

OFFICE OF INSPECTOR GENERAL
CITY OF NEW ORLEANS



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CITY'S GRANT FUND DATA VERIFIED

The City of New Orleans Inspector General today released a report on its engagement to perform Agreed-Upon Procedures relating to Urban Development Action Grant Fund.

The work was performed solely to assist in determining the amount of unused funds in the City's UDAG Fund and the outstanding loans receivable balance in that fund as of December 31, 2010. The project was paced by the City's ability to provide requested documents.

The OIG performed seven Agreed-Upon Procedures and verified that grant award dates and recipient information, amounts awarded, and the interest rates agreed with original loan documents. Loan payments received and certain mathematical routines were also verified. Discrepancies were found when the receivables balances and interest received amounts were compared to the City's general ledger software systems. Auditors noted \$3.4 million in Undisbursed Loans or Awards, and no activity for 10 years for two receivables with a balance of \$451,402.

Inspector General Ed Quatrevaux said, "We began when former CM Fielkow believed \$16 million was missing. The City asked the OIG for help in verifying the City's numbers and the OIG agreed to do so. No evidence of missing funds was noted in our testing."

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