



LEGISLATIVE AUDITOR

April 30, 2012
For Immediate Release

The Legislative Auditor released his final report on the Kenner Convention and Visitors Bureau (KCVB) this morning. As was expected, the City of Kenner and employees were found free of any wrongdoing. However, the KCVB was found to have misused public funds in several ways.

I appreciate the work undertaken by the Legislative Auditors and their professionalism and their thorough investigation; however, my office came to the same conclusions several months before their involvement. The Legislative Auditor's audit did not begin until November 2011; the City of Kenner's Audit Committee met and acted in June 2011. The Legislative Auditor's knowledge of any potential wrongdoing by KCVB was based on a request they received after the City of Kenner's Internal Audit findings were made public and I had taken action to cancel the contract with KCVB. Upon taking office in 2010, my primary focus was, and remains, transparency in Government. With this goal in mind, I decided to designate one of my Assistant positions the role of Internal Auditor. As part of her routine duties, the Internal Auditor reviewed the contract with the KCVB to determine their compliance with, as well as the efficiency and effectiveness of, the contract.

The Internal Auditor's review clearly indicated that public monies were being misspent. When my staff met with the Executive Director to discuss the preliminary findings, he initially indicated that he was willing to cooperate with our investigation. However, at the next scheduled meeting, rather than providing us with requested documents, detailed information and authority for past expenditures, the Executive Director refused to cooperate or supply many of the requested documents. He provided us with a check for outstanding funds, but he subsequently put a stop payment on the check and refused to turn over funds belonging to the City.

On August 2, 2011 I severed all ties with KCVB and instructed my Finance Department not to make any further payments to KCVB. I also contacted the appropriate law enforcement agencies to have them investigate whether any criminal laws were violated.

It was only AFTER my office's investigation, preliminary findings, my actions to cancel the contract and my refusal to make any further payments to KCVB were made public that the Legislative Auditor received notice of this matter. My office fully cooperated and assisted the Legislative Auditor from the start of their review; however, I had already taken the decisive action of cancelling the contract with KCVB, refused to make any further payments to them and the City Attorney's Office has filed suit against the KCVB and its officers, seeking to recoup the public funds that were misspent. In fact, without exception, every one of the recommendations made by the Legislative Auditor in their final report had been addressed by me prior to the start of the state audit.

My office will continue in its endeavor to have all funds misspent by KCVB returned to the City and any and all persons found guilty of any criminal activity punished to the fullest extent of the law.