

RESOLUTION

NO. R- 23-XXX

CITY HALL: September 7, 2023

BY: COUNCILMEMBERS MORENO, MORRELL, XXX

**RESOLUTION URGING THE LOUISIANA LEGISLATIVE AUDITOR TO PERFORM
A DETAILED AUDIT AND REVIEW OF THE CITY'S ACCOUNTS PAYABLE AND
VENDOR PAYMENTS**

WHEREAS, the Louisiana Legislative Auditor is empowered by the State of Louisiana to foster accountability and transparency in Louisiana government by providing the state legislature and others with audit services, fiscal advice, and other useful information; and

WHEREAS, reports from government watchdogs, the media, and even the City reveal that numerous vendors, including longtime contractors and others, fail to receive timely payment for their work or goods; and

WHEREAS, delays in payment – which sometimes stretch for months or longer – dissuade quality vendors and contractors from committing to further work for the City by dissolving trust in the City's ability to promptly pay for work rendered; and

WHEREAS, small, emerging, and minority/DBE-certified vendors are particularly impacted by the City's payment delays, causing these lesser-capitalized enterprises to carry significant costs over long periods of time while waiting for payments owed; and

WHEREAS, in addition to the above issues with City vendors receiving timely payments for services rendered, youth in New Orleans participating in the City's summer 2023 wage-earning program have had serious issues receiving payment for hours worked; the Council has already directed the Chief Administrative Office, Department of Finance, and Office of Workforce

Development to review and distribute payments owed to youth workers per Council Motion M-23-384 passed at the August 24, 2023 Council meeting; and

WHEREAS, to avoid potential liability, the Council will also consider directing the above-referenced City departments to proactively pay any potential penalties that could be assessed for wage theft and lost wages; and

WHEREAS, to receive the high-quality services the people of New Orleans deserve, the City needs to have strong relationships with local vendors and contractors, especially when urgent issues arise and the City requires immediate services; and

WHEREAS, the Louisiana Legislative Auditor is uniquely positioned to review the City's payment issues and possesses the technical resources to expeditiously review and recommend changes that would benefit the City; **NOW THEREFORE**

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF NEW ORLEANS, That the New Orleans City Council formally requests the Louisiana Legislative Auditor perform a detailed audit and review of the City's accounts payable and vendor payment status and systems – including the BRASS procurement and finance system – as well as provide recommendations for improved efficiencies.

BE IT FURTHER RESOLVED BY THE COUNCIL OF THE CITY OF NEW ORLEANS, That the New Orleans City Council is appreciative of the cooperation of the Louisiana Legislative Auditor in conducting this analysis and urges that it be conducted as expeditiously as possible.

BE IT FURTHER RESOLVED, That the Clerk of Council transmit certified copies of this resolution to Louisiana Legislative Auditor Michael J. Waguespack, CAO Gilbert Montaña, and CFO Norman White.

THE FOREGOING RESOLUTION WAS READ IN FULL, THE ROLL WAS CALLED ON THE ADOPTION THEREOF, AND RESULTED AS FOLLOWS:

YEAS:

NAYS:

ABSENT:

AND THE RESOLUTION WAS ADOPTED.