

## EXECUTIVE SUMMARY

---

In 2013 the Office of Inspector General (OIG) conducted a performance audit of the New Orleans Aviation Board's (NOAB) contract payment process. The purpose of the audit was to determine if the NOAB had effective controls in place related to maintenance and service contracts.

In October 2013, a report titled "A Performance Audit of the New Orleans Aviation Board Month-to-Month Contracts" (2013 Report) was issued.

The 2013 Report documented the following findings:

1. "Prior to 2013, the NOAB allowed contracts to operate on a month-to-month basis for extended periods of two to eight years."
2. "The NOAB approved the payment of invoices with labor rates that were in noncompliance with contract terms."
3. "The NOAB approved payment of invoices that lacked proper support and documentation."
4. "The NOAB paid Capital Project expenditures greater than \$15,000 without proper approval by the Board of Directors."

The 2013 Report also included the following observation: "The NOAB should document its rationale for entering into outsourced maintenance and service contracts."

Recommendations to these findings and observation were made in the 2013 Report. The purpose of this follow-up report was to determine if the NOAB implemented the corrective actions it identified in the 2013 Report.

Note: The NOAB commenced the process of soliciting proposals and/or bids prior to the release of the 2013 Report and implemented its corrective actions within months of the Report's issuance.

The management of NOAB is to be commended for their willingness to make the necessary improvements needed in this area of their operations.