

The Ethics Review Board
City of New Orleans

Tuesday, May 3, 2011
2:30 p.m.

City Council Chambers
City of New Orleans
1300 Perdido Street
New Orleans, Louisiana 70112

Present: Rev. Cornelius Tilton, Chair; Betsy Nalty, Vice-Chair; Michael Cowan;
Laura Rouzan

Absent: Okyeame Haley, Secretary

Staff Present: Steven Scheckman, General Counsel to ERB

Guests: Edouard Quatrevaux, IG

Rev. Cornelius Tilton called the meeting to order at 2:34 P.M.

Laura Rouzan moved to approve the minutes from the April 5, 2011, meeting. Betsy Nalty seconded, all were in favor – motion passed.

Inspector General Edouard Quatrevaux reported and explained to the Board that:

- No reports have been issued since last month
- Last week the City Council passed amendments to the IG ordinance 7-0
 - will become law if not vetoed by May 10, 2011
- The OIG will issue draft donations report his week
 - only 30 days for city to comment
 - still don't have documents from city, so will supplement report later
 - A brief summary of the donations report includes the following overview:
 - sampled 30 receipts, none had letters restricting the use of the funds
 - 17 of 30 did have memo entries on their checks such as NORD and the Department of Health
 - The former Mayor set up America's New Orleans Fund
 - \$1.3 million (\$1,065,370 to GNOF; \$100,000 to Ed Blakely; some to their CPA)
 - \$1.2 million went into the general fund – identity was lost
 - \$609,000 went into a miscellaneous donations fund

- current balance \$340,000
 - total \$3.1 million
- The Findings will include:
 - city lacked a written policy on management & documentation of donations
 - untrained employees made entries in the city accounting system, 47% erroneous
 - certain disbursements are questionable including:
 - 13 of 89 sampled disbursements were questionable
 - 33 of 89 sampled disbursements (37%) were used by departments to pay for professional services
 - others paid for gas at non-city stations,
 - cell phone chargers
 - parking reimbursements
 - and sales tax

Michael Cowan reported that he has done an initial examination of how the ERB should meet its responsibility to provide ethics education training to City employees and officials including:

- a. The State is about to begin an ethics training program in 2012 for all public employees and the ERB will not want to overlap or duplicate that training.
- b. People who are serious about ethics education training recommend not teaching a book of rules. Instead, scenarios should be created with questions for City employees to reflect upon in relation to the actual work they perform for the City.
- c. It will be important for top City leaders to step up and show their strong support for ethical behavior. In that regard, the ERB may want to request that the Mayor designate an official in the Mayor's Office to lead this effort.

The Chair, Cornelius Tilton, reported that the time period had closed on April 29, 2011, for receiving applications for the position of Executive Director of the ERB. He further reported that he reviewed all of the applications and screened them for the necessary minimal required qualifications. The Chair requested that ERB members Betsy Nalty and Laura Rouzan individually review the applications and make recommendations to the ERB concerning who the ERB should interview for the position. The Chair further suggested that it would be desirable to conduct the interviews within approximately thirty (30) days and further suggested the dates of June 6 and 7, 2011, although he further recognized that the schedule might be too ambitious.

Elizabeth Nalty made a motion to enter into executive session, Michael Cowan seconded, all were in favor – motion passed.

The Board entered into executive session at 3:07 P.M.

Elizabeth Nalty made a motion to resume open session, Laura Rouzan seconded, all were in favor – motion passed.

The Board resumed open session at 4:20 P.M.

Meeting adjourned at 4:20 P.M.