

OFFICE OF INSPECTOR GENERAL  
CITY OF NEW ORLEANS



ED QUATREVAUX  
INSPECTOR GENERAL

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**CITY CORRECTS PROBLEMS NOTED IN 2013 PAYROLL LIABILITIES AUDIT**

The New Orleans Office of Inspector General (OIG) today released a "[Follow-up Report: Payroll Liabilities Performance Audit.](#)" Payroll liabilities are amounts withheld from employees for federal and state taxes, Social Security, health insurance, and retirement savings. OIG looked at the period July 1, 2014 – September 2014 to determine if the City made corrections it said it would make based on findings from the OIG 2013 "[Payroll Liabilities Performance Audit,](#)" which covered January 1, 2010 – December 31, 2010.

The follow-up found the City fully implemented two of three corrective actions based on recommendations in the OIG 2013 report and partially implemented another.

- The City took full corrective action to reconcile all balance sheet accounts on a regular basis by adding nine new positions to the Accounting Department in 2011.
- The City partially implemented the corrective action of regular reconciliation of Payroll Clearing Fund on a regular basis, but not monthly during the third quarter of 2014.
- The City took full corrective action to avoid discrepancies between paper and electronic employee time records by converting to a payroll system that eliminates paper documentation and maintains records electronically.

The Follow-up Report and 2013 Report are attached to this news release. All reports released by the OIG are posted on its website <http://www.nolaoig.org>.

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