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**NEW ORLEANS AVIATION BOARD
LAND GRANT PAA PROJECT NUMBER 5-23-8007-27**

**COST STATEMENT AND INDEPENDENT AUDITOR'S REPORT
FOR THE GRANT PERIOD ENDED SEPTEMBER 30, 1994**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date Nov 20 1995

NEW ORLEANS AVIATION BOARD
LAND GRANT FAA PROJECT NUMBER 3-21-0037-07
FOR THE GRANT PERIOD ENDED SEPTEMBER 30, 1995

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH LAWS,
REGULATIONS, CONTRACTS AND GRANTS BASED ON AN AUDIT OF THE
COST STATEMENT PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Directors of
The New Orleans Aviation Board

We have audited the grant agreement of the Land-Grant FAA Project Number 2-22-0633-77 of the New Orleans Aviation Board (the Project), for the grant period ended September 30, 1996 and have issued our report thereon dated September 23, 1996.

We conducted our audit in accordance with generally accepted auditing standards, and Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the cost statement is free of material misstatement.

Compliance with laws, regulations, contracts, and grant agreements applicable to the Project are the responsibility of the Project's management. As part of obtaining reasonable assurance about whether the cost statement is free of material misstatement, we performed test of the Project's compliance with certain provisions of laws, regulations, contracts, and grant agreements. However, our objective was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our test indicate that, with respect to items tested, the Project complied, in all material respects, with provisions referred to in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the grantee had not complied, in all material respects, with those provisions.

This report is intended for the information of the Board of Directors and the management of the New Orleans Aviation Board. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Luther C. Speight
New Orleans, Louisiana
September 23, 1996

Accounting Controls

- Revenue, Accounts Receivable, and Cash Receipts Cycle
- Purchases, Accounts Payable, and Cash Disbursements Cycle
- Property, Plant, and Equipment
- General Ledger and Financial Reporting
- Compliance with Laws and Regulations

For all of the control categories listed above, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses under the standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the Cost Statement being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operations that we consider to be material weaknesses as defined above.

This report is intended for the information of the Board of Directors and management. However, this report is matter of public record, and its distribution is not limited.


New Orleans, Louisiana
September 23, 2006



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
STRUCTURE BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

Honorable Mayor and Council of the City of New Orleans, Louisiana

We have audited the Cost Statement of the New Orleans Assistance Board's Land Grant P.A.A. Project Number 3-22-0837-27 (the Project), for the grant period ended September 30, 1996 and have issued our report thereon dated September 25, 1996. This Cost Statement is the responsibility of the Project's Board of Director's and management. Our responsibility is to express an opinion based on our audit.

We have conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the Cost Statement is free of material misstatement.

The Board of Director's and management of the Project are responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, opinions and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of a Cost Statement in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the Cost Statement of the Project, for the grant period ended September 30, 1996, we obtained an understanding of the internal control structure.

With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the Cost Statement and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion. For the purpose of this report, we have classified the significant internal control structure policies and procedures in the following categories:

BACKGROUND INFORMATION AND NOTES TO THE COST STATEMENT

BACKGROUND INFORMATION

The past 150 Program for the New Orleans International Airport was approved on August 8, 1988. One of the recommended actions was the acquisition of property within the 75 Ldn noise contour to remove incompatible uses. Currently, the majority of the property within the 75 Ldn is in residential use. The acquisition of the property and relocation of the residents will allow the land to be brought into noise compatible uses and provide relief from aircraft noise to the residents.

The New Orleans Aviation Board (NOAB) established its priorities for land acquisition for noise mitigation in a pre-application dated July 13, 1988. In general, land acquisition was to begin south of the airport, followed by north, and then east. Our Part 150 land acquisition program began with acquisition of properties in the south with Fiscal Year 1988, 1989, and 1990 funds. The 1991 program will complete the acquisitions in the south, as well as the north.

This grant will complete funding for acquisitions in the south. The area in this grant includes two squares north of the Mississippi River and the area within the 75 Ldn south of the Mississippi River. The acquisition area includes 20 homes, 2 commercial properties and 5 vacant plots.

NOTES TO THE COST STATEMENT

NOTE 1: The Federal Aviation Administration (FAA) had estimated the total cost of Land Grant 27 to be \$3.1 million. The FAA reimburses the NOAB for 80% of all eligible cost associated with the grant. The other 20% is matched by the NOAB with local funds. As a direct result of many homeowners not wanting to sell their land at present, Grant 27 did not exhaust all of the available grant funds. Total actual costs incurred to date are \$1,494,790, which leaves the grant with an available balance of \$1,605,210. This balance will be awarded, by the FAA, under a new grant called the "second chance" or Land Grant 49. This Grant encompasses all remaining parcels not purchased as of the closing grant date. The NOAB anticipates that these funds will be awarded by January of 1991.

NOTE 2: Under Land Grant 27 the FAA reimburses NOAB for 80% of all eligible cost associated with the grant. The total eligible costs incurred to date are \$1,494,790. The FAA's total portion due to the NOAB is \$1,195,832. Of that amount, the FAA has already reimbursed NOAB for \$1,084,980. As of September 30, 1990 the final amount due to the NOAB from the FAA is \$111,252. The NOAB expects to receive this reimbursement by October 31, 1990. See Schedule of FAA Reimbursement below.

MISSISSIPPI AVIATION BOARD
LEAD GRANT FAA PROJECT NUMBER 3-32-0817-27

COST STATEMENT
FOR THE GRANT PERIOD ENDED SEPTEMBER 30, 1994

ELIGIBLE COSTS:

Land, Structures, Right-of-way	\$	1,089,829
Perforation Expense		89,833
Relocation Payments to Individuals and Businesses		329,318
Demolition and Removal		<u>85,792</u>
Total Eligible Costs	\$	<u>1,494,772</u>

See Accompanying Notes to the Cost Statement.



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
The New Orleans Aviation Board

We have audited the accompanying cost statement of the Land Grant FAA Project Number 1-25-8033-27 of the New Orleans Aviation Board for the grant period ended September 30, 1996. This cost statement is the responsibility of the Project's management. Our responsibility is to express an opinion on this cost statement based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, and Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the cost statement referred to in the first paragraph presents fairly, in all material respects, results of the activities of the Project for the grant period ended September 30, 1996 in accordance with the grant agreement.

New Orleans, Louisiana
September 23, 1996