



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.

Victor Robinson

**NEW ORLEANS REGIONAL BUSINESS PARK
(ENTERPRISE CENTER)
FINANCIAL STATEMENT
WITH
INDEPENDENT ACCOUNTANT'S REVIEW REPORT
FOR THE YEAR ENDED DECEMBER 31, 2021**



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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

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

I have reviewed the accompanying the consolidated financial statements of NEW ORLEANS REGIONAL BUSINESS PARK (**NORBP**) which comprise the balance sheet as of December 31, 2021, and the related statements of income for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the management of **NORBP**. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, I do not express such an opinion.

Management's Responsibility for the Financial Statements

The management of **NORBP** 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 the financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

My responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require me to perform procedures to obtain limited assurance as a basis for reporting whether I am aware of any material modifications that should be made to the financial statements for them to be in accordance with the accounting principles generally accepted in the United States of America. I believe that the results of my procedures provide a reasonable basis for my conclusion.

I am required to be independent of **NORBP** and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements related to my review.

INDEPENDENT ACCOUNTANT'S REVIEW REPORT
(CONTINUED)

Louisiana Act 706 of the 2020 Legislative Session requires that Agency Head Compensation on page 17 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Louisiana Act 706 of the 2020 Legislative Session who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information was not audited, reviewed, or compiled by us and, I do not express an opinion, a conclusion, nor provide any assurance on it.

Accountant's Conclusion

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.



VGR, CPA

New Orleans, Louisiana

September 22, 2022

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

The New Orleans Regional Business Park (NORBP) was created by the Louisiana State Legislature. The 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 includes providing assistance to new and existing business to help them expand operations, train and improve the skills of existing employees, explore upstream and down stream marketing opportunities and seek other resources all in an effort to enhance the value of the capital investment our businesses have made in their operations here in the Business Park. NORBP's operations are principally funded from warehouse space rental income from tenants in the Park's Enterprise Center. These revenues also support the various programs of NORBP which include business retention/expansion, marketing outreach, business development, Enterprise Center maintenance and more.

FINANCIAL MANAGEMENT

NORBP employs the services of a Certified Public Accountant consulting firm to prepare financial statements associated with the daily operations of the Park. In addition, 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 and the full board meets periodically to review the Park's operations and the CPA- prepared financial statements. At these meetings, the NORBP board of commissioners discusses the daily operations of the Park and all relevant matters, financial and non-financial, that may have relevance to the organization's financial operations. The NORBP Board of Commissioners is presented with an analysis of the finances at its meetings.

FINANCIAL HIGHLIGHTS

- The NORBP 2021 General operations budget encompassed a budgeted revenue projection of \$270,725 with associated expenses of \$116,355. Actual revenue was \$305,572 and expenses were \$111,150
- At December 31, 2021, NORBP's net position totaled \$3,559,670 which included 2,959,983 in Property, Plant & Equipment.
- NORBP began 2021 with an actual cash balance of \$449,914 in various accounts at financial institutions. NORBP ended the year with an actual cash balance of \$645,790 in these accounts.
- During 2021, 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

The 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, and by one other office area tenant that occupies approximately 5,412 square feet. The maintenance budget is adjusted occasionally due to unexpected expenditures. Over the years NORBP has performed various repairs and on the building from its operational funds & governmental grants.

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 existence in 2012. However, NORBP did receive minimal tax revenue in 2021.

NORBP's administration continues to implement strategies that seek other revenue sources, programs and activities that can augment, support and expand NORBP programs. NORBP, administratively and operationally, will continue to seek more independence relative to its funding sources.

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 and other business partners and stakeholders to secure the millage for the Park's financial future. NORPBP continues to have a high degree of interest in all recovery efforts in the New Orleans region.

Sincerely,

Bob Fudickar

Robert Fudickar
Chairman, Year 2021

NEW ORLEANS REGIONAL BUSINESS PARK
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2021

<u>ASSETS</u>	Governmental Activities
Assets:	
Current Assets:	
Cash and equivalents	645,790
Prepaid Insurance	11,077
Total Current Assets	656,867
Fixed Assets:	
Buildings and Equipment	2,959,983
Total Fixed Assets	2,959,983
 Total assets	 3,616,850
<u>LIABILITIES AND NET ASSETS</u>	
Liabilities:	
Current Liabilities:	
Accounts Payable	39,464
Security Deposits	14,758
Litigation Claims Payable	2,958
Total liabilities	57,180
 Net Position (NOTE 2):	
Net Investment in Capital Assets	2,959,983
Unrestricted	599,687
 Total net assets	 3,559,670
 Total liabilities and net assets	 3,616,850

The accompanying notes are an integral part of these financial statements

NEW ORLEANS REGIONAL BUSINESS PARK
STATEMENT OF ACTIVITIES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2021

Governmental Activities:				Net (Expenses) Revenue and changes in Net Position
Functions/ Programs	Expenses	Program Revenues Charges for Services	Operating Grants	Revenue and changes in Net Position
Enterprise Park	\$91,792	\$0	\$0	\$91,792
Depreciation	106,922	-	-	106,922
Administration	19,358	-	-	19,358
Total	\$218,072	\$0.00	\$0.00	218,072
General revenues				-
Rental Income				303,300
Other Income				2,272
Total General revenues				305,572
Change in Net Position				87,500
Net Position				
Beginning of year				3,455,649
Adjustment to Beginning Of year				16,521
Beginning of year As restated				3,472,170
End of year				\$3,559,670

The accompanying notes are an integral part of these financial statements

**NEW ORLEANS REGIONAL BUSINESS PARK
BALANCE SHEET
GOVERNMENTAL FUND TYPE
AS OF DECEMBER 31, 2021**

ASSETS

Cash (Notes 2 and 5)	645,790
Prepaid Insurance (Note 4)	<u>11,077</u>
TOTAL ASSETS	<u>656,867</u>

LIABILITIES

Accounts Payable	39,464
Litigation Claims Payable	2,958
Lease Deposits (Note 8)	<u>14,758</u>
TOTAL LIABILITIES	<u>57,180</u>

FUND BALANCE

Unassigned	599,687
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	2,959,983

NET POSITION

3,559,670

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

**NEW ORLEANS REGIONAL BUSINESS PARK
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021**

REVENUE

Rental Income	303,300
Interest Income	453
Other Income	<u>1,819</u>

TOTAL REVENUE **305,572**

EXPENDITURES

Insurance	43,142
Marketing	300
Miscellaneous	783
Accounting Fees	9,000
Professional Services	8,341
Telephone	934
Sanitation	10,440
Utilities	27,281
Building Repairs	<u>10,929</u>

TOTAL EXPENDITURES **111,150**

Excess of revenues over expenditures **194,423**

Fund balance at beginning of year **388,744**

Adjustments to fund balance at beginning of year **16,520**

Fund balance at beginning of year restated **405,264**

Fund balance at end of year **599,687**

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

**NEW ORLEANS REGIONAL BUSINESS PARK
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, 2021**

Total Net Changes in fund balance at December 31, 2021 Per Statement of Revenue, Expenditures and Changes in Fund Balance	194,423
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The Changes in Net Position is reported for the governmental activities in the Statement of Activities is different because:

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>-106,922</u>
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Total changes in net position of governmental activities At December 31, 2021	87,500
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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 thirteen (13) 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, 2021 consisted of prepaid Insurance of \$11,077

**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>45,645</u>	<u>-0-</u>	<u>45,645</u>
	4,838,880	-0-	4,838,880
Less Accumulated Depreciation	<u>(1,771,975)</u>	<u>(106,922)</u>	<u>(1,878,897)</u>
Total	<u>3,066,905</u>	<u>(106,922)</u>	<u>2,959,983</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, 2021, NORBP's bank balances were \$574,925 and \$45,590 respectively. Thus exceeding the FDIC coverage at one bank by 324,925.

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 2021, 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, 2021 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 June 31, 2021. Management is currently disputing the outstanding balance and it is managements position that the reduction of this balance will be honored. The current balance of which is \$39,464.

NOTE 10 - Subsequent Events:

Management has evaluated subsequent events through the date that the financial statements were available to be issued September 22, 2022, and determined no subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

**NEW ORLEANS REGIONAL BUSINESS PARK
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL GAAP BASIS
FOR THE YEAR ENDED DECEMBER 31, 2021**

REVENUE	ACTUAL	BUDGET	VARIANCE
Rental Income	303,300	270,225	33,075
Interest Income	453	500	-47
Other Income	<u>1,819</u>	<u>0</u>	<u>1,819</u>
TOTAL REVENUE	305,572	270,725	34,847
EXPENDITURES			
Insurance	43,142	40,000	3,142
Marketing	300	0	300
Miscellaneous	783	1,200	-417
Accounting Fees	9,000	13,000	-4,000
Professional Services	8,341	8,815	-474
Telephone	934	4,800	-3,866
Sanitation	10,440	10,440	0
Utilities	27,281	24,600	2,681
Building Repairs	<u>10,929</u>	<u>13,500</u>	<u>-2,571</u>
TOTAL EXPENDITURES	111,150	116,355	-5,205
Excess of revenues over expenditures	194,423	154,370	40,053

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

SUPPLEMENTARY INFORMATION

NEW ORLEANS REGIONAL BUSINESS PARK
SCHEDULE OF AGENCY HEAD COMPENSATION
FOR THE YEAR ENDED DECEMBER 31, 2021

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 2021.

NEW ORLEANS REGIONAL BUSINESS PARK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FINANCIAL STATEMENT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2021

INTERNAL CONTROL OVER FINANCIAL REPORTING

Audit Finding Reference Number

2021-01 – Untimely submission of report

Criteria

Pursuant to the requirement of Louisiana Statute R.S. 24:513 a. (5)(a)(i), annual financial reports shall be completed within six (6) months of the close of an entity's fiscal year, and according to Uniform Guidance 2 CFR Part 200.512(a), Single audits are required to be completed and the data collection form and reporting package submitted within the earlier of thirty (30) days after receipt of the auditor's report, or nine (9) months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for the audit. If the due date falls on a Saturday, Sunday or federal holiday, the reporting package is due the next business day.

Conditions and Perspective

The December 31, 2021 review report was not submitted within the prescribed time frames.

Cause

Management failed to ensure that the review report was issued within prescribed timeliness.

Effect

NORBP has not complied with the reporting requirement of the State of Louisiana

NEW ORLEANS REGIONAL BUSINESS PARK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FINANCIAL STATEMENT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2021

INTERNAL CONTROL OVER FINANCIAL REPORTING

Audit Finding Reference Number

2021-01 – Untimely submission of report, Continued

Recommendation

I recommend that the management of **NORBP** take steps to ensure that the financial audit is submitted within the prescribed state and Federal deadlines.

Management's Response

Due to significant changes in the Board membership and a lack of staffing, NORBP was unable to complete and submit the 2021 review report timely. The current Board is working to ensure that resources are available for timely financial reporting going forward.

NEW ORLEANS REGIONAL BUSINESS PARK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FINANCIAL STATEMENT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2021

INTERNAL CONTROL OVER FINANCIAL REPORTING

Audit Finding Reference Number

2021-02 – 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, 2021

INTERNAL CONTROL OVER FINANCIAL REPORTING

Audit Finding Reference Number

2021-02 – 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 disclosed that the minutes of Board meetings had not been posted since December 2015
- **NORBP** does not have comprehensive policies and procedures covering all essential operations.

The aforementioned conditions 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 make financial decisions regarding **New Orleans Regional Business Park** during the year as a result of undersupplied number of board members.

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, 2021

INTERNAL CONTROL OVER FINANCIAL REPORTING

Audit Finding Reference Number

2021-02 – Governance and Oversight, Continued

Recommendation

I recommend the board and management review Louisiana statutes regarding board size and reporting with an emphasis on being compliant. Also I recommend that the board review staffing needs and evaluate those responsibilities and duties.

Management's Response

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, 2021

INTERNAL CONTROL OVER FINANCIAL REPORTING

Audit Finding Reference Number

2019-01 – Governance and Oversight, Continued

Conditions and Perspective

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

- New Orleans Regional Business Park only had two board members throughout the year 2019
- A review of the website that the minutes of Board meetings had not been posted since December 2015
- The NORBP does not have comprehensive policies and procedures covering all essential operations.

The aforementioned conditions 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 make financial decisions regarding **New Orleans Regional Business Park** during the year as a result of undersupplied number of board members.

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 PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2021

INTERNAL CONTROL OVER FINANCIAL REPORTING

Audit Finding Reference Number

2019-01 – Governance and Oversight, Continued

Recommendation

I recommend the board and management review Louisiana statutes regarding board size and reporting with an emphasis on being compliant. Also I recommend that the board review staffing needs and evaluate those responsibilities and duties.

Status

Partially Resolved

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, 2021

Audit Finding Reference Number

2013-01 – Legislative Audit Advisory Service Report

Condition

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:

- 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).
- 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

NEW ORLEANS REGIONAL BUSINESS PARK
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2021

Audit Finding Reference Number

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

- The NORBP did not have an adequate financial plan, including marketing strategies, to address and eliminate deficit spending.

Recommendation

I recommend that NORBP consider the Legislative Auditors recommendations.

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.

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

10/3/2022

To: Victor Robinson
VGR CPA
New Orleans LA

In connection with your engagement to apply agreed-upon procedures to certain control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures (SAUPs), for the fiscal period January 1, 2021 through December 31, 2021, we confirm, to the best of our knowledge and belief, the following representations made to you during your engagement.

1. We acknowledge that we are responsible for the C/C areas identified in the SAUPs, including written policies and procedures; board or finance committee; bank reconciliations; collections; non-payroll disbursements; credit/debit/fuel/purchasing cards; travel and travel-related expense reimbursement; contracts; payroll and personnel; ethics; debt service; and other areas.

Yes No

2. For the fiscal period January 1, 2021 through December 31, 2021, the C/C areas were administered in accordance with the best practices criteria presented in the SAUPs.

Yes No

3. We are responsible for selecting the criteria and procedures and for determining that such criteria and procedures are appropriate for our purposes.

Yes No

4. We have provided you with access to all records that we believe are relevant to the C/C areas and the agreed-upon procedures.

Yes No

5. We have disclosed to you all known matters contradicting the results of the procedures performed in C/C areas.

Yes No

6. We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others affecting the C/C areas, including communications received between December 31, 2021, and October 3, 2022.

Yes No

7. We represent that the listing of bank accounts for the fiscal period that we provided to you is complete. We also represent that we have identified and disclosed to you our main operating account.

Yes No

8. We represent that the listing of deposit sites for the fiscal period that we provided to you is complete.

Yes No

9. We represent that the listing of collection locations for the fiscal period that we provided to you is complete.

Yes No

10. We represent that the listing of locations that process payments for the fiscal period that we provided to you is complete.

Yes No

11. We represent that the non-payroll disbursement transaction population for each location that processes payments for the fiscal period that we provided to you is complete.

Yes No

12. We represent that the listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards, that we provided to you is complete.

Yes No

13. We represent that the listing of all travel and travel-related expense reimbursements during the fiscal period that we provided to you is complete.

Yes No

14. We represent that the listing of all agreements/contracts (or active vendors) for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period that we provided to you is complete.

Yes No

15. We represent that the listing of employees/elected officials employed during the fiscal period that we provided to you is complete.
- Yes No
16. We represent that the listing of employees/officials that received termination payments during the fiscal period that we provided to you is complete.
- Yes No
17. We represent that the employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines during the fiscal period.
- Yes No
18. We represent that the listing of bonds/notes issued during the fiscal period that we provided to you is complete.
- Yes No
19. We represent that the listing of bonds/notes outstanding at the end of the fiscal period that we provided to you is complete.
- Yes No
20. We represent that the listing of misappropriations of public funds and assets during the fiscal period that we provided to you is complete.
- Yes No
21. We are not aware of any material misstatements in the C/C areas identified in the SAUPs.
- Yes No
22. We have disclosed to you any other matters as you have deemed appropriate.
- Yes No
23. We have responded fully to all inquiries made by you during the engagement.
- Yes No

24. We have disclosed to you all known events that have occurred subsequent to December 31, 2021, that would have a material effect on the C/C areas identified in the SAUPs, or would require adjustment to or modification of the results of the agreed-upon procedures.

Yes No

The previous responses have been made to the best of our belief and knowledge.

Signature Bob Fudickar Date 10/3/2022

Title Chairman, Year 2021

Signature Michelle Diaz CPA Date 10/3/2022

Title Accountant, Year 2021