Section 65 of the State Constitution shall not be diminished.
 - (b) The power, authority, and duties of the Clerk of the District Court, Tax Assessor and the School Board shall continue as in existence at the time of the adoption of Article XIV, Section 3(c) of the State Constitution, but subject to the general laws of the State with respect to Clerks of the District Courts, Tax Assessors, tax assessments, Parish School Boards, and public education.
- (6) Enter into contracts with other governmental units within or outside the boundaries of the parish for joint performance or performance by one unit in behalf of the other of any authorized function or activity.
- (7) By ordinance, establish, merge, and abolish special districts within which may be provided fire protection, recreation facilities, water, streets, sidewalks, street lighting, waste and garbage collection and disposal,

sewerage and sewage disposal systems, drainage, and other essential facilities and services. All parish funds for such districts shall be provided by service charges, special assessments, general tax levies, or as otherwise provided by law, within such districts only. When acting as the governing body of special districts as provided in Section 6.01B the Parish Council shall have the same jurisdiction and powers as when acting as the Council.

- (8) Provide, in a manner and in amounts consistent with state law, penalties for the violation of this Charter and of parish ordinances.
- (9) Perform any other acts, consistent with law, deemed to be for the best interest of the people of the parish.

(B) The Council shall have the power of eminent domain and the right to expropriate property for public purposes as provided by law. The Council shall make fair and just compensation for any properties acquired in the exercise of its powers, duties, or functions.

Annotation—Payment for expropriation of land two weeks after taking of physical possession by governmental body vitiates the proceeding as it violates the constitutional requirement that the land must be paid for before possession is taken. *C. Tolmas, Inc. v. Parish Council, et al.*, 90 So. 2d 65.

Section 2.02. Council Districts.*

(A) There shall be four Parish Council districts made up by combining the wards of the parish as follows:

District No. 1 will comprise all of Wards 1, 2, 3, and the following precincts in Ward 4: Precincts 1, 2, 3, and 5, a portion of Precinct 6 between Fourth Street and the River, a portion of Precinct 8 between Fourth Street and the River, a portion of Precinct 10 between Fourth Street and the River, a portion of Precinct 11 between Fourth Street and the River, a portion of Precinct 12 between Fourth Street and the River, a portion of Precinct 13 between Fourth Street and the River,

***Editor's note**—The Jefferson Parish Council by Resolution No. 18717, adopted Aug. 12, 1971, approved and accepted the plan of reapportionment of the four-district, seven-man council as set out by judgment rendered by the United States District Court, dated Aug. 12, 1971, in Civil Action No. 71-1343, Section D(H).

Council Resolution 132564



On motion of **Mr. Roberts**, seconded by **Ms. Lee-Sheng**, the following resolution was offered:

RESOLUTION NO. 132564

A resolution requesting the Council's Office of Research and Budget Analysis to work with the Administration to draft a plan for Council consideration to clarify, revise, and codify the Parish's policies with regard to car, phone and other allowances for executive and elected officials of Jefferson Parish.

BE IT RESOLVED by the Jefferson Parish Council, Jefferson Parish, Louisiana, acting as governing authority of said Parish:


SECTION I. That this Council does hereby request the Council's Office of Research and Budget Analysis to work with the Administration to draft a plan to clarify, revise and codify the Parish's policies with regard to car, phone and other allowances for executive and elected officials of Jefferson Parish.

SECTION II. That this plan shall be submitted to the Jefferson Parish Council for its consideration and possible adoption, with or without amendments.

The foregoing resolution having been submitted to a vote, the vote thereon was as follows:

YEAS: 6 NAYS: None ABSENT: (1) Spears

This resolution was declared to be adopted on this **7th day of November, 2018.**

THE FOREGOING IS CERTIFIED
TO BE A TRUE & CORRECT COPY

EULA A. LOPEZ
PARISH CLERK
JEFFERSON PARISH COUNCIL

Council's Response



From: [David N. McClintock](#)
To: [Jeff Adolph](#)
Subject: FW: IG Confidential Draft Report 2018-0003-Parish Allowance Report
Date: Thursday, November 8, 2018 3:54:34 PM
Attachments: [JP-#217922-v3-req draft for plan for car phone & other allowances.doc](#)

From: Gregory Giangrosso [mailto:GGiangrosso@jeffparish.net]
Sent: Thursday, November 8, 2018 12:36 PM
To: David McClintock <dmccclintock@jpoig.net>
Cc: CLeesheng <CLeesheng@jeffparish.net>; Steve Lachute <SLachute@jeffparish.net>
Subject: IG Confidential Draft Report 2018-0003-Parish Allowance Report

Mr. McClintock:

Yesterday the Council unanimously adopted the attached resolution in response to the above referenced Draft Report. This resolution direct the Office of Research and Budget to work with the Administration to update and develop policies regarding phone, car and miscellaneous allowances.

Regards,

Gregory T. Giangrosso
Council Division B

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Councilwoman Van Vrancken's Response





JENNIFER VAN VRANCKEN

COUNCILWOMAN, DISTRICT 5

JEFFERSON PARISH

David N. McClintock, Inspector General
Office of the Inspector General
5401 Jefferson Highway
New Orleans, Louisiana 70123

November 8, 2018

RE: JPOIG Investigation 2018-003 Parish Allowance report

Dear Mr. McClintock,

I am appreciative of the investigative review related to the Jefferson Parish Cell Phone Allowance and Miscellaneous Expense Allowance.

Finding #1: The cell phone allowance is a practice without authorization.

I concur and have taken action to authorize the cell phone allowance by voting in support of item #54 on the November 7, 2018 Council agenda requesting the Council Office of Budget and research to work with the Administration to draft a plan to clarify, revise and codify Parish policies with regard to the cell phone allowance for executive and elected officials of Jefferson Parish. In my previous role with the Administration, the administrative cell phone policy served to guide which employees met the criteria for a cell phone allowance and in what amount depending on the level of responsiveness necessary. I believe a similar policy for executive and elected officials would serve us well.


Finding #2: The Parish is spending more than \$83,000 in unnecessary cost per annum under the current cell phone allowance.

While I do not agree with the analysis of cost savings, I have taken the recommended action of authorizing a cell phone allowance and developing a cell phone allowance policy by voting in support of item #54 on the November 7, 2018 Council agenda requesting the Council Office of Budget and research to work with the Administration to draft a plan to clarify, revise and codify Parish policies with regard to the cell phone allowance for executive and elected officials of Jefferson Parish.

Finding #3: The Parish issues miscellaneous expense allowances to elected officials without authorization.

The expense allowance is in fact authorized, as your report cites, by Resolution 2101. The fact that passage of the resolution dates to 1961 does not negate the effectiveness of its authorization. Still, I have taken action by voting in support of item #54 on the November 7, 2018 Council agenda requesting the Council Office of Budget and research to work with the Administration to draft a plan to clarify, revise and codify Parish policies with regard to phone and other allowances for executive and elected officials of Jefferson Parish.

Sincerely,



Jennifer Van Vranken
Councilwoman, District 5

Administration's Response





JEFFERSON PARISH

Office of the President

Michael S. Yenni
Parish President

Keith A. Conley
Chief Operating Officer

Natalie D. Newton
Dep. Chief Operating Officer

TO: Office of Inspector General, Jefferson Parish

FROM: Keith A. Conley, Chief Operating Officer

DATE: November 27, 2018

SUBJECT: Response to OIG Investigation Report No. 2018-0003

On behalf of the Administration and in accordance with JPCO 2-155.10(9), this response to OIG Investigation Report No. 2018-0003 is hereby submitted. The subject Report has presented questions and suggested corrective actions in regard to various "Parish Allowances" afforded to elected officials and certain employees, resulting in three (3) findings which will be addressed in this response.

Finding #1: The cell phone allowance is a practice without authorization.

Response: The Administration agrees with the OIG's conclusion that the 135 employees receiving the tiered cell phone allowance is unnecessary in many cases and fully commits to work with the Council's Office of Research and Budget Analysis, as provided in Council Resolution No. 132564 adopted on November 7, 2018, in order to develop a more structured and equitable system for providing the allowance. Initially it is suggested that truly essential personnel be identified by position rather than by name, and that a single allowance be provided to the personnel filling those essential positions.

As to the OIG's conclusion that the present system of providing the cell phone allowances by the adoption of the annual budget ordinances is invalid the Administration disagrees. The OIG has relied on AG Opinion No. 10-0041 as standing for the proposition that adoption of a budget ordinance cannot be substituted for a specific written plan for payment of additional compensation (either as cell phone allowances or expense allowances) under La. Const. Art VII Sec. 14. A thorough review of AG Opinion No. 10-0041 will show that its conclusions are based solely upon a conflict within the charter of the local governing authority (City of Kenner), and there is no similar conflicting provision within the Jefferson Parish Charter.

Finding #2: The Parish is expending more than \$83,000 in unnecessary cost per annum under the current cell phone allowance program.

Response: As stated in the Response to Finding #1 above, the Administration agrees that the cost of cell phone allowances under the present system is unnecessarily expensive and that a better system must be developed and implemented.

The Administration disagrees, however, with the OIG's suggestion that the Parish should acquire and issue cell phones under a presumed contract with a cellular provider. Some factors which obviate against such a policy are:

- (a) Elected officials and employees are more likely to utilize later versions of the releases available from cellular providers on their personal phones than what is available under government contracts.
- (b) Users of the devices are likely more proficient and productive using cell phones with which they are most familiar.
- (c) Requiring users to carry two different models of cell phones impedes efficiency and productivity.
- (d) Every Parish-issued cell phone would become the responsibility of the IT Department, including tracking usage, repair, replacement, provision of charging systems and other accessories, which imposes an unnecessary burden on available resources and personnel.

Finding #3: The Parish issues miscellaneous expense allowances to elected officials without authorization.

Response: The Administration agrees that specific legislative authorization is more desirable, but again disagrees that legislative approval of an annual budget which includes such expense allowances may be prohibited under the authority of AG Opinion No. 09-0146. Although the exact amount of the allowances has not been defined in any known policy, the authorization for such allowances is clear from the language of Resolution No. 2101 adopted April 13, 1961 (Attachment G to the OIG report) and Art. 2 Sec. 2.01 (A)(2) of the Parish Charter. The cited AG Opinion merely provides that the expenditure must be reasonable, which is a decision of the governing authority, and that such expenditure is proportionate to the public benefit derived, also a decision of the governing authority.

The Administration reiterates its intended full cooperation with the Council Office of Research and Budget Analysis in the development of more detailed and workable policies regarding the resolution of the apparent deficiencies noted in OIG Investigation Report No. 2018-0003.

Respectfully submitted,



CC: Michael S. Yenni, President Jefferson Parish
Chris Roberts, Councilman-At-Large Jefferson Parish
Cynthia Lee-Sheng, Councilwoman-At-Large Jefferson Parish
Ricky Templet, Jefferson Parish Council District 1
Paul Johnston, Jefferson Parish Council District 2
Mark Spears, Jefferson Parish Council District 3
Dominick Impastato, Jefferson Parish Council District 4
Jennifer VanVrancken, Jefferson Parish Council District 5
Jeremy Dwyer, Jefferson Parish Attorney
Jeb Tate, Jefferson Parish Director of EIS & Telecommunications