

## EXECUTIVE SUMMARY

The Office of Inspector General (OIG) conducted a performance review of the cost and management of passenger type vehicles of the New Orleans Aviation Board (NOAB). This performance review was conducted under the authority contained in Chapter 44 of Title 33 of Louisiana Revised Statutes of 1950 comprised of R.S. 33.9611 through 9614 and the Ordinances of the City of New Orleans, ARTICLE XIII, Sec. 2—1120 (11) (a), (b), and (c) and Sec. 2—1120 (12), which includes the NOAB, functioning under the City Charter, Article V, Chapter 6.

The OIG review was planned and conducted in accordance with *Principals and Standards for Office of Inspector General* and generally accepted government auditing standards for performance reviews.

On March 10, 2009 OIG auditors held an entrance conference with the Deputy Director of Finance and Administration and the In-House Legal Counsel for the NOAB. The OIG informed the NOAB that the objective of the review was to inquire into the efficiency and effectiveness of the management of their fleet and evaluate information about the size and cost of the NOAB's fleet of passenger type vehicles. The OIG review primarily covered 10 critical areas:

- Fuel use and monitoring
- Take-home personal use charge
- Lack of documentation of personal use
- Take-home criteria, assignment and monitoring
- Cost of vehicle maintenance and management
- Vehicles no longer in service
- Driver's license checks
- Abuse or misuse of vehicles
- Storage of vehicles
- Non-employee drivers

The NOAB is an unattached Board of the City of New Orleans and operates as an enterprise fund. The NOAB is required to be self sufficient, generates its revenues from the operation of the airport and receives no City revenue. The NOAB reimburses the City approximately \$1.6 million a year for various services rendered. The NOAB purchases, insures, maintains and operates its own vehicles.

The OIG tested the NOAB practices for compliance with the Internal Revenue Service rules and regulations, Louisiana State Constitution, current City of New Orleans and NOAB policies and procedures. The OIG procedures included interviewing management personnel and evaluation of selected documents, policies and procedures as considered necessary. After analyzing the data, the OIG prepared this written report which includes findings and recommendations for administrative and operational improvement.

The OIG recommendations are intended to provide the NOAB with advice in implementing enhanced business practices. The OIG held an exit conference to discuss the findings and recommendations with appropriate management personnel before submitting this written report. The NOAB had nine findings and one commendation. Management's response is presented in Attachment B.