

OFFICE OF INSPECTOR GENERAL
CITY OF NEW ORLEANS



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Inspector General Reports on Wasteful Spending in City Contract

The City of New Orleans Inspector General today released a report on the procurement and management of a City contract with Telecommunications Development Corporation (TDC) to provide staffing to two City agencies.

The maximum value of the TDC contract grew from \$450,000 to more than \$5 million and resulted in more than \$750,000 in wasteful spending in the eight-month period from October 2009 through May 2010. The report shows that paying TDC to staff the City's Management Information Systems division would cost the City \$960,000 more on an annual basis that would hiring City employees to perform these regular City operations. The contract also resulted in excessive costs for personnel in the City's Project Delivery Unit.

Inspector General Ed Quatrevaux said, "City officials responded positively to the recommendations made in this report and have already taken steps to reduce the cost of this contract."

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 <http://www.nolaoig.org>.

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