## Office of Inspector General CITY OF NEW ORLEANS



*For Immediate Release:* 

For Further Information:

July 2, 2013

Nadiene Van Dyke, AIG Evaluation (504) 681-3202

## CITY FUEL RECEIVING CONTROLS NEED BETTER OVERSIGHT

The New Orleans Office of Inspector General today released a report titled "Inspection of City of New Orleans Fuel Receiving Controls."

The inspection examined whether there were adequate safeguards in place to ensure that the amount of fuel purchased by the City was delivered to designated facilities at the correct price per gallon.

The analysis showed that the City did not verify upon delivery the amount of fuel received at its facilities, and the City issued payments to vendors without verifying how much fuel was actually delivered. Inspectors also found that the City paid approximately \$36,000 in federal excise taxes it did not owe.

"The City spends approximately \$6 million on fuel each year," said Inspector General Ed Quatrevaux, "so the procedures for receiving fuel must ensure that what we paid for is actually delivered."

The report is attached to this press release. Other reports issued by the Office of Inspector General can be viewed and downloaded from the website at <u>http://www.nolaoig.org</u>.

###