

OFFICE OF INSPECTOR GENERAL
CITY OF NEW ORLEANS



ED QUATREVAUX
INSPECTOR GENERAL

July 21, 2011

Marlin N. Gusman, Sheriff
Orleans Parish Criminal Sheriff's Office
819 South Broad Street
New Orleans, LA 70119-7418

Dear Sheriff Gusman:

In August 2009, the Office of Inspector General (OIG) issued a report on the cost and management of passenger vehicles of the Orleans Parish Criminal Sheriff's Office (OPCSO), hereafter referred to as the "2009 Report." Within the response from OPCSO ("OPCSO Response"), dated August 18, 2009, Robert Martin, Director Risk Management/ Plant Control stated that OPCSO fully intends "to comply with your recommendations and observations." The OIG, as a matter of policy, commenced a follow-up to that report in May of 2011 to determine the status of OPCSO's compliance with the recommendations of the 2009 Report.

The 2009 Report covered five different areas:

- Take-home criteria for vehicles,
- Take-home vehicle personal use charges,
- Abuse or misuse of vehicles,
- Record keeping of maintenance costs of the vehicle fleet, and
- Fuel use and monitoring.

The 2009 Report noted three findings in each of the following three areas: take-home vehicle personal use charges, record keeping of maintenance costs of the vehicle fleet, and fuel use and monitoring.

Take Home Vehicle Personal Use Charges

Finding # 1: "The OPCSO's application of the take-home use charge to marked OPCSO vehicles is inconsistent with the IRS Regulations."

Recommendation # 1: The OIG recommended that, "OPCSO address the issue with legal counsel to determine the implication related to OPCSO policies and procedures which are inconsistent with IRS rules and regulations."

OPCSO's Response: "We are aware that our application of the take-home use charge for marked OPCSO vehicles is somewhat inconsistent with IRS regulations; however we choose to apply this charge to all take-home vehicles in an effort to be fair and consistent with all users. Legal counsel has advised us that while our application of the take-home use charge is broader than IRS publication 15-B requirement, it still complies with the overall spirit of the law."

OIG Follow-up: This recommendation did not require any follow-up actions as OPCSO's legal counsel had determined that the current policy complied with the overall spirit of the law.

Record Keeping of Maintenance Costs

Finding # 2: "Maintenance records for the 268 OPCSO vehicles are voluminous and challenging to maintain and store. The manual process of record keeping has inefficiencies that hamper effective vehicle management and operations."

Recommendation # 2: The OIG recommended that OPCSO institute an electronic system that would provide the ability to track parts, repairs and maintenance, and scheduled preventative maintenance, as well as showing vehicle downtimes, and other matters that would enhance the management of the vehicles.

OPCSO's Response: "We agree that a more efficient tracking and analysis system would greatly improve our fleet management capabilities. In fact, we are diligently seeking an electronic system that will allow us to closely monitor all maintenance, including repairs, parts and equipment inventory and scheduled preventative maintenance. We hope to have a system in place shortly after the new mechanic facility is completed."

OIG Follow-up: OPCSO had not implemented this recommendation as of May 2011. Per discussion with the OPCSO Comptroller, the department purchased software to allow them to track maintenance records for the vehicles. However, OPCSO stated that the complexity of the system and budgetary constraints prevented OPCSO from hiring someone to train the department on the system.

Fuel Use and Monitoring

Finding # 3: "Although the OPCSO receives the weekly fuel activity reports from the CAO detailing fuel dispensed to the OPCSO, they do not receive a copy of the fuel invoices paid by the City of New Orleans on behalf of the OPCSO."

Recommendation # 3: The 2009 Report recommended that OPCSO "reconcile the total fuel dispensed per the weekly fuel reports to the invoice paid by the City to ensure that the City is not overcharged for the cost of fuel."

OPCSO's Response: "It is our understanding that the city will furnish a copy of all fuel invoices paid by the City of New Orleans on behalf of OPCSO in addition to the weekly fuel activity reports. This will give us the ability to 'double check' that there is no overcharge for the cost of fuel that we use. We can then compare our cost results with the City's for verification. Any difference noted would be reconciled and brought to the attention of the fuel supplier."

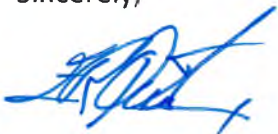
OIG Follow-up: OPCSO had not implemented this recommendation as of May 2011. Per discussion with the OPCSO Comptroller, the Sheriff's Office had not requested, nor was the City currently sending anything other than the total dollar amount of fuel used annually.

Conclusion

Based on the results of this review, Finding #1 required no action by the OPCSO. The OIG determined that OPCSO partially implemented their response to finding # 2 by purchasing a software program. The software program had not been installed as of May of 2011 and the manual system remained in place. Additionally, no actions had been taken on OPCSO's response to Finding # 3. Finding # 3 was the simplest to implement and involved no expenditures by the OPCSO. This recommendation could and should be implemented immediately.

The OIG will perform another follow-up to evaluate OPCSO's compliance with the two unresolved responses at a future date.

Sincerely,



E.R. Quatrevaux
Inspector General

- cc: Mitchell J. Landrieu, Mayor
- Andrew D. Kopplin, First Deputy Mayor and CAO
- Julie Langham, Comptroller, OPCSO
- Robert Martin, Director of Risk Management/Plant Control, OPCSO