*Welcome to LLA Reports, a podcast produced by the Louisiana Legislative Auditor’s office. This podcast is intended to be an oral representation of the written report it highlights and is primarily for the use of the Louisiana Legislature.*

This is Emily Dixon. I’m a manager with LLA’s Performance Audit Services.

This episode of LLA Reports focuses on our new report titled “Louisiana Housing Corporation.”

We conducted this audit after we were asked to evaluate the Louisiana Housing Corporation’s – or LHC’s – operational policies and procedures and compare them to relevant best practices in light of sexual harassment allegations against the agency’s previous two executive directors.

The purpose of the report was to evaluate certain policies, board practices, and employee perspectives on the organizational culture at LHC.

We found LHC’s sexual harassment policy generally complied with state law and recommendations from the Equal Employment Opportunity Commission. However, the policy could be improved with additional provisions that either prohibit personal relationships between supervisors and staff or require disclosure of such relationships.

In addition, we found that LHC could better define and communicate its values, principles, and acceptable behavior for employees and board members by developing a formal code of conduct that also clearly defines what the agency considers a conflict of interest and what information should be kept confidential.

We found, too, that LHC’s grievance policy does not include all Department of State Civil Service recommendations.

According to a survey we conducted of LHC employees, about 32 percent of respondents felt the agency would not handle their grievances fairly, and about 28 percent percent indicated they did not feel comfortable bringing up issues to their supervisor, which just happens to be the first step of the grievance policy. Lack of trust in how grievances will be handled also may be deterring employees from filing complaints.

In addition, we found that if LHC provided its board members with a timely orientation and ongoing training related to their roles and responsibilities, meeting procedures and etiquette, and LHC programs, the board members could better fulfill their roles. Board members also could improve their evaluation of LHC’s executive director by seeking input from staff and other stakeholders, offering timely and ongoing feedback, and ensuring that each board member provides feedback.

Our survey results indicated that while most LHC employees were passionate about their work, the agency needs to address issues with the organizational culture, including restoring trust in leadership, improving employee morale, and enhancing communication and accountability.

Since its creation in 2011, LHC has had five executive directors. These changes have resulted in instability and uncertainty for the agency’s employees, which in turn has affected morale and other aspects of workplace culture.

As a result of our audit, we developed nine recommendations. The recommendations suggested that LHC update its sexual harassment policy, develop a policy that prohibits personal relationships between supervisors and staff or requires disclosure of them, and provide in-person training on sexual harassment for employees.

We also recommended that LHC develop a formal code of conduct for employees and board members, update its grievance policy, and establish a process to maintain documentation of all employee grievances and outcomes.

Finally, we recommended that LHC evaluate ways to improve employee trust in its grievance process, provide timely orientation and ongoing training for board members, and improve the board’s evaluation process for the executive director.

As a part of its response, which is included in the report as Appendix A, LHC agreed with seven of our recommendations, partially agreed with one recommendation, and disagreed with one recommendation.

As a result of the survey’s findings, we also plan to conduct a more comprehensive audit of LHC’s organizational culture and the agency’s compliance with policies, and make further recommendations to improve LHC’s culture.

*We hope you found this podcast informative, and that you’ll follow future episodes of LLA Reports.*

*This podcast was created as part of the audit report just discussed and is intended primarily for the use of the Louisiana Legislature. Both the full report and the podcast can be found on the LLA’s website at* [*www.lla.la.gov*](http://www.lla.la.gov)*.*

*Thank you for listening.*