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OIG FINDS CITY NEEDS MORE INFORMATION FROM OUTSIDE AGENCIES TO PROVIDE PROPER OVERSIGHT

The New Orleans Office of Inspector General (OIG) today (March 11) released a public letter recommending the City of New Orleans (City) increase oversight of City funds disbursed to outside agencies.

OIG auditors found that, despite a recent ordinance increasing oversight, the City still received limited information regarding millions of dollars in City money disbursed to outside agencies. The City's 2025 adopted budget allocated approximately \$123 million to these agencies. The aforementioned City ordinance, which took effect in 2024, increased City oversight of the nine outside agencies that receive the bulk of these funds. However, the information received by the city remained inadequate for a thorough understanding of the funds' usage.

In today's public letter, the OIG recommended the New Orleans City Council amend the City Code to require these agencies report their spending of City funds in the Budget, Requisition, and Accounting Services System, or BRASS, the procurement platform used by the City of New Orleans. The OIG has previously recommended that the Orleans Parish Sheriff's Office report its spending in BRASS; today's letter extends that recommendation to all nine outside agencies receiving the bulk of City funds. The use of BRASS would ensure outside agencies' expenses are reported to the City timely, as well as provide transparency for each expense.

During conversations with the City, the OIG noted that the process of adding outside agencies to BRASS includes additional considerations that need to be addressed, such as licensing costs and potential changes to procurement policies. Our office believes these considerations are not insurmountable. However, if an agreement cannot be reached regarding these additional considerations, the City Council should add language to City Code to require any outside agency that does not use BRASS to submit general ledger details of their monthly spending of City funds. While this would not address the timeliness issue in the current reporting system, it would significantly increase transparency in detailing how City funds were spent.

Inspector General Ed Michel stated:

"Each year, the City allocates substantial amounts of taxpayer funds to outside agencies, yet these agencies are not held to the same standards of financial reporting as other City entities. It is essential that the City gain proper oversight over these City-generated monies to ensure efficient and effective use of funds."

To view the letter, visit nolaoig.gov. For the latest on the OIG's fight against corruption, visit nolaoig.gov and follow us on [X](#), [Instagram](#), [Facebook](#), and [YouTube](#).

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