



To Whom It May Concern:

I am writing to update and attaching the updated reports for the New Orleans Regional Business Park pursuant to the following actions.

Page 7 on the NEW ORLEANS REGIONAL BUSINESS PARK Review report for 2021 has been updated.

Page 7 on the NEW ORLEANS REGIONAL BUSINESS PARK Audit report for 2020 has been updated.

Please let me know if there are any issues.

A handwritten signature in black ink, appearing to read 'Victor Robinson'.

Victor Robinson

**NEW ORLEANS REGIONAL BUSINESS PARK
(ENTERPRISE CENTER)
FINANCIAL STATEMENT AND
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED DECEMBER 31, 2020**



TABLE OF CONTENTS

INDEPENDENT AUDITOR’S REPORT1

MANAGEMENT DISCUSSION AND ANALYSIS.....4

STATEMENT OF NET POSITION – DECEMBER 31, 2020.....6

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2020.....7

BALANCE SHEET- GOVERNMENTAL FUND-DECEMBER 31, 2020.....8

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
GOVERNMENTAL FUND FOR THE YEAR ENDED DECEMBER 31, 2020.....9

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUND TO THE STATEMENTS
OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2020.....10

NOTES TO THE FINANCIAL STATEMENTS.....11

SCHEDULE OF AGENCY HEAD COMPENSATION.....17

REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*18

SCHEDULE OF FINDINGS.....19

SCHEDULE OF PRIOR YEARS FINDINGS.....22



INDEPENDANT AUDITOR'S REPORT

To the Board of Directors
**New Orleans Regional Business Park
(ENTERPRISE CENTER)**
New Orleans, Louisiana

I have audited the accompanying financial statements of **NEW ORLEANS REGIONAL BUSINESS PARK (NORBP)**, as of December 31, 2020, and the related notes to the financial statements, which collectively comprise NORBP's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial

Auditor's Responsibility, Continued

statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **NORBP** as of December 31, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in **Note 10** to the financial statements, **NORBP** may be impacted by disruptions in the economy and business operations associated with the coronavirus (COVID-19) pandemic. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration. The extent to which the COVID-19 outbreak may impact NORBP's financial position or statement of activities cannot be reasonably estimated at this time. My opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 5 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, I have also issued my report dated December 9, 2021, on my consideration of NORBP's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering NORBP's internal control over financial reporting and compliance.



VGR, CPA
New Orleans, Louisiana

December 9, 2021

NEW ORLEANS REGIONAL BUSINESS PARK
13801 Old Gentilly Road
New Orleans, LA 70129
(504) 254-4603

MANAGEMENT DISCUSSION AND ANALYSIS

New Orleans Regional Business Park (NORBP) was created by the Louisiana State Legislature. NORBP manages, develops and operates a 7,000 acre commercial and industrial park in eastern New Orleans. NORBP, post Katrina, is home to approximately 77 businesses generating billions of dollars of annual sales, employing thousands of residents from the New Orleans region and producing millions of dollars of tax revenue for the City of New Orleans. NORBP's mission also includes providing assistance to new and existing business to help them expand operations, train and improve the skills of existing employees, explore upstream and downstream marketing opportunities and seek other resources; all in an effort to enhance the value of the capital investment our businesses have made in the NORBP. Its operations are principally funded from warehouse and office space rental income from tenants. These revenues also support the various programs of NORBP which include business retention/expansion, marketing outreach, business development, building and property maintenance and more.

FINANCIAL HIGHLIGHTS

NORBP employs the services of a Certified Public Accountant consulting firm to prepare financial statements associated with the operations of NORBP. In addition, the NORBP employs the services of VGR,CPA LLC to produce the agency's annual review.

NORBP's operations are also monitored by a Finance Committee of its Board of Commissioners. This Committee meets regularly to review NORBP's operations and the CPA-prepared financial statements. At these meetings, the board discusses the operations of NORBP and all relevant matters, financial and non-financial, that may have relevance to the organization's financial operations.

NORBP's 2020 general operations encompassed revenue of \$271,019 with operating expenses of \$118,635 and depreciation of \$106,742 .

FINANCIAL POSITION

At December 31, 2020, NORBP's net position totaled \$3,472,170 which included \$3,066,905 in Property, Plant & Equipment.

NORBP began year 2020 with a cash balance of \$321,522 in various accounts at financial institutions. NORBP ended the year with an actual cash balance of \$390,018 in these accounts.

CAPITAL ASSET AND LONG TERM DEBT ACTIVITY

During 2020, there were no significant changes in capital asset levels. NORBP incurred no increases in long-term debt and will continue to operate without the use of borrowed funds.

MAINTENANCE EXPENSES FOR INFRASTRUCTURE ASSETS

NORBP owns a building at 13801 Old Gentilly Road. This building and the land on which it sits is valued at approximately \$3.2 million. The building is occupied by one warehouse tenant that utilizes approximately 90,617 square feet. The maintenance budget is adjusted occasionally to cover needed repairs. Over the years, NORBP has performed various repairs and on the building using grants from the State of Louisiana and its revenues received from tenants.

CURRENTLY KNOWN FACTS, DECISIONS, OR CONDITIONS

NORBP's main source of revenue is rent from its building. A property tax millage collected from the tax assessment on commercial property ceased in 2012. However, NORBP continues to receive very minor tax revenue on old tax collections.

NORBP's administration continues to implement strategies that seek other revenue sources, programs and activities that can augment, support and expand NORBP programs.

NORBP constantly markets its land and building assets to insure that the organization maximizes the value of its resources.

NORBP will continue to work closely with the City's Treasury Department to secure the millage for the Park's financial future. NORBP continues to have a high degree of interest in all recovery efforts in the New Orleans region.

Sincerely,



Robert Fudickar
Chairman
December 27, 2021

NEW ORLEANS REGIONAL BUSINESS PARK
(ENTERPRISE CENTER)
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2020

ASSETS

Assets:

Current Assets:

Cash and equivalents 449,914

Accounts Receivable -

Prepaid Insurance 6,531

Total Current Assets 456,445

Fixed Assets:

Buildings and Equipment 3,066,905

Total Fixed Assets 3,066,905

Total assets 3,523,350

LIABILITIES AND NET ASSETS

Liabilities:

Current Liabilities:

Accounts Payable 49,985

Security Deposits 14,758

Litigation Claims Payable 2,958

Total liabilities 67,701

Net Position (NOTE 2):

Net Investment in Capital Assets 3,066,905

Unrestricted 388,744

Total net assets 3,455,649

Total liabilities and net assets 3,523,350

The accompanying notes are an integral part of these financial statements

NEW ORLEANS REGIONAL BUSINESS PARK
(ENTERPRISE CENTER)
STATEMENT OF ACTIVITIES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2020

Governmental Activities:				Net (Expenses) Revenue and changes in Net Position
Functions/ Programs	Expenses	Program Revenues Charges for Services	Operating Grants	in Net Position
Enterprise Park	\$115,825	\$0.00	\$0.00	\$115,825
Depreciation	106,742	-	-	106,742
Administration	24,217	-	-	24,217
Total	\$246,784	\$0.00	\$0.00	\$246,784
General revenues				-
Rental Income				270,719
Other Income				5,186
Total General revenues				275,905
Change in Net Position				29,121
Net Position				
Beginning of year				3,420,798
Adjustment to Beginning Of year				5,730
Beginning of year As restated				3,426,528
End of year				\$3,455,649

The accompanying notes are an integral part of these financial statements

**NEW ORLEANS REGIONAL BUSINESS PARK
(ENTERPRISE CENTER)
BALANCE SHEET
GOVERNMENTAL FUND TYPE
AS OF DECEMBER 31, 2020**

ASSETS

Cash (Notes 2 and 5)	449,914
Prepaid Insurance (Note 4)	<u>6,531</u>
TOTAL ASSETS	<u>456,445</u>

LIABILITIES

Accounts Payable	49,985
Litigation Claims Payable	2,958
Lease Deposits (Note 8)	<u>14,758</u>
TOTAL LIABILITIES	<u>67,701</u>

FUND BALANCE

Unassigned	388,744
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources therefore are not reported in the governmental fund at the fund level	3,066,905

NET POSITION	3,455,649
---------------------	------------------

The accompanying notes are an integral part of these financial statements.

**NEW ORLEANS REGIONAL BUSINESS PARK
(ENTERPRISE CENTER)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE GOVERNMENTAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2020**

REVENUE	
Rental Income	270,225
Interest Income	494
Other Income	<u>5,186</u>
TOTAL REVENUE	275,905
EXPENDITURES	
Insurance	45,994
Marketing	255
Miscellaneous	820
Accounting Fees	13,000
Professional Services	8,815
Telephone	1,327
Sanitation	14,093
Utilities	42,226
Building Repairs	<u>13,511</u>
TOTAL EXPENDITURES	140,041
Excess of revenues over expenditures	135,864
Fund balance at beginning of year	294,159
Adjustments to fund balance at beginning of year	(41,279)
Fund balance at beginning of year restated	252,880
Fund balance at end of year	<u>388,744</u>

The accompanying notes are an integral part of these financial statements.

**NEW ORLEANS REGIONAL BUSINESS PARK
(ENTERPRISE CENTER)
RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN
FUND BALANCE OF GOVERNMENTAL FUND TO THE STATEMENTS OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020**

Total Net Changes in fund balance at December 31, 2020 Per Statement of Revenue, Expenditures and Changes in Fund Balance	135,864
<p>The Changes in Net Position is reported for the governmental activities in the Statement of Activities is different because:</p>	
Government funds report capital outlays as expenditures. However, In the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which deprecation exceeded net capital outlays in the current period.	<u>-106,742</u>
Total changes in net position of governmental activities At December 31, 2020	29,122

The accompanying notes are an integral part of these financial statements.

**NEW ORLEANS REGIONAL BUSINESS PARK
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1 - Organization:

General

The New Orleans Regional Business Park (NORBP) is a 7,000 acre Louisiana Enterprise Zone created by the Louisiana Legislature to attract business and industry through incentives such as sales, use and property tax benefits. NORBP also encompasses a 92-acre Foreign Trade Zone which provides additional savings on duty fees.

In 1992, a special project referred to as the “Enterprise Center” was initiated in an effort to promote economic growth in the City of New Orleans, by promoting business and industrial development in the district. The Center includes the following components designed to improve the development environment in New Orleans East:

- Industrial service-based incubator;
- Advanced technology institute; and
- College extension programs.

NORBP is used to account for the operations of the district. Its financing sources are derived principally from tenant rent revenues.

The Board of Commissioners is composed of twelve (12) members who are appointed by various organizations and public officials and serve without compensation.

The accounting policies of NORBP conform to accounting policies generally accepted in the United States of America, as applicable to governmental agencies. The following is a summary of the more significant accounting policies:

NOTE 2 - Summary of Significant Accounting Policies:

Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, **NORBP** considers all short-term, highly liquid investments with maturity of three months or less at the time of purchase to be cash equivalents.

**NEW ORLEANS REGIONAL BUSINESS PARK
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 2 - Summary of Significant Accounting Policies:

Financial Reporting Entity, Continued:

Financial Reporting Entity

Government Accounting Standards Board (GASB) Statement No. 14, "Financial Reporting Entity" established standards for defining and reporting on the financial entity. GASB 14 indicates that the focal point for the financial reporting entity is the primary government, which is considered to be any state government or local government or a purpose government that meets all of the following criteria: a) has a separately elected governing body; b) is legally separate; and c) is fiscally independent of other state and local governments.

NORBP was established as a separate legal entity with a governing board. Separate and independent of any other governmental "reporting entity" as defined by GASB 14. Accordingly, management has concluded that NORBP is a financial reporting entity within the meaning of the provisions of GASB 14.

Basis of Presentation

As required by Louisiana State Reporting Law (R.S. 24:514), **the NORBP's** financial statements are presented in accordance with accounting principles generally accepted in the United States of America.

Specifically, the accounts of NORBP are accounted for under the general fund. Accordingly, the accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America and applied to government units.

The term basis of accounting is used to determine when a transaction or event is recognized on NORBP's operating statement. NORBP used the modified accrual basis of accounting. Under this basis, revenues are recorded when measurable and available, and expenses are recorded when a liability is incurred regardless of the timing of the related cash flows.

**NEW ORLEANS REGIONAL BUSINESS PARK
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 2 - Organization and Summary of Significant Accounting Policies:

Capital Assets

Capital assets are recorded at cost or estimated costs. Donated assets are valued at estimated fair value at time of receipt. When no historical records are available, capital assets are valued at estimated historical costs. When assets are retired or otherwise disposed of, any resulting gain or loss is reflected in income for the period.

The costs of normal maintenance and repair that add to the value of an asset or materially extend the asset's lives are capitalized.

Capital assets are depreciated by NORBP using the following estimated useful lives.

ASSETS	Estimated Useful Lives in Years
Building	40
Building improvements	20
Equipment	3-7

Depreciation is computed using the straight-line method,

Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amount of assets, liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimated.

NOTE 3 - Prepaid Expenses:

Prepaid items at December 31, 2020 consisted of prepaid Insurance of \$6,531

**NEW ORLEANS REGIONAL BUSINESS PARK
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 4 - Capital Assets, net

	Beginning Balance	Additions	Total
Land and Land Improvements	1,053,618	-0-	1,053,618
Building and Building Improvements	3,739,617	-0-	3,739,617
Furniture and Equipment	<u>45,465</u>	<u>180</u>	<u>45,645</u>
	<u>4,838,700</u>	<u>180</u>	<u>4,838,880</u>
Less Accumulated Depreciation	<u>(1,665,053)</u>	<u>(106,922)</u>	<u>(1,771,975)</u>
Total	<u>3,173,647</u>	<u>(106,922)</u>	<u>3,066,905</u>

NOTE 5 - Cash and Cash Equivalents:

NORBP maintains cash balances at several national banks. Accounts at these institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At December 31, 2020, NORBP's bank balances were \$407,884 and \$46,137 respectively. Thus exceeding the FDIC coverage at one bank by 157,884.

NOTE 6 - Property Tax Revenues:

In years past, NORBP received millage revenue derived from property taxes paid by real estate owners located in NORBP's geographical footprint. The millage expired after year 2011. However, NORBP still collects any monies paid by delinquent property tax payers for property taxes owed through year 2011. However, in year 2020, NORBP received no such sums.

NOTE 7 - Lease Deposits:

The New Orleans Regional Business Park holds security deposits for the rental space leased by tenants. The Lease Deposits as of December 31, 2020 was \$14,758.

NOTE 8 - Economic Dependency:

The primary source of revenue for NORBP is it's sole tenant. The continued success of NORBP is dependent upon the renewal of the rental agreement as well as obtaining new funding.

**NEW ORLEANS REGIONAL BUSINESS PARK
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 9 - Contingencies:

NORBP is party to a claim dated April 4, 2016. In the opinion of management, the outcome of such actions will have no material impact on NORBP's financial condition or results of operations. However, management has recorded a contingent liability for the full amount of the claim of \$2,958.

Additionally, management has a payable recorded relative to utility expenses due as of December 31, 2020. Management is currently disputing the outstanding balance and it is managements position that the reduction of this balance will honored the current balance is \$49,985.

NOTE 10 - Subsequent Events:

Management has evaluated subsequent events through the date that the financial statements were available to be issued December 9, 2021, and determined no subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 10, 2020, declared it to be a pandemic. On March 11, 2020, the Mayor of New Orleans declared a State of Emergency due to COVID-19. Subsequently, the Governor of Louisiana and the Mayor of New Orleans through a series of proclamations and orders limited gatherings of various types and placed restrictions on commercial business activities, which ultimately culminated in the issuance of a "Stay at Home Mandate" for Orleans Parish by the Mayor on March 20, 2020, and by the Governor on March 22, 2020. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, and quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets in the local area and around the world. While it is unknown how long these conditions will last and what the complete financial effect will be to the NORBP, to date, NORBP is not experiencing any decline in lease revenue.

SUPPLEMENTARY INFORMATION

NEW ORLEANS REGIONAL BUSINESS PARK
SCHEDULE OF AGENCY HEAD COMPENSATION
FOR THE YEAR ENDED DECEMBER 31, 2020

Act 706 of the 2020 Legislative Session requires the disclosure of the total compensation, reimbursement, benefits, and other payments made to the agency head, political subdivision head or Chief executive officer, related to the position; including but not limited to travel housing, un-vouchered expenses (such as travel advances) per diem, and registration fees. The NORBP did not have any agency head, political subdivision head or Chief executive officer in 2020.



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors
New Orleans Regional Business Park
New Orleans, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of **New Orleans Regional Business Park (NORBP)** (a non-profit organization) as of December 31, 2020, and the related notes to the financial statements, which collectively comprise the financial statements, and have issued my report thereon dated December 9, 2021.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered **NORBP's** internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of **NORBP's** internal control. Accordingly, I do not express an opinion on the effectiveness of **NORBP's** internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. I consider the deficiencies described in Schedule II in the accompanying schedule of findings and questioned costs to be significant deficiencies (2020- 01).

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

(CONTINUED)

Internal Control Over Financial Reporting, Continued

Management's responses to the internal control over compliance findings identified in my audit are included in the accompanying Management's Corrective Action Plans and Responses to the Findings and Recommendations. New Orleans Regional Business Park's responses were not subjected to the auditing procedures applied in the audit of compliance, and accordingly, I express no opinion on the responses.

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether **NORBP's** financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in Schedule II in the accompanying schedules of findings and questioned costs as item 2020-01.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose; however under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



VGR, CPA
New Orleans, Louisiana

December 9, 2021

NEW ORLEANS REGIONAL BUSINESS PARK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FINANCIAL STATEMENT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2020

INTERNAL CONTROL OVER FINANCIAL REPORTING

Audit Finding Reference Number

2020-01 – Governance and Oversight

Criteria

Louisiana Revised Statutes 33:4702 In order to provide for the orderly planning, development, acquisition, construction, and effectuation of the services, projects, improvements, and facilities to be provided or furnished by the district, and to provide for the representation in the affairs of the district of those persons and interests immediately concerned with and affected by the functions, operation, purposes, and developments of the district, the New Orleans Regional Business Park shall be managed by a board of commissioners comprised of qualified voters and residents of the city of New Orleans. Moreover, the board shall be composed of thirteen members who shall be appointed by various councilpersons and State Representatives.

Louisiana Revised Statutes 22:20 Written minutes. If the public body has a website, the public body shall post on its website a copy of the minutes made available pursuant to Paragraph (1) of this Subsection and shall maintain the copy of those minutes on the website for at least three months after the posting. If the public body is required to publish its minutes in an official journal, the public body shall post its minutes on its website as required by this Paragraph within ten days after publication in the official journal. If the public body is not required to publish its minutes in an official journal, the public body shall post its minutes on its website as required by this Paragraph within a reasonable time after the meeting. The inability of the public to access the public body's website due to any type of technological failure shall not be a violation of the provisions of this Chapter.

NEW ORLEANS REGIONAL BUSINESS PARK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FINANCIAL STATEMENT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2020

INTERNAL CONTROL OVER FINANCIAL REPORTING

Audit Finding Reference Number

2020-01 – Governance and Oversight, Continued

Conditions and Perspective

NORBP failed to establish and/or follow appropriate procedures to ensure that Louisiana statutes are observed.

- A review of the website that the minutes of Board meetings had not been posted since December 2015

The aforementioned condition may result in a lack of oversight and management having to postpone important decisions until an the appropriate number of Board members are acquired. The condition also limits the effectiveness of management to remain transparent to the public

Cause

NORBP failed to adhere to policies and to state statutes to ensure the business park is being governed properly.

Effect

New Orleans Regional Business Park , Inc. is in non-compliance with Louisiana Revised Statutes (La. R.S.) 42:20 La. R.S. 43:143-144 and 43:171(A)

NEW ORLEANS REGIONAL BUSINESS PARK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FINANCIAL STATEMENT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2020

INTERNAL CONTROL OVER FINANCIAL REPORTING

Audit Finding Reference Number

2019-01 – Governance and Oversight, Continued

Recommendation

I recommend the board and management create a policy to ensure that the board minutes are updated on the website regularly.

Management's Response

In the year 2020, NORBP installed thirteen (13) new board members so as to become compliant with the legislation which created NORBP. Meetings are now being duly noticed and held on a monthly basis. Minutes are being taken at the meetings as required. We have now re-published our website which is where we will post the meeting notices and minutes going forward. In the coming months, the Board intends to enter into a strategic partnership which will resolve its staffing needs.

NEW ORLEANS REGIONAL BUSINESS PARK
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2020

Audit Finding Reference Number

2013-01 – Legislative Audit Advisory Service Report

Criteria:

In October 2013, the Louisiana Legislative Auditor issued an advisory services report relating to the practices review of The New Orleans Regional Business Park. The report outlined deficiencies in operations, opportunities to enhance procedures and recommendations for corrective action. The matters are as follows:

Conditions:

- The strategic plan does not identify the mission of the NORBP and the objectives are general in nature and do not appear to be measurable.
- The NORBP does not have comprehensive policies and procedures covering all essential operations.
- There is a lack of controls necessary to promote an ethical environment within the office of the NORBP (e.g., no ethics policies and procedures; Board members and employees not required to sign an annual certification letter attesting to their compliance with ethics laws/policies).
- Minutes of Board meetings were not always prepared (and maintained) as required by Louisiana Revised Statute (La. R.S.) 42:20.
- Board minutes are not published in the entity's official journal as required by La. R.S. 43:143-144 and 43:171(A).
- A records retention schedule has not been prepared and submitted to the Louisiana Secretary of State's office for approval as required by La. R.S. 44:36 and 44:411.
- The NORBP lacks formal guidance/procedures to help ensure that the Board is fully complying with La. R.S. 42:16-17 relative to conducting executive sessions.
- There is a lack of controls over credit card usage (e.g., business purpose not documented and no consistent review performed of credit card use and charges).
- There is a lack of controls over cell phone usage (i.e., no review performed of cell phone use and charges).
- There is a lack of controls over the preparation, review, and approval of employee time sheets.
- There is a lack of controls over the administration and accounting of employee leave (e.g., employee leave balances are not accounted for and there is no formal system for requesting the use of leave, including requiring supervisory approval).

NEW ORLEANS REGIONAL BUSINESS PARK
SCHEDULE OF PRIOR YEARS FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2020

Audit Finding Reference Number

2013-01 – Legislative Audit Advisory Service Report (Continued)

- Although payroll is processed by an outside third party, there is no internal review performed (by NORBP personnel) to ensure that the payroll was processed accurately.
- There is a lack of controls to ensure that NORBP receives accurate rent payments.
- The NORBP did not have an adequate financial plan, including marketing strategies, to address and eliminate deficit spending.

Status :

Partially Resolved

Managements Response:

Since 2013, NORBP's management has made great strides in correcting the items above while pushing forth the mission and work of the Business Park. Since 2013, NORBP has:

- Updated our website to include our mission and noted objectives and accomplishments, and additionally continuing to post board meeting minutes;
- Eliminated all credit cards;
- Eliminated company cell phones;
- Eliminated deficit spending;
- Restructured human resources such that employee time sheets, and the administration and accounting of employee leave are no longer applicable;
- Implemented effective controls over receipt of rent payments;

NORBP's new board of commissioners is committed to taking formal action to resolving the remaining conditions listed above.