

SOUTHEAST LOUISIANA FLOOD PROTECTION
AUTHORITY - EAST



PERFORMANCE AUDIT SERVICES
ISSUED SEPTEMBER 26, 2022

**LOUISIANA LEGISLATIVE AUDITOR
1600 NORTH THIRD STREET
POST OFFICE BOX 94397
BATON ROUGE, LOUISIANA 70804-9397**

LEGISLATIVE AUDITOR
MICHAEL J. "MIKE" WAGUESPACK, CPA

FIRST ASSISTANT LEGISLATIVE AUDITOR
ERNEST F. SUMMERVILLE, JR., CPA

DIRECTOR OF PERFORMANCE AUDIT SERVICES
KAREN LEBLANC, CIA, CGAP, MSW

AUDIT TEAM
EMILY DIXON, CIA, CGAP, CRMA, MBA
MISTY PERRY, MBA
STEVEN BRAILSFORD, MA

**FOR QUESTIONS RELATED TO THIS PERFORMANCE AUDIT, CONTACT
EMILY DIXON, PERFORMANCE AUDIT MANAGER,
AT 225-339-3800.**

Under the provisions of state law, this report is a public document. A copy of this report has been submitted to the Governor, to the Attorney General, and to other public officials as required by state law. A copy of this report is available for public inspection at the Baton Rouge office of the Louisiana Legislative Auditor and online at www.la.la.gov. When contacting the office, you may refer to Agency ID No. 9726 or Report ID No. 40210026 for additional information.

This document is produced by the Louisiana Legislative Auditor, State of Louisiana, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397 in accordance with Louisiana Revised Statute 24:513. Five copies of this public document were produced at an approximate cost of \$5.00. This material was produced in accordance with the standards for state agencies established pursuant to R.S. 43:31.

In compliance with the Americans With Disabilities Act, if you need special assistance relative to this document, or any documents of the Legislative Auditor, please contact Jenifer Schaye, General Counsel, at 225-339-3800.



LOUISIANA LEGISLATIVE AUDITOR
MICHAEL J. "MIKE" WAGUESPACK, CPA

September 26, 2022

The Honorable Patrick Page Cortez,
President of the Senate
The Honorable Clay Schexnayder,
Speaker of the House of Representatives

Dear Senator Cortez and Representative Schexnayder:

This report provides the results of our performance audit of the Southeast Louisiana Flood Protection Authority – East (SLFPAE). The purpose of this audit was to evaluate certain policies and practices, and employee perspectives on the organizational culture at SLFPAE.

We found that while SLFPAE had developed a grievance policy as required by Civil Service rules, it did not maintain all grievance documentation, track grievances, or ensure the policy clearly stated which issues would be addressed through the grievance process. According to a survey we conducted of SLFPAE employees, 46 (30.7%) of 150 respondents indicated they felt SLFPAE would not handle their grievance in accordance with policy, and 58 (38.7%) felt they would be retaliated against if they filed a grievance.

We also found that while SLFPAE's Employee Handbook contained an official Equal Employment Opportunity policy prohibiting discrimination, 42 (27.5%) of 153 survey respondents said they had experienced or witnessed some type of discrimination at SLFPAE within the past year. The most common types of discrimination reported involved age (18, or 19.4%), race or ethnicity (17, or 18.3%), and sex (12, or 12.9%).

In addition, we found that SLFPAE did not always comply with Civil Service rules in disciplinary actions issued during fiscal years 2018 through 2022.

Our survey results also indicated that most SLFPAE employees were passionate about the work they do, but the agency could improve the leadership of the Board and executive management by providing additional training and ensuring executive management receives ongoing feedback on performance.

We found, too, that SLFPAE should evaluate ways to decrease turnover, including reviewing the potential for increasing pay for positions that are hard to fill or have high turnover. In addition, revising the Employee Rewards and Recognition Program to include clear criteria, such as examples of what is considered high performance, could help improve morale.

The Honorable Patrick Page Cortez,
President of the Senate
The Honorable Clay Schexnayder,
Speaker of the House of Representatives
September 26, 2022
Page 2

Since February 2019, SLFP AE has not had an internal audit function. As a result, it is missing an opportunity to help agency leadership monitor the issues discussed in this report.

Additionally, we found that, as of May 2022, SLFP AE had four unclassified positions that were not legally authorized and were not approved by the State Civil Service Commission, meaning they should be classified positions, according to the Louisiana Constitution. As a result, SLFP AE may have not followed certain requirements for these positions specified by Civil Service rules, including those related to hiring, disciplining, and compensating staff.

The report contains our findings, conclusions, and recommendations. I hope this report will benefit you in your legislative decision-making process.

We would like to express our appreciation to SLFP AE and the Department of State Civil Service for their assistance during this audit.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Mike Waguespack', with a long horizontal flourish extending to the right.

Michael J. "Mike" Waguespack, CPA
Legislative Auditor

MJW/aa

SLFP AE

Louisiana Legislative Auditor

Michael J. “Mike” Waguespack, CPA



Southeast Louisiana Flood Protection Authority – East

September 2022

Audit Control # 40210026

Introduction

In November 2021, we received a legislative request to conduct a performance audit of the Southeast Louisiana Flood Protection Authority – East (SLFPAE). Based on this request, we conducted an audit to evaluate certain policies and practices, and employee perspectives on the organizational culture at SLFPAE.

SLFPAE was created in January 2007 with the primary purpose of regional coordination of flood protection of Orleans, East Jefferson, and St. Bernard Parishes.¹ Until June 2017, the East Jefferson Levee District (created in January 1979), Lake Borgne Levee District (created in 1892), and Orleans Levee District (created in 1890) functioned as individual districts, with their own staff, departments, policies, procedures, and data systems. However, beginning in June 2017, these three levee districts were combined within SLFPAE.

SLFPAE accomplishes its mission (*see text box at right*) by working with local, regional, state, and federal partners to plan, design, construct, operate, and maintain projects that will reduce the probability of flooding for the residents and businesses within its jurisdiction. SLFPAE inspects, maintains, and regularly exercises all components of the flood risk reduction systems, including 191 miles of federal and non-federal levees and floodwalls, 246 land-based floodgates, a 1.8-mile-long surge barrier, eight navigation gates, and permanent canal closures and pumps. SLFPAE also oversees the Orleans Levee District Police Department and the East Jefferson Levee District Police Department.² As of April 2022, SLFPAE has 219 employees, of which 12 are unclassified employees and 207 are classified.

SLFPAE’s mission is to ensure the physical and operational integrity of the regional flood risk management system in southeastern Louisiana as a defense against floods and storm surge from hurricanes.

Source: <https://www.floodauthority.org/>

SLFPAE’s Board of Commissioners (Board) consists of nine members nominated by a separate committee and appointed by the Governor for four-year terms, with at least one member from each of the three parishes served.³ Five of the Board members must be either engineers or professionals in a related field, such as geotechnical, hydrological, or environmental science; and one of those five must be a civil engineer. In addition, two of the members must be professionals

¹ Act 1 of the 2006 First Extraordinary Session, Louisiana Revised Statute (R.S.) 38:330.1

² Additionally, SLFPAE owns several former Orleans Levee District non-flood assets including the Orleans Marina, South Shore Harbor Marina, New Orleans Lakefront Airport, Lake Vista Community Center, and parts of Lakeshore Drive. In August 2010, the Lakefront Management Authority was created by R.S. 38:330.12 to manage these assets.

³ R.S. 38:330.1(C)

in another discipline with at least 10 years of professional experience in that discipline, and the remaining two members are at-large.

In fiscal year 2021, SLFPAE's total revenue of approximately \$60.5 million came primarily from ad valorem taxes (\$56.2 million, or 92.9%). Additionally, fees and self-generated revenue accounted for \$2.1 million, or 3.5%, of total revenue. The majority of SLFPAE's expenses of approximately \$84.3 million in fiscal year 2021 were for depreciation expense (\$28.5 million, or 33.8%) and capital outlay (\$16.0 million, or 19.0%).

To conduct this audit, we evaluated certain SLFPAE policies and procedures, researched best practices [e.g., Society for Human Resource Management (SHRM), Government Finance Officers Association, and Harvard Business Review]. In addition, we interviewed SLFPAE employees and Board members, conducted an employee survey to evaluate SLFPAE's organizational culture, reviewed employee files, and analyzed turnover at SLFPAE during fiscal years 2018 through 2022.

The objective of this audit was:

To evaluate certain policies and practices, and employee perspectives on the organizational culture at the Southeast Louisiana Flood Protection Authority – East.

Our results are summarized on the next page and discussed in detail throughout the remainder of the report. Appendix A includes SLFPAE's response, Appendix B contains our scope and methodology, and Appendix C presents results from our April 2022 survey of SLFPAE employees on the organizational culture at SLFPAE.

Objective: To evaluate certain policies and practices, and employee perspectives on the organizational culture at the Southeast Louisiana Flood Protection Authority – East.

Overall, we found the following:

- **While SLFPAE has developed a grievance policy as required by Civil Service rules, it did not maintain all grievance documentation, track grievances, or ensure that the policy clearly states which issues are addressed through the grievance process, all of which are recommended by the Department of State Civil Service (DSCS).** According to our April 2022 survey of SLFPAE employees, 46 (30.7%) of 150 respondents indicated that they felt that SLFPAE would not handle their grievance in accordance with policy, and 58 (38.7%) felt that they would be retaliated against if they filed a grievance.
- **While SLFPAE’s Employee Handbook contains an official Equal Employment Opportunity (EEO) policy prohibiting discrimination, our survey found that 42 (27.5%) of 153 survey respondents stated that they experienced or witnessed some type of discrimination at SLFPAE within the last year.** The most common types of discrimination reported at SLFPAE involved age (18 or 19.4%), race or ethnicity (17 or 18.3%), or sex (12 or 12.9%).
- **SLFPAE did not always comply with Civil Service rules in all disciplinary actions issued during fiscal years 2018 through 2022.** In one instance, SLFPAE terminated an employee for sexual harassment, racially-based conduct, and leaving a firearm unsecured. However, the employee appealed and during its preliminary review DSCS stated that SLFPAE did not provide the employee with a reasonable chance to respond to the discipline or describe the conduct in enough detail in the disciplinary letters. On advice of its counsel, SLFPAE settled the appeal by changing the termination to a resignation and paying the employee approximately \$38,000 in back pay.
- **Survey results indicate that most employees at SLFPAE are passionate about the work they do, but SLFPAE could improve the leadership of the Board and executive management by providing additional training and ensuring executive management receives ongoing feedback on performance.** As of June 2022, eight (53.3%) of the 15 employees in executive management did not complete all of the DSCS supervision training courses that are required for classified employees and recommended for unclassified employees.
- **SLFPAE should evaluate ways to decrease turnover, including reviewing the potential for increasing pay through DSCS in positions that are hard to fill or have high turnover.** In addition, revising the Employee Rewards and Recognition Program to include clear criteria, including examples of what is

considered high performance, could help improve morale by making employees feel more appreciated.

- **Since February 2019, SLFPAE has not had an internal audit function.** As a result, it is missing an opportunity to help agency leadership monitor the issues discussed in this report including grievances, discipline, discrimination, and organizational culture.
- **As of May 2022, SLFPAE has four positions that are not legally authorized as unclassified and have not been approved by the State Civil Service Commission and, therefore, should be classified positions according to the Louisiana Constitution.** As a result, SLFPAE may have not followed certain requirements for these positions, including hiring, disciplining, and compensating staff in accordance with Civil Service rules.

These issues are discussed in more detail on the pages that follow, along with recommendations for improvement.

While SLFPAE has developed a grievance policy as required by Civil Service rules, it did not maintain all grievance documentation, track grievances, or ensure that the policy clearly states which issues are addressed through the grievance process, all of which are recommended by the Department of State Civil Service (DSCS). According to our April 2022 survey of SLFPAE employees, 46 (30.7%) of 150 respondents indicated that they felt that SLFPAE would not handle their grievance in accordance with policy, and 58 (38.7%) felt that they would be retaliated against if they filed a grievance.

Conditions leading to dissatisfaction and misunderstanding may arise among employees in any organization; therefore, it is important that agencies have a policy that states how grievances are to be handled internally (*see text box at right*). The State Civil Service Commission⁴ (Commission) has rulemaking authority to regulate the terms of employment of classified state employees.⁵ As required by

A **grievance** is a claim by an employee or group of employees as a result of an alleged violation or misapplication of a contract, SLFPAE policy, administrative regulation, state or federal law, or an employee's perception of a wrong against him/her as a result of management's or another employee's decisions or behaviors.

Source: SLFPAE Employee Handbook

⁴ The Commission is a seven-member body that has final authority over the administration of the State Civil Service system, serves as an impartial review board that enacts and adjudicates Civil Service rules to regulate state personnel activities, and hears appeals from state employees and agencies.

⁵ Article X §10 of the 1974 Louisiana State Constitution

Civil Service rules,⁶ SLFPAE has developed a policy to handle classified employee complaints or grievances.⁷ This policy defines a grievance, outlines the procedure and timeframes for filing the grievance, describes the specific information that is required to be provided by the employee, and informs the employee of their right to obtain representation at any point in the process. According to SHRM, the benefits of having a formal grievance policy include providing employees with a mechanism to resolve issues of concern, helping employers correct issues before they become serious issues or result in litigation,⁸ and improving employee morale because employees feel they have options for pursuing conflict resolution.⁹

While SLFPAE has developed a grievance policy as required by Civil Service rules, this policy does not include all DSCS recommendations. In addition, during fiscal years 2018 through 2022, SLFPAE did not maintain all grievance documentation or track grievances as recommended by DSCS. These recommendations include clearly stating that performance evaluation appeals are handled through DSCS and that complaints about letters of warning, reprimand, or counseling are handled by written response and not through the grievance process. Amending its policy would help SLFPAE ensure that employees have a clear understanding of the grievance process and when it should and should not be used. This would also serve to inform employees of their rights outside of the grievance process.

DSCS recommends that agencies maintain all documents related to any grievance in their Human Resources offices and track the number and nature of the grievances to help define and address internal problems and complaints. According to SLFPAE files, during fiscal years 2018 and 2022, employees filed 11 grievances; however, SLFPAE was missing some documentation for four (36.4%) of these 11 grievances, including the initial grievances filed, the written responses to employees, or the outcome or resolution of the grievances. Further, seven employees stated they filed grievances in our April 2022 survey; however, we were unable to locate documentation of these grievances with SLFPAE's Human Resources. According to SLFPAE, these employees may have been confused on what constitutes a formal grievance or supervisors may have not known that grievances are supposed to be sent to Human Resources. Without documentation, SLFPAE cannot review past grievances to ensure they were handled fairly and in accordance with its policy. Additionally, SLFPAE does not have a process to track the grievances it receives so that it can conduct an analysis to determine if there are recurring problems, particularly if they are occurring in a given unit or relating to a particular supervisor, as recommended by DSCS. Without tracking grievances and proper documentation, SLFPAE is missing an opportunity to identify any recurring issues that could further impact agency morale and weaken trust in the grievance process.

“Build a culture of trust and [ensure] no retaliation.”

“Employees sometimes feel intimidated, and won't say anything. Afraid of Retaliation.”

Source: April 2022 LLA Survey of SLFPAE Employees

⁶ These rules govern personnel practices and are binding for state classified employees in all state agencies and departments.

⁷ Civil Service Rule 3.1 (m)

⁸ [“What are the steps typically found in a grievance procedure?”](#) SHRM Toolkits

⁹ [“Managing Workplace Conflict.”](#) SHRM Toolkits

Since SLFP AE was only aware of the 11 grievances filed between July 2017 and May 2022, leadership may not be aware of other issues employees are facing. According to our survey, this may be due to a lack of trust in how SLFP AE handles grievances, as 46 (30.7%) of 150¹⁰ respondents felt that SLFP AE would not handle their grievance in accordance with policy and 58 (38.7%) felt that they would be retaliated against if they filed a grievance.¹¹ Employees also expressed fear of retaliation in SLFP AE’s February 2017 survey, as 65 (41.4%) of 157 respondents felt that employees were retaliated against for filing complaints, grievances, etc. In addition, the June 2019 independent investigation into a grievance mentioned on page 9 of this report found that a SLFP AE director retaliated against an employee for filing a complaint.

It is important that SLFP AE improve employees’ trust in the grievance process so that conflict can be resolved timely. Quickly resolving conflict is important as, according to SHRM, the negative effects of workplace conflict can include work disruptions, decreased productivity, project failure, absenteeism, turnover, and termination.¹² In addition, an effective grievance procedure provides employees with a mechanism to resolve issues of concern and may also help employers correct issues before they become serious issues or result in litigation.¹³

In addition, while SLFP AE has an anonymous online suggestion “box” that is available on its intranet for employees and on the homepage of its website for the public, it has only received 24 valid¹⁴ submissions since implementation in May 2017. According to SLFP AE, one reason there are so few submissions may be that employees are not aware of the suggestion box because they all do not access the intranet on a regular basis. As of May 2022, SLFP AE has not developed a process to address or respond to submissions received through the suggestion box. Addressing all suggestions may help SLFP AE create an environment where employees trust the process enough to voice their suggestions and complaints. In addition, according to SHRM, employers can also solicit employee concerns and complaints by training supervisors to listen and respond to workers, hosting employee focus groups, making ombudsmen and suggestions boxes available, and ensuring that Human Resources acts as an employee advocate.¹⁵

Recommendation 1: SLFP AE should update its grievance policy to include DSCS recommendations such as clearly stating that performance evaluations appeals are handled through DSCS and that complaints about letters of warning, reprimand, or counseling are handled by written response and not through the grievance process.

Summary of Management’s Response: SLFP AE agrees with this recommendation and stated that it updated its grievance procedure effective July 1, 2022, to include the language recommended by DSCS. See Appendix A for management’s full response.

¹⁰ We received responses from 156 employees, achieving an overall response rate of 71.6%. However, the number of responses varied by question because six employees started but did not complete the entire survey.

¹¹ See Appendix C for results from our April 2022 survey of SLFP AE employees on the organizational culture at SLFP AE.

¹² [“Managing Workplace Conflict,”](#) SHRM Toolkits

¹³ [“What are the steps typically found in a grievance procedure?”](#) SHRM Toolkits

¹⁴ Non-spam, non-blank, non-test submissions

¹⁵ [“Giving Voice to Employee Concerns,”](#) SHRM, August 2008

Recommendation 2: SLFPAE should develop a process that requires it to track and maintain documentation of all employee grievances and the outcomes, as recommended by DSCS.

Summary of Management's Response: SLFPAE agrees with this recommendation and stated that it has implemented a grievance tracking process to identify trends of alleged violation or misapplication of contract, SLFPAE policy, administrative regulation, state or federal law, or an employee's perception of a wrong against him/her as a result of management's or another employee's decisions or behaviors. See Appendix A for management's full response.

Recommendation 3: SLFPAE should evaluate ways to improve trust in its grievance process, such as addressing anonymous suggestions, training supervisors to listen and respond to workers, hosting employee focus groups, making ombudsmen available, and ensuring that Human Resources acts as an employee advocate.

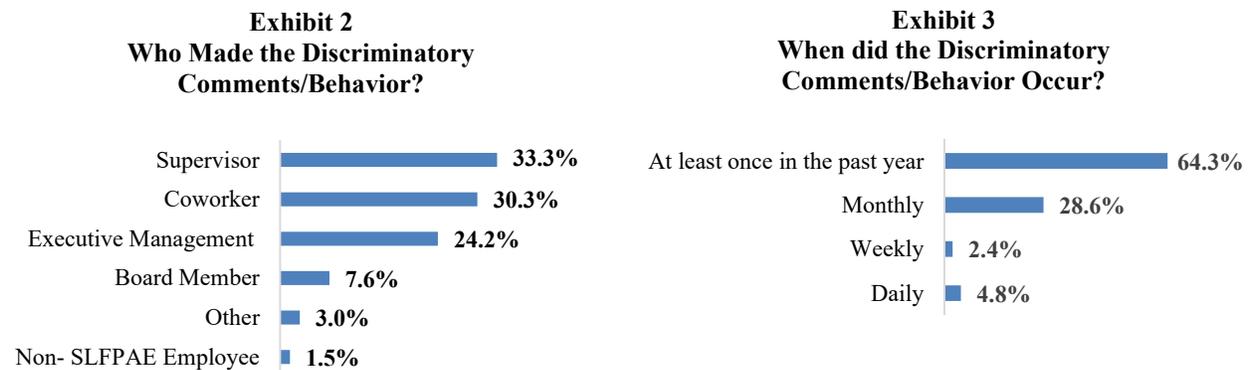
Summary of Management's Response: SLFPAE agrees with this recommendation and stated that in 2022 it instituted a mandatory training for supervisors on Active Listening, Building Trust, Inspirational Leadership, Top Down Communication, and many others. All supervisors will have completed this training series by the end of the year. In addition, the anonymous suggestion box that is on the employee intranet is now being monitored by HR so that any issues can be directly addressed. See Appendix A for management's full response.

While SLFPAE's Employee Handbook contains an EEO policy prohibiting discrimination, our survey found that 42 (27.5%) of 153 survey respondents stated that they experienced or witnessed some type of discrimination at SLFPAE within the last year.

SLFPAE policy prohibits discrimination of any form in any personnel activity or action, or any conditions of employment such as disciplinary actions, layoffs, terminations, and evaluations. In addition, the policy prohibits an employee from discriminating against fellow employees, supervisors, clients, or the public being served. However, 42 (27.5%) of 153 employees who responded to our survey indicated that they experienced or witnessed some type of discrimination at SLFPAE within the last year. Discrimination reported by employees does not appear to be a new issue, as SLFPAE found in a February 2017 employee survey that 44 (28.4%) of 155 respondents indicated that discrimination was common at SLFPAE. Exhibit 1 summarizes responses based on the type of discrimination reported as witnessed or experienced by the 42 employees in our April 2022 survey.

Exhibit 1 Type of Discrimination Respondents Observed or Experienced within the Last Year at SLFPAE		
Type	Number*	Percent
Age	18	19.4%
Race or ethnicity	17	18.3%
Sex	12	12.9%
Other**	11	11.8%
Disability	9	9.7%
Sexuality	9	9.7%
Economic background	8	8.6%
Gender identity	5	5.3%
Religion or religious beliefs	4	4.3%
Total	93	100.0%
*Some respondents selected multiple types. **Includes nationality, pregnancy, etc. Source: Prepared by legislative auditor's staff using data from April 2022 survey of SLFPAE employees.		

As shown in Exhibit 1 above, the most common types of discrimination reported in our April 2022 survey of SLFPAE employees involved age (18 or 19.4%), race or ethnicity (17 or 18.3%), or sex (12 or 12.9%). The majority of respondents indicated that supervisors or coworkers made the discriminatory comments/behavior, which mainly occurred at least once in the past year, as shown in Exhibits 2 and 3, respectively.



Source: April 2022 LLA Survey of SLFPAE employees.

Furthermore, 28 (18.4%) of 152 employees who responded indicated that they feel that their progress at work has been held back as a result of their sex, race, ethnicity, gender identity, sexuality, religion, national, disability, or economic background. This includes 19 (28.4%) of 67 respondents who are racial minorities and 12 (28.6%) who are female.

We reviewed SLFPAE documentation and identified four instances where SLFPAE hired an independent investigator¹⁶ to handle grievances involving discrimination during fiscal years 2018 through 2022. In three of these investigations, the accusation was not substantiated or SLFPAE followed the discipline recommended in the investigation. The remaining investigation, in June 2019, found no evidence of unlawful racial discrimination; however, it did find that a white supervisor treated an African American employee differently relative to white employees at the same level. The investigation recommended discipline, but SLFPAE was unable to provide documentation supporting that discipline occurred, and the supervisor stated that he was not disciplined as a result of this investigation.

Recommendation 4: SLFPAE should develop ways to mitigate discriminatory behavior experienced by employees, including training supervisors.

Summary of Management's Response: SLFPAE agrees with this recommendation and stated that it values diversity at all levels within the organization and will identify additional training opportunities for supervisors to mitigate any discriminatory behavior. See Appendix A for management's full response.

SLFPAE did not always comply with Civil Service rules in all disciplinary actions issued during fiscal years 2018 through 2022.

Civil Service rules ensure that employees are given timely written notice of discipline, have the right to respond, and are aware of the appeals process.¹⁷ When employees are disciplined, they have the right to appeal the disciplinary action to the Commission. If the Commission rules in favor of the employee, the agency can be responsible for paying the employee's lost wages, incurring legal fees, or ordered to rehire the employee.

During fiscal years 2018 through 2022, DSCS found that SLFPAE did not comply with all Civil Service rules after two¹⁸ employees appealed disciplinary actions. In one appeal, the employee was terminated by SLFPAE for sexual harassment, racially-based conduct, and leaving a firearm unsecured. However, during its preliminary review DSCS stated that SLFPAE did not provide the employee with a reasonable chance to respond to the discipline or describe the conduct in enough detail in the disciplinary letters. On advice of its counsel, SLFPAE settled the appeal by changing the termination to a resignation and paying the employee approximately \$38,000 in back pay. The other appeal involved an employee violating COVID-19 protocols and disregarding directives from their supervisor, causing other employees to be exposed to COVID-19. However, because SLFPAE did not include the verbatim wording of the provisions under which the employee was being disciplined in the disciplinary letters, the employee won the

¹⁶ According to SLFPAE, grievances that are complex, require a large volume of interviews, against upper management, or political may be investigated by an independent investigator.

¹⁷ Civil Service Rules, Chapter 12

¹⁸ One additional employee appealed their discipline during this timeframe, but as of June 2022 the appeal was still pending.

appeal. This resulted in SLFPAE having to reverse the employee's suspension without pay, remove all documents regarding the discipline from the employee's personnel file, and pay three days back pay and legal fees in the amount of \$750 to the employee.

We reviewed the remaining 26 disciplinary actions issued by SLFPAE during fiscal years 2018 through 2022 and found that an additional 14 (53.8%) were not issued in accordance with Civil Service rules. Specifically, we found that disciplinary action letters did not always include a required statement informing employees of their right to appeal decisions within 30 days, or include the specific language of the policies that had been violated. If SLFPAE continues to issue disciplinary actions that do not comply with all rules, it risks being ordered by the Commission to pay lost wages, legal fees, and/or potentially be forced to rehire a problematic employee.

In addition, while SLFPAE does maintain disciplinary action documentation in employee files, it does not track the discipline it has issued. Tracking disciplinary actions would allow SLFPAE to ensure that discipline is issued consistently amongst managers and departments and that discipline is escalated appropriately for repeated behavior. According to SHRM, issuing consistent and fair discipline will help to prevent successful claims of discrimination or other unlawful conduct.¹⁹

Recommendation 5: SLFPAE should ensure that all disciplinary action letters comply with Civil Service rules, including a statement that employees have 30 days to appeal decisions and specific language regarding the policies that were violated.

Summary of Management's Response: SLFPAE agrees with this recommendation and stated that it has updated the template used for disciplinary action letters to include all of the specific language recommended by DSCS. See Appendix A for management's full response.

Recommendation 6: SLFPAE should track the disciplinary actions that it issues so that it can ensure that discipline is issued consistently amongst managers and departments and escalated appropriately for repeated behavior.

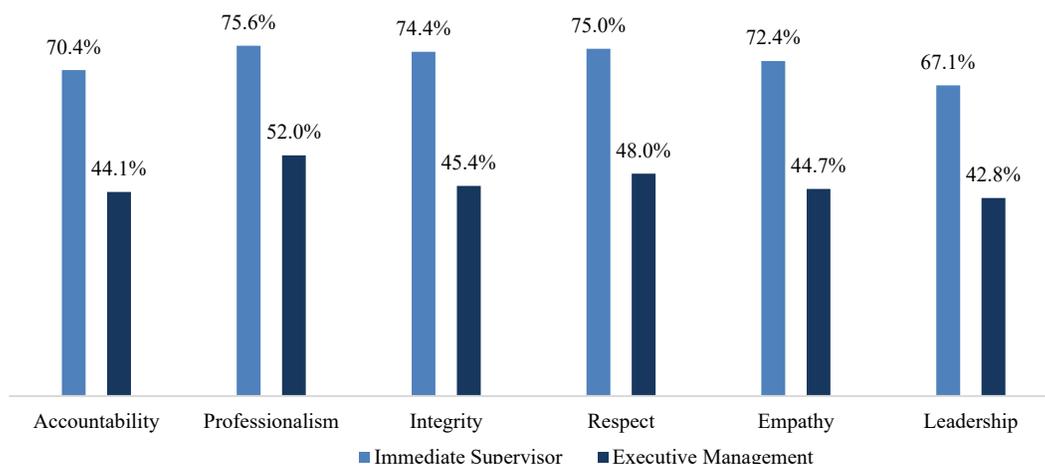
Summary of Management's Response: SLFPAE agrees with this recommendation and stated that its HR department now tracks all disciplinary action matters to ensure the actions are consistent across the organization and to identify any repeated behaviors. See Appendix A for management's full response.

¹⁹ ["Understanding Employee Discipline."](#) SHRM Toolkit, 2022

Survey results indicate that most employees at SLFPAE are passionate about the work they do, but SLFPAE could improve the leadership of the Board and executive management by providing additional training and ensuring executive management receives ongoing feedback on performance.

According to our survey, most SLFPAE employees feel passionate about the work they do but have less favorable views of the leadership of executive management. Specifically, 136 (87.2%) of 156 survey respondents stated that they were passionate about the work they do at SLFPAE. However, 58 (37.2%) respondents disagreed that agency leadership fosters a culture that emphasizes the importance of integrity and ethical values and demonstrates that staff wellbeing is a priority. Employees also provided varying responses regarding whether certain values, such as accountability, empathy, and integrity were modeled by different levels of management. Employees consistently agreed that their immediate supervisor exhibited these values more so than executive management, as shown in Exhibit 4.

**Exhibit 4
Percent of Employees Who Agree That Different Levels of Management Model Values**



Source: Prepared by legislative auditor's staff using LLA April 2022 survey of SLFPAE employees.

While executive management has received training relating to the performance evaluation and planning system, managing soft skills, writing disciplinary actions, and effective communication, eight (53.3%) of 15 employees in executive management did not complete all of the DSCS supervision training courses as of June 2022 that are required for classified employees and recommended for unclassified employees. Civil Service rules²⁰ require agencies' Human Resources departments to ensure that classified supervisors complete supervision training, which is provided by DSCS, within certain timeframes after they are hired

²⁰ Civil Service Rule 25.2

or promoted.²¹ According to DSCS, the supervision training was developed to reach supervisors earlier in their careers, reducing potentially costly mistakes and includes training on topics such as building trust, ethical leadership, and communicating top-down. DSCS further states that while unclassified supervisors are not required to take supervision training, they are encouraged to complete it.

According to SLFPAE, in March 2022, it began an effort to ensure all supervisors had completed DSCS required supervision training. However, as of June 2022, 35 (53.0%) of 66 classified supervisors at SLFPAE were out of compliance, including two (28.6%) of the seven classified executive management employees. In addition, six (75.0%) of the eight unclassified members of executive management have not completed this supervisor training. According to SLFPAE, it began ensuring compliance with DSCS training requirements at the director level and plans to work its way down the organizational chart to ensure compliance. According to SHRM, continuing education is vital for the growth and development of managers and supervisors. Additionally, as discussed previously in this report, it is important for supervisors to receive training related to topics such as the grievance process as well as EEO laws related to discrimination.

Providing Board members with a timely orientation that includes training on their roles and responsibilities, meeting procedures and etiquette, and an overview of SLFPAE could help Board members better fulfill their roles. The Institute of Internal Auditors (IIA) states that a basic principle for boards is understanding and exercising oversight responsibility related to financial reporting, applicable laws and regulations, operating effectiveness and efficiency, and related internal controls.²² According to SLFPAE, Board members have completed state mandated training related to ethics and sexual harassment, but they are not required to take any other training. During individual interviews with Board members, several stated that they feel additional training would be beneficial and specifically indicated the need for training relating to Board member responsibilities, DSCS guidelines for employees, public records requests, and open meeting rules. According to the U.S. Chamber of Commerce Institute for Organizational Management,²³ a thorough orientation is necessary to ensure that Board members understand their roles and responsibilities, including training on reviewing financial statements and how to read them, reviewing Board policies and procedures, and clarifying Board governance versus operation and management roles.²⁴ Additionally, because of the complexity of work completed by SLFPAE, it is important that Board members receive agency-specific training to ensure that they make informed decisions. This training could include the history of the organization and its key accomplishments, the annual strategic plan, organizational policies and procedures, and a clarification of Human Resources policies and procedures.

²¹ While all classified supervisors must complete a set of core supervision training within one year, the training required and time allowed to complete additional training varies by supervisor group, but ranges from two to three years after completing the core training.

²² Institute of Internal Auditors, [Auditing the Control Environment](#), April 2011

²³ The U.S. Chamber of Commerce Institute for Organizational Management was designed to enhance individual performance, elevate professional standards, and recognize association, chamber of commerce, and other nonprofit professionals who demonstrate the knowledge essential to the practice of nonprofit management.

²⁴ U.S. Chamber of Commerce Institute for Organization Management, [“Best Practices in Board Governance,”](#) September 2013

In addition, to ensure that the executive management team receives clear performance expectations that align with the mission of SLFPAE, the Board should require that all executive management team members receive performance planning and evaluations from their direct supervisor at least annually. During fiscal years 2018 through 2021, not all members of SLFPAE’s executive management team were evaluated by the Board or their direct supervisor. Specifically, in fiscal year 2021, six (42.9%) of the 14²⁵ members of the executive management team were not evaluated, including three employees who report directly to the Board and four employees who report to the regional director or another member of executive management. While SLFPAE is not required by Civil Service rules to evaluate these unclassified employees, SHRM recommends a feedback process that is continuous and timely so that employees know how they are doing and what is expected.²⁶ Feedback on performance helps employees understand blind spots and helps them grow personally and professionally. In turn, this helps organizations better perform and meet its goals. According to SLFPAE, it will begin evaluating all executive staff who report to the regional director, another member of executive management, or the Board. It is also important that SLFPAE provides ongoing feedback to management apart from the annual evaluation period so that any issues can be addressed immediately.

Recommendation 7: SLFPAE Board members should all receive a timely orientation that includes training on their roles and responsibilities, meeting procedures and etiquette, and an overview of SLFPAE programs, policies, and procedures.

Summary of Management’s Response: SLFPAE agrees with this recommendation and stated that it will implement a formal orientation program for Board members to provide them with an overview of their role, good board governance, a history of SLFPAE, and an overview of key policies and procedures. See Appendix A for management’s full response.

Recommendation 8: SLFPAE should ensure that all supervisors, including executive management complete required/recommended DSCS supervisor training and provide ongoing training to supervisors and management on topics such as policies, procedures and employee handbooks; human resources and safety laws; discrimination; and conflict management.

Summary of Management’s Response: SLFPAE agrees with this recommendation and stated that six of the 13 employees currently on its executive management team have completed the required DSCS curriculum. Two of the employees on the team have worked for the agency less than three years which is the time allotted by DSCS to complete the program requirements. The remaining five executive staff as of September 2022 along with all supervisors will have completed the required training by the end of calendar year 2022. See Appendix A for management’s full response.

²⁵ This number differs from the executive management team discussed on page 11 because of personnel changes in executive management positions between June 2021 and August 2022.

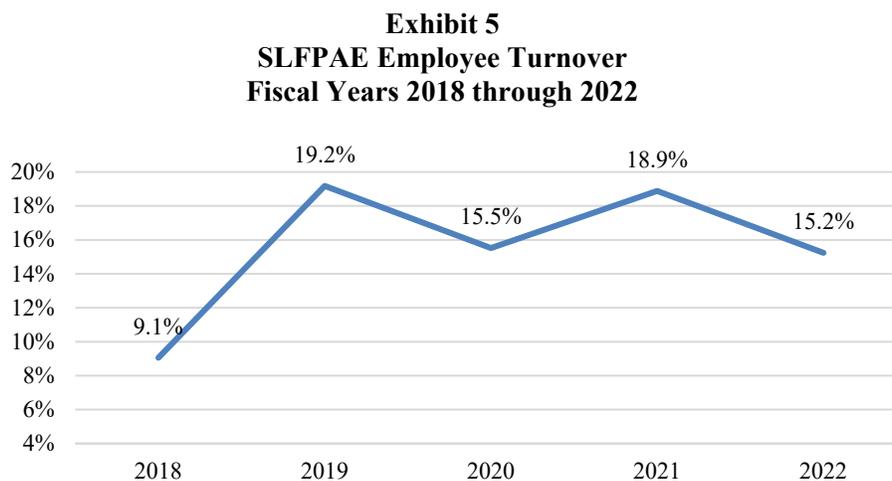
²⁶ “[Managing Employee Performance](#),” SHRM Toolkit, 2022

Recommendation 9: SLFPAE should ensure that all employees, including unclassified members of its executive management team who report to the regional director, another member of executive management, or the Board, are formally evaluated and provided ongoing feedback on a routine basis.

Summary of Management’s Response: SLFPAE agrees with this recommendation and stated that it implemented this recommendation for the year ended June 30, 2022. In addition, the Regional Director will ensure that unclassified employees are formally evaluated each year. See Appendix A for management’s full response.

SLFPAE should evaluate ways to decrease turnover, including reviewing the potential for increasing pay through DSCS in positions that are hard to fill or have high turnover. In addition, revising the Employee Rewards and Recognition Program to include clear criteria could help improve morale by making employees feel more appreciated.

Over the last five years, turnover within SLFPAE has increased from 9.1% in fiscal year 2018 to 15.2 % in fiscal year 2022. While SLFPAE attempts to interview employees to identify their resignation reasons, it does not track this information. Tracking reasons would allow SLFPAE to better identify trends in turnover and solutions to address turnover. Exhibit 5 shows SLFPAE’s turnover by fiscal year for the last five fiscal years.



Source: Prepared by legislative auditor's staff using SLFPAE employee data.

To decrease turnover, SLFPAE could work with DSCS to potentially increase pay for positions that are hard to fill and retain employees. We analyzed SLFPAE turnover data and found that most turnover occurs in the department that maintains the levees, which includes

mobile equipment operators and general laborers. Specifically, during fiscal years 2018 through 2022, 98 (45.4%) of the 216 employees who left SLFPAE worked in this department. According to SLFPAE, these positions are hard to fill and retain because employees are in the heat all day and SLFPAE cannot compete with the pay offered at other jobs. However, according to Civil Service rules, SLFPAE may be able to utilize optional pay for recruitment of positions that have high turnover, are difficult to recruit, and require undesirable working conditions.

According to the Harvard Business Review, companies can also increase retention by providing better career opportunities, evaluating the company's purpose, prioritizing culture and connection, taking care of employees and their families, and embracing flexibility.²⁷ SHRM also recommends increasing engagement by providing mentors, designing team-based projects, fostering team cohesiveness, encouraging employee referrals, and providing clear socialization and communication about the company's values and culture, as well as offering financial incentives based on tenure or unique incentives that may not be common elsewhere.²⁸

Revising the Employee Rewards and Recognition Program to include clear criteria could help improve morale by making employees feel more appreciated. Civil Service rules allow agencies to implement a program of rewards and recognition for employees who demonstrate significant achievement or receive exceptional performance evaluations.²⁹ These programs must be implemented in accordance with written policies and procedures established by each agency, which must be approved in advance by the Civil Service Commission and made available to all employees. SLFPAE's Rewards and Recognition policy was approved by the Commission in July 2019 and includes up to a \$250 reward for Employee of the Month and up to \$500 for Employee of the Year in the Administration, Operations, and Police departments. During fiscal year 2021, SLFPAE awarded 21 monthly and three yearly awards. According to SLFPAE, it is considering changes to the program because of concerns about the program losing its impact and how recipients are selected. According to SLFPAE, currently any employee can nominate another employee by filling out a nomination form and management votes on the monthly/yearly award winners. However, the nomination form could better explain what employees should specifically do to be eligible for the award. For example, while SLFPAE's nomination form states that professionalism is a value that individuals could be nominated for, it does not list examples of the types of behavior that would qualify. This is also important because the work SLFPAE employees do varies greatly between departments, from policing to maintaining the levees to performing administrative functions.

"It seems the recognition program is done by popularity or manager favorites. Instead of rewarding employees for becoming the most popular or the managers' favorites, reward them for doing a great job. Make the managers responsible for showing the good work or extra mile done by the employee."

Source: April 2022 LLA Survey of SLFPAE Employees

Lack of clear criteria including examples of what is considered high performance may cause employees to feel that the program is unfair which in turn could negatively impact morale. During multiple in-person interviews, employees voiced dissatisfaction with the rewards program. In addition, our survey results indicated that of 154 SLFPAE employees, 65 (42.2%)

²⁷ ["6 Strategies to Boost Retention Through the Great Resignation"](#), Harvard Business Review, 2021

²⁸ ["Managing for Employee Retention,"](#) SHRM Toolkit, 2022

²⁹ Civil Service Rule 6.16.1

disagreed that the Employee of the Month/Year program is fair, 57 (37.0%) disagreed that it helps improve morale, and 73 (47.4%) disagreed that it is based on clear criteria.

According to SHRM, employers should provide a clear, written policy and guidelines describing a recognition program and its terms, and communicate both the criteria and examples of the types of work behaviors that warrant an award.³⁰ SLFPAE should consider revising its Rewards and Recognition policy to better meet these standards and help ensure that awards are given fairly. According to Forbes, recognition programs can have a huge impact on business performance and when surveyed, companies that scored in the top 20% for building a "recognition-rich culture" actually had 31% lower voluntary turnover rates.³¹

Recommendation 10: SLFPAE should continually monitor turnover and track the reasons SLFPAE employees leave in order to identify ways to slow turnover.

Summary of Management's Response: SLFPAE agrees with this recommendation and stated that it reports hirings and separations along with staffing updates in the monthly report submitted to the Board. In addition, it will implement a formal process for tracking the reasons for separations for employees. See Appendix A for management's full response.

Recommendation 11: SLFPAE should identify ways to decrease turnover, including working with DSCS to determine if it could utilize optional pay for recruitment of positions that have high turnover, are difficult to recruit, and require undesirable working conditions.

Summary of Management's Response: SLFPAE agrees with this recommendation and stated that it frequently avails itself to all of the tools provided by DSCS to attract and retain employees. These tools include optional pay, compression pay, and extraordinary qualifications entrance rate. In addition, SLFPAE is in communication with DSCS to further investigate opportunities to implement pay policies that may decrease turnover and attract and retain persons for hard to fill positions. See Appendix A for management's full response.

Recommendation 12: SLFPAE should revise its Employee Rewards and Recognition Policy to include clear criteria and examples of the types of work behaviors that warrant an award.

Summary of Management's Response: SLFPAE agrees with this recommendation and stated that it is in communication with DSCS to identify best practices and policies for an Employee Rewards and Recognition Program. See Appendix A for management's full response.

³⁰ ["Managing Employee Recognition Programs."](#) SHRM Toolkit, 2022

³¹ ["New Research Unlocks the Secret of Employee Recognition,"](#) Forbes, June 2012

Since February 2019, SLFPAE has not had an internal audit function. As a result, it is missing an opportunity to help agency leadership monitor the issues discussed in this report including grievances, discipline, discrimination, and organizational culture.

Until February 2019, SLFPAE had an internal audit function that made recommendations related to many of SLFPAE’s operational processes. For example, in October 2017, internal auditors recommended that SLFPAE establish a process for fairly assigning police details and exploring software to automate and provide a reliable system to track, monitor and report on police officers working paid details. In January 2018, internal auditors found issues related to SLFPAE’s credit cards, including purchases for meals that appeared to be in conflict with Louisiana Attorney General Opinions. According to the IIA, internal auditors assist organizations in numerous ways, including:³²

- promoting the establishment of cost-effective controls
- assessing risk and recommending measures to mitigate those risks
- monitoring organizational ethics
- evaluating emerging technologies
- analyzing opportunities
- assessing quality, economy, and efficiency
- providing accurate and timely communication

The Government Finance Officers Association (GFOA)³³ recommends that every government should consider the feasibility of establishing a formal internal audit function to help management maintain a comprehensive framework of internal controls.³⁴ In 2015, the Louisiana legislature mandated that state agencies with appropriations of \$30 million or more have internal audit functions.³⁵ While SLFPAE’s revenues were approximately \$60.5 million during fiscal year 2021, it does not receive appropriations from the state general fund and therefore is not subject to this law.

Internal auditing is an independent, objective assurance and consulting activity designed to **add value and improve an organization’s operations**. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

Source: [The Institute of Internal Auditors website](#)

³² “[Internal Auditing: Adding Value Across the Board](#),” IIA

³³ GFOA, founded in 1906, represents public finance officials throughout the US and Canada. The association's more than 20,000 members are federal, state/provincial, and local finance officials deeply involved in planning, financing, and implementing thousands of governmental operations in each of their jurisdictions. GFOA's mission is to advance excellence in public finance.

³⁴ “[Best Practices – Internal Audit Function](#),” GFOA, September 2020

³⁵ Act 314 of the 2015 Regular Legislative Session, effective August 1, 2015

According to SLFP AE, due to changes in leadership it has not yet filled the internal audit position, as the current Regional Director was appointed by the Board in April 2021. In addition, Board members stated that an internal auditor was not necessary because SLFP AE has a Director of Finance and an external CPA who conducts an annual financial audit. However, Deloitte clarifies that unlike external auditors, internal auditors look beyond financial risks and statements to consider wider issues such as an organization’s reputation, growth, its impact on the environment, and the way it treats its employees.³⁶ In addition, the IIA states that internal auditors are a valuable resource to executive management and boards in accomplishing overall goals and objectives, as well as in strengthening internal controls and organizational governance.³⁷

Recommendation 13: SLFP AE should evaluate its need for an internal audit function to safeguard resources against fraud, waste, and abuse; promote accuracy and reliability in accounting; and evaluate compliance with laws and regulations.

Summary of Management’s Response: SLFP AE agrees with this recommendation. See Appendix A for management’s full response.

As of May 2022, SLFP AE has four positions that are not legally authorized as unclassified and have not been approved by the State Civil Service Commission and, therefore, should be classified positions according to the Louisiana Constitution. As a result, SLFP AE may have not followed certain requirements for these positions, including hiring, disciplining, and compensating staff in accordance with Civil Service rules.

The Louisiana Constitution³⁸ divides state service into classified and unclassified employees and provides all boards, commissions, and authorities with two³⁹ unclassified positions (*see text box at right*). When SLFP AE was created in January 2007, state law⁴⁰ allowed the unclassified employees of the Orleans, East Jefferson, and Lake Borgne Levee Districts to remain unclassified as long as they remained in the same positions and had been hired before December 31, 2006. Agencies can request approval for additional

Classified positions and the employees who serve in them are subject to the provisions of the Civil Service rules. For example, employees in classified positions can only be disciplined for cause or removed after due process; whereas, **unclassified** employees can be separated without cause or due process.

Source: [DSCS Website](#)

³⁶ “[The Changing Role of Internal Audit](#),” Deloitte, June 2012

³⁷ “[Internal Auditing: Adding Value Across the Board](#),” IIA

³⁸ Louisiana Constitution Article X, §2

³⁹ Art. X, §2(B)(7) states that these two positions shall include one person holding a confidential position and one principal assistant or deputy.

⁴⁰ R.S. 38:330.5

unclassified positions from the Commission by submitting adequate justification for why the positions should not be classified positions.⁴¹

According to SLFPAE documentation, it has 16 unclassified positions as of May 2022. We confirmed that two of these positions are allowed by the Louisiana Constitution, two are allowed by state law, and eight have been approved by the Commission. However, the remaining four unclassified positions, including three directors and one special assistant, are not authorized and therefore should be classified positions by default in accordance with the Louisiana Constitution. According to SLFPAE, it is in a unique position because it used to be three separate levee districts that were each allowed to have a set number of unclassified employees, and it was under the impression that these four positions were authorized by DSCS because the positions are listed on monthly reports received from DSCS.

This distinction between classified and unclassified employment is important because there are certain DSCS provisions that apply to classified employees, meaning that classified employees:⁴²

- must be hired in an open, competitive manner prescribed by DSCS;
- must meet statewide minimum qualification standards set by DSCS;
- must be paid in accordance with Civil Service rules;
- may only be disciplined for cause or removed after being provided due process; and
- may not participate in political activities.

Positions that are designated as unclassified are not subject to DSCS hiring and compensation standards. According to DSCS, when the Commission approves a position as unclassified it may choose to set parameters regarding qualifications or compensation as a condition of its approval of the position. However, anyone appointed to a management level position that the Commission has designated as unclassified must at least meet the minimum qualification standards set in law.⁴³

Recommendation 14: SLFPAE should either convert the four unapproved unclassified positions to classified service or seek approval for them to remain unclassified from the State Civil Service Commission, if they meet minimum criteria set forth in R.S. 42:67.1.

Summary of Management's Response: SLFPAE agrees with this recommendation and stated that it will work with DSCS to either convert or gain approval for the four unclassified positions that were constitutionally allowed for the previous levee districts. See Appendix A for management's full response.

⁴¹ Civil Service Rule 4.1(d)

⁴² [DSCS Human Resources Handbook, Chapter 4](#)

⁴³ Per R.S. 42:67.1, management level positions designated as unclassified by the Commission must have at least a bachelor's degree (or four years related experience) plus three years responsible managerial experience.

APPENDIX A: MANAGEMENT'S RESPONSE



FLOOD PROTECTION AUTHORITY

Your Flood Defense System

September 8, 2022

BOARD OF COMMISSIONERS
K. Randall Noel - President
Roy M. Arrigo - Vice President
Clay A. Cosse - Secretary
Jason P. Latolais - Treasurer
Richard G. Duplantier, Jr.
Thomas G. Fierke
Herbert I. Miller, P.E., DEE, F. ASCE

REGIONAL DIRECTOR
Kelli Chandler

EAST JEFFERSON LEVEE DISTRICT
1100 Rev. Richard Wilson Drive
Kenner, LA 70062
504.469-7522

LAKE BORGNE BASIN LEVEE DISTRICT
P.O. Box 216
6136 E. St. Bernard Highway
Violet, LA 70092
504.682.5941

ORLEANS LEVEE DISTRICT
6920 Franklin Ave
New Orleans, LA 70122
504.286.3100

The Honorable Patrick Page Cortez,
President of the Senate

The Honorable Clay Schexnayder,
Speaker of the House of Representatives

Dear Senator Cortez and Representative Schexnayder,

As stated in the audit report, the Southeast Louisiana Flood Protection Authority – East (“SLFAPE”) operates and maintains the flood protection system on the East bank of the Mississippi River in Jefferson, Orleans, and St. Bernard parish. SLFAPE strives to continually improve our policies and procedures to better serve the residents of this region. Therefore, we appreciate the opportunity to become more informed of best practices.

Recommendation #1:

SLFAPE should update its grievance policy to include DSCS recommendations such as clearly stating that performance evaluation appeals are handled through DSCS and that complaints about letters of warning, reprimand, or counseling are handled by written response and not through the grievance process.

SLFAPE updated its grievance procedure effective July 1, 2022 to include the language recommended by DSCS.

Recommendation #2:

SLFAPE should develop a process that requires it to track and maintain documentation of all employee grievances and the outcomes as recommended by DSCS.

SLFAPE has implemented a grievance tracking process to identify trends of alleged violation or misapplication of a contract, SLFAPE policy, administrative regulation, state or federal law, or an employ’s perception of a wrong against him/her as a result of management’s or another employee’s decisions or behaviors.

Recommendation #3:

SLFAPE should evaluate ways to improve trust in its grievance process, such as addressing anonymous suggestions, training supervisors to listen and respond to workers, hosting employee focus groups, making ombudsman available, and ensuring that Human Resources acts as an employee advocate.

In 2021 SLFPAE established a training program for supervisors offered through our Employee Assistance Program that included Basics of Effective Communication, Basics of Effective Feedback, Conflict Resolution, Becoming an Effective Team Member, and Applying Leadership. In 2022, SLFPAE has also instituted mandatory training for supervisors on Active Listening, Building Trust, Inspirational Leadership, Top Down Communication, and many others. All supervisors at SLFPAE will have completed this training series by the end of the year.

In addition, the anonymous suggestion box that is on our employee intranet is now being monitored by HR so that any issues can be directly addressed.

Recommendation #4:

SLFPAE should develop ways to mitigate discriminatory behavior experienced by employees, including training supervisors.

SLFPAE values diversity at all levels within the organization and will identify additional training opportunities for supervisors to mitigate any discriminatory behavior.

Recommendation #5:

SLFPAE should ensure that all disciplinary action letters comply with the DSCS rules including a statement that employees have 30 days to appeal decisions, and the specific language regarding policies that were violated.

SLFPAE has updated the template used for disciplinary action letters to include all of the specific language recommended by DSCS.

Recommendation #6:

SLFPAE should track the disciplinary actions that it issues so that it can ensure that discipline is issued consistently amongst managers and departments and escalated appropriately for repeated behavior.

SLFPAE'S HR department now tracks all disciplinary action matters to ensure the actions are consistent across the organization and to identify any repeated behaviors.

Recommendation #7:

SLFPAE Board members should all receive a timely orientation that includes their roles and responsibilities, meeting procedures and etiquette, and an overview of SLFPAE programs, policies, and procedures.

SLFPAE will implement a formal orientation program for Board members to provide them with an overview of their role, good board governance, a history of the FPA, and an overview of our key policies and procedures.

Recommendation #8:

SLFPAE should ensure that all supervisors, including executive management complete required / recommended DSCS supervisor training and provide ongoing training to supervisors and management on topics such as policies, procedures and employee handbooks; human resources and safety laws; discrimination; and conflict management.

The Executive team consists of 13 employees, including the Regional Director; 6 of those employees have completed the required CPTP curriculum. Two of the employees on the Executive staff have worked for the agency less than 3 years which is the time allotted by DSCS to complete the CPTP program requirements. The remaining Executive staff along with all supervisors will have completed the required training by the end of calendar year 2022.

Recommendation #9:

SLFPAE should ensure that all employees, including unclassified members of its Executive Management Team that report to the Regional Director and the Board are formally evaluated and provided ongoing feedback on a routine basis.

SLFPAE implemented this recommendation for the year ended June 30, 2022. In addition the Regional Director will ensure that unclassified employees are formally evaluated each year.

Recommendation #10:

SLFPAE should continually monitor turnover and track the reasons SLFPAE employees leave in order to identify ways to slow turnover.

SLFPAE does report hirings and separations along with staffing updates in the monthly report submitted to the Board. In addition, SLFPAE will implement a formal process for tracking the reasons for separations for employees.

Recommendation #11:

SLFPAE should identify ways to decrease turnover, including working with DSCS to determine if it could utilize optional pay for recruitment of positions that have high turnover, are difficult to recruit, and require undesirable working conditions.

SLFPAE frequently avails itself to all of the tools provided by DSCS to attract and retain employees. These include optional pay, compression pay, and extraordinary qualifications entrance rate. SLFPAE is in communication with DSCS to further investigate opportunities to implement pay policies that may decrease turnover and attract and retains persons for hard to fill positions.

Recommendation #12:

SLFPAE should revise its Employee Rewards and Recognition policy to include clear criteria and examples of the types of work behaviors that warrant an award.

SLFPAE is in communication with DSCS to identify best practices and policies for an Employee Rewards and Recognition program.

Recommendation #13:

SLFPAE should evaluate its need for an internal audit function to safeguard resources against fraud, waste, and abuse; promote accuracy and reliability in accounting; and evaluate compliance with laws and regulations.

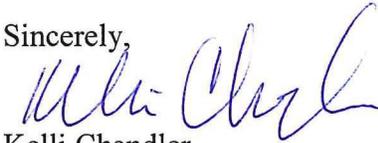
SLFPAE had an internal auditor from 2016 to 2019. SLFPAE will evaluate the need for an internal audit function in the future.

Recommendation #14:

SLFPAE should either convert the unapproved unclassified positions to classified service or seek approval for them to remain unclassified from the State Civil Service Commission, if they meet the minimum criteria set forth in R.S. 42:67.1.

SLFPAE will work with DSCS to either convert or gain approval for the 4 unclassified positions that were constitutionally allowed for the previous levee districts.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kelli Chandler".

Kelli Chandler

SLFPAE Regional Director

APPENDIX B: SCOPE AND METHODOLOGY

This report provides the results of our performance audit of the Southeast Louisiana Flood Protection Authority - East (SLFPAE). We conducted this performance audit under the provisions of Title 24 of the Louisiana Revised Statutes of 1950, as amended. This audit generally covered fiscal years 2018 through 2022. Our audit objective was:

To evaluate certain policies and practices, and employee perspectives on the organizational culture at the Southeast Louisiana Flood Protection Authority – East.

We conducted this performance audit in accordance with generally accepted *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide reasonable basis for our findings and conclusions based on our audit objective. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

We obtained an understanding of internal control that is significant to the audit objective and assessed the design and implementation of such internal control to the extent necessary to address our audit objective. We also obtained an understanding of legal provisions that are significant within the context of the audit objective, and we assessed the risk that illegal acts, including fraud, and violations of applicable contract, grant agreement, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

To answer our objective, we reviewed internal controls relevant to the audit objective and performed the following audit steps:

- Researched and reviewed applicable state laws and regulations related to SLFPAE’s creation, authority, and Board.
- Reviewed and summarized SLFPAE’s revenues and expenses for fiscal year 2021 from the Division of Administration’s Boards and Commissions website.
- Interviewed agency staff to gain an understanding of SLFPAE’s processes, organization, and structure, as well as obtain insight on SLFPAE’s organizational culture.
 - Interviewees included members of the executive management team; a selection of employees from various SLFPAE departments, locations, job titles, and hire dates; employees recommended by other interviewees; and employees that requested to be interviewed.

- Toured the flood-prevention structures that SLFPAE is responsible for maintaining.
- Interviewed all nine SLFPAE Board members to obtain input on Board structure, training, function, organization, and procedures, and to obtain insight on SLFPAE's organizational culture.
- Obtained and reviewed video recordings of SLFPAE Board meetings and meeting minutes posted on SLFPAE's website.
- Obtained and reviewed current SLFPAE policies and procedures and compared to Civil Service rules and guidance for state agencies.
- Interviewed DSCS staff to gain an understanding of DSCS processes and Civil Service rules, as well as their experience with SLFPAE employees.
- Researched best practices regarding the importance of grievance policies and procedures, consistent and fair discipline, leadership training and evaluation, ways to decrease turnover, and the importance of an internal audit function from the Society for Human Resource Management, Harvard Business Review, Institute of Internal Auditors, Forbes, Government Finance Officers Association, and U.S. Chamber of Commerce Institute for Organization Management.
- Obtained and analyzed employee data from SLFPAE's Automatic Data Processing (ADP) system to calculate employee turnover.
- Obtained and reviewed formal grievances filed by SLFPAE employees during fiscal years 2018 through 2022. Compared documentation and procedures to those in policy and those required or recommended by DSCS.
- In April 2022, used Survey Monkey to survey all 218 SLFPAE employees and obtain feedback on the organizational culture at SLFPAE. We received responses from 156 employees, achieving an overall response rate of 71.6%. The number of responses varied by question, because six employees started but did not complete the entire survey.
 - Summarized and analyzed survey responses to provide information on employee perspectives related to the organizational culture at SLFPAE. The results were not projected or intended to be projected to the entire SLFPAE employee population.
- Obtained and reviewed disciplinary actions issued by SLFPAE and disciplinary appeals made by SLFPAE employees during fiscal years 2018 through 2022. Compared documentation and procedures to those in policy and those required by DSCS.
- Obtain and analyzed SLFPAE's log of supervisor training to determine compliance with DSCS mandatory training as of June 2022.

- Reviewed the performance evaluations of SLFPAE's executive management team for fiscal years 2019 through 2021 to determine whether evaluations were conducted.
- Reviewed the state constitution and law and interviewed SLFPAE and DSCS staff to determine the number of unclassified positions that are constitutionally allowed.

APPENDIX C: SLFPAE EMPLOYEE SURVEY RESULTS APRIL 2022

This appendix contains results from the survey we sent to all 218⁴⁴ individuals employed with SLFPAE of April 2022. The survey received 156 responses, achieving an overall response rate of 71.6%. The number of responses varied by question, as indicated in each chart, because six employees started but did not complete the entire survey.

Job Satisfaction <i>(156 responses)</i>						
Question	Strongly Agree	Agree	Neither	Disagree	Strongly Disagree	Total
I feel passionate about the work I do.	53.2%	34.0%	5.8%	6.4%	0.6%	100%
A spirit of cooperation and teamwork exists in my workgroup.	35.2%	34.6%	12.2%	10.3%	7.7%	100%
I am treated with respect and feel appreciated.	26.9%	30.8%	18.0%	14.7%	9.6%	100%
Agency leadership fosters and encourages an agency culture that emphasizes the importance of integrity and ethical values.	19.9%	25.6%	17.3%	23.1%	14.1%	100%
Agency leadership demonstrates through their actions that staff wellbeing is a priority.	21.2%	23.7%	17.9%	21.2%	16.0%	100%
SLFPAE emphasizes employee safety during storms.	38.5%	32.7%	15.3%	10.3%	3.2%	100%
Source: April 2022 LLA survey of SLFPAE employees						

Pay <i>(154 responses)</i>						
Question	Strongly Agree	Agree	Neither	Disagree	Strongly Disagree	Total
I am satisfied with my total compensation and benefits package (pay, benefits, vacation, etc.).	5.2%	32.5%	13.6%	24.7%	24.0%	100%
I understand SLFPAE policies relating to storm pay.	22.7%	28.6%	19.5%	13.6%	15.6%	100%
SLFPAE provides storm pay fairly and in accordance with its policy.	22.7%	28.6%	19.5%	13.6%	15.6%	100%
Source: April 2022 LLA survey of SLFPAE employees						

⁴⁴ This number does not match the number of employees throughout the report, because one employee was hired after the survey was sent in April 2022 but before we pulled employee data from ADP.

Employee Rewards and Recognition Program <i>(154 responses)</i>						
Question	Strongly Agree	Agree	Neither	Disagree	Strongly Disagree	Total
SLFPAE's Employee Rewards and Recognition Program (Employee of the Month/Year) is fair.	7.8%	23.4%	26.6%	17.5%	24.7%	100%
SLFPAE's Employee Rewards and Recognition Program helps improve morale.	7.1%	27.3%	28.6%	20.1%	16.9%	100%
SLFPAE's Employee Rewards and Recognition Program is based on clear criteria.	5.9%	22.7%	24.0%	26.6%	20.8%	100%
Source: April 2022 LLA survey of SLFPAE employees						

Employee Morale <i>(154 responses)</i>						
Question	Strongly Agree	Agree	Neither	Disagree	Strongly Disagree	Total
Employee morale is high on my team.	18.2%	31.8%	20.8%	11.7%	17.5%	100%
Employee morale is high within my department.	12.3%	32.5%	14.3%	20.8%	20.1%	100%
Employee morale is high at my agency (SLFPAE).	5.2%	26.0%	26.0%	18.1%	24.7%	100%
Source: April 2022 LLA survey of SLFPAE employees						

Unprofessional Behavior Experienced Within the Last Year <i>(153 responses)</i>						
Behavior	Never	At Least Once This Year	Monthly	Weekly	Daily	Total
Unprofessional behavior such as yelling, demeaning comments, or intimidation	50.3%	28.1%	8.5%	7.9%	5.2%	100%
Comments that were sexual in nature	81.7%	14.4%	2.0%	1.3%	0.6%	100%
Unwanted sexual advances	95.4%	3.9%	0.7%	0.0%	0.0%	100%
Retaliatory behavior	68.0%	18.3%	6.5%	3.9%	3.3%	100%
Pressure to do something unethical/against your morals	80.4%	15.7%	1.3%	2.0%	0.6%	100%
Source: April 2022 LLA survey of SLFPAE employees						

Discrimination (153 responses)		
<i>Within the last year, I have observed negative comments or abusive behavior at work relating to my or someone else's...</i>		
Type	Number	Percent
None	111	72.5%
Yes (see Exhibit 1 for types)	42*	27.5%
Total	153	100%
<i>The comments/behaviors were directed at...</i>		
My coworker	30	50.0%
Myself	20	33.3%
An individual who does not work for SLFPAAE	6	10.0%
Other	4	6.7%
Total	60**	100%
<i>The comments/behaviors were made by...</i>		
A supervisor	22	33.3%
A coworker	20	30.3%
A member of executive management	16	24.3%
A board member	5	7.6%
Other	2	3.0%
An individual who does not work for SLFPAAE	1	1.5%
Total	66**	100%
<i>The comments/behaviors were experienced/witnessed...</i>		
At least once in the past year	27	64.3%
Monthly	12	28.6%
Daily	2	4.7%
Weekly	1	2.4%
Total	42	100%
*42 respondents indicated at least one type of discrimination observed, for a total of 93 types observed. **Some of the 42 respondents indicated the comments/behaviors were directed at/made by more than one individual. Source: April 2022 LLA survey of SLFPAAE employees		

Communication (153 responses)						
Question	Strongly Agree	Agree	Neither	Disagree	Strongly Disagree	Total
When management makes a decision that affects my work, I receive information about why the decision was made.	7.8%	28.8%	19.6%	19.6%	24.2%	100%
I receive clear information about changes being made within SLFPAAE.	8.5%	24.9%	22.2%	22.2%	22.2%	100%
SLFPAAE's overall strategies and goals are shared with staff.	9.8%	30.1%	20.9%	21.6%	17.6%	100%
Information and data are shared across different departments within SLFPAAE as needed.	11.1%	26.8%	22.2%	20.9%	19.0%	100%
Communication between senior leaders and employees is good at SLFPAAE.	7.2%	26.8%	18.9%	25.5%	21.6%	100%
Source: April 2022 LLA survey of SLFPAAE employees						

Training (153 responses)						
Question	Strongly Agree	Agree	Neither	Disagree	Strongly Disagree	Total
SLFPAE provides the training I need to do my job effectively.	21.6%	49.0%	19.0%	7.8%	2.6%	100%
Training provided by SLFPAE is relevant to my job.	19.0%	50.3%	19.0%	9.1%	2.6%	100%
Training provided by SLFPAE is ongoing.	24.8%	49.7%	15.0%	7.9%	2.6%	100%
My supervisor(s) has the necessary knowledge and expertise about my department.	30.1%	36.6%	15.0%	10.5%	7.8%	100%
My supervisor(s) has the necessary management skills needed to be good leader.	34.0%	28.1%	16.3%	9.8%	11.8%	100%
Source: April 2022 LLA survey of SLFPAE employees						

Areas Requested for More Job-Related Training (152 responses)			
Area	Number*	Percent	
Teambuilding	60	14.2%	
Leadership	58	13.7%	
SLFPAE policies and procedures	49	11.6%	
Employee benefits	45	10.6%	
Supervision	41	9.7%	
None	36	8.5%	
Safety	33	7.8%	
Maintenance and operations	32	7.6%	
Conflict resolution	31	7.3%	
Other	16	3.8%	
Ethics	15	3.5%	
Sexual harassment	7	1.7%	
Total	423	100%	
*Many of the 152 respondents requested multiple areas for additional training. Source: April 2022 LLA survey of SLFPAE employees			

Staffing (152 responses)						
Question	Strongly Agree	Agree	Neither	Disagree	Strongly Disagree	Total
Management hires employees that have the necessary experience and skills.	10.5%	35.5%	23.0%	23.7%	7.3%	100%
Promotions are based on achievement and performance.	9.2%	21.0%	23.7%	25.0%	21.1%	100%
My department has enough staff to accomplish its goals effectively.	10.5%	23.7%	18.4%	21.1%	26.3%	100%
Everyone within my team has enough work to do.	38.2%	50.7%	7.2%	2.6%	1.3%	100%
My job description and job title matches my daily responsibilities.	17.8%	46.1%	10.5%	15.1%	10.5%	100%
Source: April 2022 LLA survey of SLFPAE employees						

Accountability and Performance Evaluations <i>(152 responses)</i>						
Question	Strongly Agree	Agree	Neither	Disagree	Strongly Disagree	Total
Staff are held accountable when they behave inappropriately.	7.9%	36.9%	28.3%	11.8%	15.1%	100%
Supervisors/managers are held accountable when they behave inappropriately.	7.2%	29.6%	29.0%	17.8%	16.4%	100%
Members of executive management are held accountable when they behave inappropriately.	7.9%	17.8%	34.2%	15.8%	24.3%	100%
My supervisor is consistent in how they respond to inappropriate behavior.	27.6%	32.2%	25.0%	7.9%	7.3%	100%
I am provided honest, helpful, and constructive feedback on my performance evaluation (PES).	33.6%	40.1%	15.1%	6.6%	4.6%	100%
I am given feedback from my supervisor on a regular basis to help improve my job performance (other than on my PES).	27.0%	35.5%	21.1%	11.2%	5.2%	100%
My supervisor cares about my professional development.	31.6%	30.2%	19.1%	9.9%	9.2%	100%
Source: April 2022 LLA survey of SLFPAA employees						

Modeling of Values by Level of Management <i>(152 responses)</i>							
Level of Management	Value	Strongly Agree	Agree	Neither	Disagree	Strongly Disagree	Total
Immediate Supervisor	Accountability	36.2%	34.2%	10.5%	12.5%	6.6%	100%
	Professionalism	36.8%	38.8%	9.2%	11.2%	4.0%	100%
	Integrity	38.2%	36.2%	11.8%	9.9%	3.9%	100%
	Respect	40.1%	34.9%	12.5%	7.9%	4.6%	100%
	Empathy	37.5%	34.9%	15.1%	7.9%	4.6%	100%
	Leadership	36.2%	30.9%	15.8%	10.5%	6.6%	100%
Executive Management	Accountability	15.8%	28.3%	24.3%	13.8%	17.8%	100%
	Professionalism	17.1%	34.9%	22.4%	11.2%	14.4%	100%
	Integrity	19.1%	26.3%	25.0%	11.8%	17.8%	100%
	Respect	19.1%	28.9%	24.3%	13.2%	14.5%	100%
	Empathy	17.1%	27.6%	27.0%	13.2%	15.1%	100%
	Leadership	17.8%	25.0%	28.9%	9.9%	18.4%	100%
Source: April 2022 LLA survey of SLFPAA employees							