

OFFICE OF INSPECTOR GENERAL
CITY OF NEW ORLEANS



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OIG RECOMMENDS MAJOR CHANGES TO PREVENT AND DETECT THEFT OF CITY FUEL

The New Orleans Office of Inspector General (OIG) today released a report titled [“Fuel Dispensing.”](#)

The OIG evaluated the City’s fuel dispensing policies and procedures from 2009 through 2015 to determine if the City had processes in place to guard against wasteful and fraudulent fuel use. The report shows that the City could not reliably track fuel use or determine who was using fuel, in what quantities, and for which vehicles.

In 2015 the City spent approximately \$3.2 million on more than 1.6 million gallons of fuel used by 33 departments and agencies. Evaluators found little oversight of the City’s fuel dispensing program and concluded that policies in place were unenforced and ineffective.

Evaluators found that employees filling up at city pumps shared fuel cards and personal identification numbers (PINs), and that the City had no effective way to identify and deactivate inactive cards or PINs belonging to fuel users no longer employed by their departments and agencies.

[FAST FACTS: READ THE EXECUTIVE SUMMARY OF THE “FUEL DISPENSING” REPORT](#)

Evaluators also found that the City did not use fuel system settings designed to alert vehicle coordinators to inaccurate odometer readings or restrict the amount of fuel that could be pumped in a single transaction. The OIG also found that fuel reports were not adequately reviewed to identify suspicious transactions.

[SUSPICIOUS FUEL TRANSACTIONS: SEE EXAMPLES IN TWO CASE STUDIES](#)

The OIG recommended that the City reissue all fuel cards and PINs and develop a system to inventory and deactivate them. The OIG also recommended that the City require all fuel users to enter accurate odometer readings and establish controls that limit the amount of fuel that can be dispensed at one time. The OIG additionally called for training vehicle coordinators to identify and investigate suspicious fuel transactions.

“The City needs a complete overhaul of its fuel dispensing program to safeguard tax dollars,” stated Inspector General Ed Quatrevaux. “That includes consequences for those who abuse or fail to enforce policies.”

The City agreed to implement all of the OIG’s recommendations.

In addition to today's report, the OIG released a [brief](#) with highlights. All OIG reports can be viewed on its website nola.oig.gov.

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