

EXECUTIVE SUMMARY

In December 2008, the Office of Inspector General (OIG) issued the *Interim Report on the Management of the Administrative Vehicle Fleet*¹ (the 2008 Report).

The 2008 Report concluded with the following five findings:

- The City did not have the management information systems that could provide managers with information needed to make informed decisions and assess the performance of the passenger vehicle fleet.
- The City decentralized fleet management responsibilities by assigning fleet management decision making to the various department heads without adequate guidance or monitoring.
- The City did not have an oversight mechanism to test compliance with policies.
- The City did not assess vehicle utilization to establish a baseline for fleet operations and to determine an appropriate fleet size.
- The City was unable to determine the fiscal impact of decisions about passenger vehicles.

Based on the above findings, the OIG made four² recommendations to the City:

Recommendation # 1: “Acquire the means to capture and consider timely, accurate and complete information on the costs of acquiring, operating, maintaining and disposing of vehicles.”

Recommendation # 2: “Provide new and definitive policy guidance for use of City vehicles including specific criteria for assigning take home vehicles.”

Recommendation # 3: “Centralize fleet management and oversight under an experienced fleet manager with the ability and authority to test and require compliance with that policy and the authority to implement best practices.”

Recommendation # 4: “Perform an assessment of vehicle utilization to determine the appropriate fleet size and to establish a baseline for fleet operations.”

As a matter of policy, the OIG conducted a follow-up of the 2008 Report to determine the status of the prior administration’s corrective actions included in its Response³ dated January 30, 2009 (City Response).

¹ The Administrative Fleet refers to the portion of the Administrative and Direct Service Fleet excluding the New Orleans Police Department Fleet. The 2008 Report did not include the New Orleans Police Department Fleet as part of its evaluation because the rules and policies for this fleet differed greatly from the Administrative and Direct Services Fleet.

² These recommendations were not numbered in the 2008 Report.

³ The City response to the 2008 Report was included as an attachment to the 2009 Report titled “Response to the Interim Report on the Management of the Administrative Fleet”.

The follow-up report found that the City did not implement the prior administration's responses to three of the four OIG recommendations from the 2008 Report.

1. The City did not purchase a new fleet management data system to replace its existing outdated fleet management system.
2. Quarterly departmental reports to EMD and the CAO's office did not comply with increased reporting requirements of CAO Policy Memorandum 5(R).
3. The City did not perform an assessment of vehicle utilization to determine the appropriate fleet size and to establish a baseline for fleet operations.

The City complied with the OIG recommendation to provide new and definitive policy guidance for use with City vehicles. Two previous policies⁴ were revised into one comprehensive vehicle policy, Policy 5(R), which included specific criteria for assigning take-home vehicles.⁵

The OIG will perform a second follow-up on the City Response in 2013.

⁴ Policy 5(R) "City Vehicles" and Policy 40(R) "Fuel Services" were combined into one revised Policy 5(R) "Vehicle and Equipment Policy".

⁵ In response to the OIG's 2008 Report, a workgroup was created by the City to revise and combine two policies (Policy 5(R) "City Vehicles" and Policy 40(R) "Fuel Services") into one comprehensive vehicle policy. The resulting CAO Policy Memorandum 5(R) "Vehicle and Equipment Policy" was issued on April 28, 2009.