



New Orleans Aviation Board Contract Audit

FINAL REPORT

March 12, 2026

Edward Michel, CIG

Inspector General





March 12, 2026

Re: New Orleans Aviation Board Contract Audit

I certify that the inspector general personnel assigned to this project are free of personal or other external impairments to independence.

Edward Michel, CIG
Inspector General

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The Office of Inspector General (OIG) for the City of New Orleans (City) conducted a performance audit of the New Orleans Aviation Board (NOAB). The objective of the audit was to verify the following for NOAB service and maintenance contracts:

- NOAB had adequate policies and procedures for procuring service and maintenance contracts that complied with best practices.
- NOAB effectively implemented those policies and procedures for service and maintenance contracts.

The scope of the audit encompassed all NOAB service and maintenance contracts that remained active as of April 30, 2024, and all invoices paid during the period May 1, 2023, through April 30, 2024.

The auditors concluded that NOAB had established adequate policies and procedures governing the procurement of service and maintenance contracts. In addition, NOAB demonstrated compliance with the City's procurement requirements for the sole source and State contracts reviewed.

OIG auditors reviewed a population of 114 invoices paid during the scope period for the sampled contracts.¹ OIG auditors recalculated all invoice totals to ensure accuracy. Of these, 106 invoices contained contract-specific invoicing requirements, which the auditors separately evaluated to determine compliance with the applicable standards.

However, the auditors observed that these policies and procedures were not consistently enforced in practice, leading to the following findings:

- Nine of the 21 contracts reviewed (42.9%), totaling \$51,666,397, lacked one or more required documents in the City's Budget Requisition and Accounting Services System (BRASS).²

¹The auditors utilized CaseWare IDEA data analysis software to select a sample from the population of 78 active NOAB service and maintenance contracts as of April 30, 2024. Through monetary unit sampling, IDEA identified 10 high-value contracts and 11 random sample contracts, which resulted in a total of 21 contracts tested.

² NOAB subsequently provided the OIG with all required contract documentation that had not been available in BRASS at the time of audit testing. The auditors noted that NOAB uploaded the missing documentation to BRASS in January 2026.

- Forty-five of the 106 invoices reviewed (42.5%) were missing at least one required document or other pertinent information, including one contract that did not contain the required subcontractor timesheets for \$706,322 of invoiced work.³
- Eight of the 114 invoices tested (7%) contained invoiced amounts that did not match, or could not be verified against, the supporting documentation, totaling \$3,050.
- Three of the 19 contracts requiring Proof of Signatory Authority, totaling \$10,394,972, lacked the authorized individual's signature.

Based on these findings, the OIG made the following recommendations to NOAB:

- New Orleans Aviation Board should strengthen and enforce its existing review and verification process to ensure all required documentation is consistently included in contract files before execution.
- New Orleans Aviation Board should enhance its invoice review and approval procedures and provide targeted training for both employees and vendors to ensure full compliance with all contract requirements.
- New Orleans Aviation Board should strengthen and enforce its formal invoice reconciliation process to confirm that billed amounts accurately reflect hours worked and contractually agreed-upon rates. Vendor training should also be strengthened to minimize discrepancies between invoices and supporting documentation.
- New Orleans Aviation Board contract reviewers should ensure that the contract signatory is the same individual identified in the Proof of Signatory Authority before approving contracts for execution.

The audit evaluated key controls to assess whether NOAB's procurement practices were properly designed and effectively implemented. Although NOAB established appropriate procedures and adhered to required protocols for certain contract types, those controls were not applied uniformly across all service and maintenance agreements. Missing documentation in BRASS, unsupported invoice payments, and incomplete signatory records indicate areas where oversight processes should be strengthened to support transparency and reduce the risk of

³ As of January 26, 2026, OIG auditors had not received all requested timesheet documentation.

contract noncompliance. NOAB must ensure strict and consistent application of its existing controls to promote accountability and protect public resources.

Although NOAB management had stated that all required documentation would be available in BRASS, OIG auditors found several records missing during testing. NOAB provided the missing contract documentation only after the OIG identified the gaps, and NOAB uploaded the documents to BRASS in January 2026. Additionally, five months after the OIG issued the findings and testing had concluded, NOAB submitted only a portion of the requested timesheet documentation. These delays showed that the information was not readily accessible when needed and hindered the efficiency of the audit.

In its written response to the OIG recommendations, NOAB disagreed with Finding 1, Finding 2 (partial disagreement), and Finding 3 in this report. However, NOAB provided corrective actions outlined in its written response that, if implemented effectively, will resolve the findings noted in this report. In NOAB's written response, management asserted that NOAB did not use BRASS as its system of record and that some required contract documents were uploaded to BRASS for the OIG's convenience. This is inconsistent with statements made during preliminary planning meetings and process walkthroughs for the audit, where NOAB indicated that it followed City policy requiring contract documentation to be in BRASS. The auditors noted that NOAB uploaded the required contract documentation to BRASS for 12 of the 21 NOAB contracts reviewed. Those contract documents were uploaded to BRASS prior to the OIG's audit, indicating that NOAB did follow City policy, but did not do so consistently for all contracts.

NOAB's written response to the OIG recommendations is attached to the Final Report in its entirety.

I. INTRODUCTION

The Louis Armstrong New Orleans International Airport (Airport) operates as a distinct entity under the ownership of the City. The NOAB was formed in 1943 to oversee the Airport’s management and upkeep. The board was composed of nine individuals, all appointed by the Mayor of New Orleans and approved by the City Council.⁴ NOAB represented the City in all aviation matters in consultation with state, national, and international government agencies.

NOAB followed the City’s procurement policies and procedures for service and maintenance contracts. Section 22-50 of the New Orleans Code of Ordinances governed how the NOAB may spend money from its revolving fund. Under this provision, all expenditures from the revolving fund must be processed through the City’s Department of Finance.⁵ The Department of Finance may issue payment only after designated NOAB officers submitted documentation showing that the goods or services were lawfully procured, received, or performed, and that payment was due. The City Code also required that all expenditures align with NOAB’s approved budget of revenues and expenditures.⁶ NOAB used the City’s Budget Requisition and Accounting Services System (BRASS) to comply with this requirement.⁷

In 2024, the OIG completed a citywide risk assessment to systematically evaluate risk across all City departments, agencies, and component units. Based on the results, the NOAB ranked among the top five highest-risk entities and was subsequently included in the OIG’s 2025 Annual Work Plan.⁸ During the audit period, NOAB had 78 total active service and maintenance contracts, totaling \$77,394,528. Given the significant scope and financial impact of these contracts, the audit focused on assessing whether NOAB had sufficient policies and procedures governing these contracts and whether those controls were effectively implemented.

⁴ City of New Orleans. Home Rule Charter, art. V, ch. 6, § 5-601.

⁵ City of New Orleans. Home Rule Charter, ch. 22, § 22-50.

⁶ City of New Orleans. Home Rule Charter, ch. 22, § 22-49.

⁷ The City routed all contracts through its enterprise resource planning (ERP) system, also known as BRASS. An ERP system is software used to integrate an entity’s financial and accounting activities with other core business processes into a centralized database.

⁸ New Orleans Office of Inspector General. 2025 Annual Work Plan. Issued August 28, 2024. <https://nolaoig.gov/wp-content/uploads/2024/08/2025-Work-Plan-Final.pdf>.

II. CONTRACT DOCUMENTATION

The NOAB followed the City’s policies and procedures for the procurement of service and maintenance contracts. The City’s policy detailing the contract routing process required that all City departments and other user entities, such as NOAB, “must route all contracts through BRASS.”^{9,10} The City’s contract-routing policy established contract checklists for each type of contract, including service and maintenance contracts.¹¹ The contract checklists provided a list and description of the required supporting documentation that must be maintained in BRASS for each contract. The City’s contract-routing policy stated that all departments and other user entities, such as NOAB, “must follow the checklists developed by the Bureau of Purchasing and the Law Department to route a contract.”¹² During the planning stages of this audit, NOAB management affirmed to the OIG that all required contract documentation would be accessible directly through the City’s BRASS ERP system. After NOAB received a draft report of the OIG’s findings and recommendations, management stated that required contract documents were uploaded to BRASS solely for the OIG’s convenience and asserted that NOAB maintained all required contract documentation in its own ERP system, ROSS.¹³ NOAB’s written response to the OIG recommendations is attached to the Final Report in its entirety. This assertion was inconsistent with statements made during preliminary planning meetings and process walkthroughs for the audit, where NOAB indicated that it followed the City’s policy requiring specific contract documentation to be maintained in BRASS. The auditors noted that NOAB had uploaded the required contract documentation to BRASS for 12 of the 21 contracts reviewed. Since those contract documents were uploaded to BRASS

⁹ The City routed all contracts through its ERP system, also known as BRASS. An ERP system is software used to integrate an entity’s financial and accounting activities with other core business processes into a centralized database.

¹⁰ City of New Orleans Chief Administrative Office Policy Memorandum No. 122 (R) – Contract Routing Process Policy. Revised September 1, 2022.

¹¹ Appendix E to Policy Memorandum 122(R) Contract Routing Process Policy – contract checklists. Revised October 28, 2014.

¹² City of New Orleans Chief Administrative Office Policy Memorandum No. 122 (R) – Contract Routing Process Policy. Revised September 1, 2022.

¹³ NOAB’s ERP system, also known as ROSS, served as the organization’s central accounting system. Its modules included the general ledger, accounts payable, accounts receivable, purchase order subsystem, and other financial and administrative processes.

prior to the OIG's audit, this indicated that NOAB did follow City policy, but did not do so consistently for all contracts.

NOAB had 78 active service and maintenance contracts, totaling \$77,394,528. In order to test compliance with City policies, OIG auditors randomly selected a sample of 21 of the 78 service and maintenance contracts, totaling \$67,970,333.¹⁴ OIG auditors reviewed the full set of documents attached to each contract in BRASS. This review included the executed contract, all applicable amendments, solicitation documents, and all other supporting documentation uploaded to BRASS, including both required and supplemental documents.

Finding 1: Nine of the 21 contracts reviewed (42.9%), totaling \$51,666,397, lacked one or more required documents in BRASS.

The auditors determined that NOAB did not consistently maintain all supporting documentation required by the City's contract checklists for service and maintenance contracts in BRASS.¹⁵ Nine of the 21 contracts reviewed (42.9%), totaling \$51,666,397, were missing at least one required document in BRASS from their corresponding contract checklists, as shown in Figure 1, and further discussed below.

¹⁴ Auditors employed CaseWare IDEA data analysis software to choose a sample from the 78 active NOAB service and maintenance contracts as of April 30, 2024. Using monetary unit sampling, IDEA identified 10 high-value contracts and randomly selected 11 additional contracts, which resulted in 21 contracts selected for testing. See Figure 5 Sampling Methodology.

¹⁵ Appendix E to Policy Memorandum 122(R) Contract Routing Process Policy included the criteria for contract checklists relevant to this finding.

Figure 1. Contract Types Tested in Total

Contract Type	Contracts Tested	Contracts Missing Required Documentation
Professional Services Agreements resulting from an RFP	1	1
Bid Contracts (equipment and/or non-professional services)	1	1
Bid Contracts (construction)	3	3
Contract Amendments	14	4
Sole Source Contract ¹⁶	1	0
State Contract ¹⁷	1	0
Total	21	9

PROFESSIONAL SERVICES AGREEMENTS RESULTING FROM AN RFP

The City’s contract checklist for professional services agreements awarded through a Request for Proposal (RFP) process required that the selection committee meeting minutes be included in the documentation.^{18,19} The one professional services agreement selected for testing, totaling \$5,064,000, was missing the required selection committee minutes. Selection committee minutes provide a clear record of how proposals were reviewed, the factors considered by committee members, and the rationale behind the scoring and final recommendation. This documentation helps verify that the process was conducted consistently with procurement requirements, supports the accuracy of the evaluation results, and strengthens the overall accountability of the procurement decision.

BID CONTRACTS

The City’s contract checklist for bid contracts involving equipment and non-professional services specified the documentation that must accompany each agreement in BRASS. However, one bid contract for equipment and non-

¹⁶ A sole source contract is a procurement contract awarded without competitive bidding because only one vendor is determined to be capable of providing the required goods or services.

¹⁷ A State contract is a legally binding agreement established by the State and approved by the Office of State Procurement. Under City of New Orleans Chief Administrative Office Policy Memorandum No. 24(R), a City entity can purchase off an approved State contract.

¹⁸ An RFP is a formal document inviting vendors to submit proposals for a specific project or service.

¹⁹ Appendix E to Policy Memorandum 122(R) Contract Routing Process Policy – contract checklists. Revised October 28, 2014.

professional services selected for testing, totaling \$2,126,388, did not include the following documents in BRASS, as required by the contract checklist:

- Disadvantaged Business Enterprise (DBE) Validation Form or Request for Waiver.²⁰
- Payment or Performance Bond.²¹

Payment and performance bonds protected NOAB by ensuring the contractor fulfilled its obligations. A performance bond provides assurance that the contractor completed the work as required by the contract. If the contractor failed, the bond gave NOAB a financial mechanism to bring in another contractor to finish the project without absorbing the full cost of the failure. A payment bond ensures that subcontractors, suppliers, and laborers are paid, which protects NOAB from liens, disputes, or disruptions caused by unpaid parties. Together, these bonds reduce financial risk, promote accountability, and help safeguard public funds.

Per discussion with management, they indicated that because NOAB maintained its own DBE department and did not utilize the City's DBE office, they did not believe they were required to upload DBE forms into BRASS. However, a review of BRASS records revealed that NOAB had uploaded DBE forms for other contracts in the past.

The City's contract checklist for construction contracts identified the documentation required to support each contract in BRASS. Those requirements included the following:

- Bidder attestation for Public Works Solicitations.²²
- The Bureau of Purchasing Tabulation Form & Recommendation.
- Payment or Performance Bond.

²⁰ A DBE is defined as a small business owned and controlled by socially and economically disadvantaged individuals. See *The City of New Orleans Code, Sec. 70-456*.

²¹ Appendix E to Policy Memorandum 122(R) Contract Routing Process Policy – contract checklists. Revised October 28, 2014.

²² Bidder attestation for Public Works Solicitations confirmed that the bidder acknowledged all required obligations, understood the statutory and contractual requirements of the project, and affirmed eligibility to perform the work. The attestation strengthened the reliability of the procurement file, reduced the risk of awarding the contract to a non-compliant bidder, and supported all contract awards.

- Photocopy of applicable licenses.²³
- Electronic Word file of the proposed contract or a description of needed services to be included in the documentation.²⁴

The auditors determined that all three construction contracts selected for testing lacked documentation in BRASS, as required by the contract checklist. Specifically, the contract files were missing the following required documents in BRASS:

- Contract 5280 (K23-1040) - Total contract value of \$5,507,200:
 - The Bureau of Purchasing Tabulation Form and Recommendation.
 - An electronic Word version of the proposed contract.
- Contract 5512 (K23-1218) - Total contract value of \$2,290,000:
 - Bidder Attestation for Public Works Solicitations.
 - The Payment or Performance Bond.
 - Photocopies of required licenses.
- Contract 5752 (K24-0161) - Total contract value of \$14,152,915:
 - The electronic Word version of the proposed contract or a description of the required services.

CONTRACT AMENDMENTS

Contract amendments were formal, written modifications to existing contracts that reflected updated or revised terms mutually agreed upon by the contracting parties. Each amendment was required to be properly authorized, documented, and processed in compliance with the City’s procurement policies. To ensure consistency, the City’s Contract Amendment Checklist required the following supporting documentation in BRASS for every contract amendment:

- Previous signed DBE Validation Form or signed Request for Waiver.
- Electronic Word file of the proposed contract to be included in the documentation.²⁵

²³ Photocopies of applicable licenses verified that the contractor held the required credentials to perform the work, demonstrated compliance with statutory and professional standards, and provided documentation supporting the contractor’s eligibility for award. This strengthened the procurement file and reduced the risk of engaging a contractor without proper authorization.

²⁴ Appendix E to Policy Memorandum 122(R) Contract Routing Process Policy – contract checklists. Revised October 28, 2014.

²⁵ Appendix E to Policy Memorandum 122(R) Contract Routing Process Policy – contract checklists. Revised October 28, 2014.

Four of the 14 contract amendments selected for testing were missing the following documentation in BRASS required by the City's contract amendment checklist:

- Contract 5584 (K23-1322) - Total contract value of \$200,000:
 - A previous DBE Validation Form or Required Request for Waiver.
- Contract 4900 (K23-591) - Total contract value of \$93,500:
 - The signature of the Chief Administrative Officer (CAO) was missing from the completed Request for Waiver for the DBE requirements.
- Contract 5137 (K23-1342) - Total contract value of \$20,732,394:
 - An electronic version of the proposed contract.
- Contract 5742 (K24-228) - Total contract value of \$1,500,000:
 - An electronic version of the proposed contract.

During a discussion of the findings in this report, NOAB management stated that supporting documentation for NOAB contracts may not be fully maintained within the City's BRASS ERP system. NOAB management explained that their system of record was ROSS. Management stated NOAB used the City's BRASS ERP system in order to fulfill the City charter requirement for the City to maintain NOAB's operating account since the City uses BRASS for contracts and invoice payment.²⁶ The audit identified that NOAB did not consistently upload required contract documents to BRASS, such as those mandated under City procurement policies, even though City policy required all contracting entities to maintain complete and accurate documentation within BRASS.

Because NOAB did not consistently upload required contract documentation to BRASS when contracts originated, the City's capacity for oversight and review was limited. Missing documentation in BRASS, such as performance bonds, payment bonds, or scope-of-work statements, impaired City oversight over contract execution. Without these records, the City's ability to conduct thorough reviews and approvals was limited, reducing assurance that vendors complied with contractual obligations, timelines, and regulatory requirements. NOAB subsequently provided the OIG with all required contract documentation that had not been available in BRASS at the time of audit testing. The auditors noted that NOAB uploaded the missing documentation to BRASS in January 2026.

²⁶ City of New Orleans. Home Rule Charter, ch. 22, § 22-50.

Recommendation 1: New Orleans Aviation Board should strengthen and enforce its existing review and verification process to ensure all required documentation is consistently included in contract files before execution.

Supervisory personnel should perform periodic audits of executed contracts to verify compliance with documentation requirements established by City policies and procedures, including contract checklists.

Positive Finding 1: New Orleans Aviation Board demonstrated compliance with the City's procurement requirements for the sole source and State contracts reviewed.

NOAB maintained the following supporting documentation in BRASS for all sole source and State contracts tested, in compliance with City procurement policies and procedures:^{27,28}

- A Bid Procurement Authorization Form was included for each sole source and State contract tested.
- For the sole source contract tested, a letter from the department head requesting the non-competitive procurement was included.
- For the sole source contract tested, a letter from the vendor describing the service, material, or good to be provided was included.

²⁷ City of New Orleans Bureau of Purchasing Federal Grant Procurement Procedures. Version 10. March 26, 2024.

²⁸ City of New Orleans Chief Administrative Office Policy Memorandum No. 24(R) – Procurement of Movable Property and Non-professional Services Policy. Revised October 16, 2023.

III. INVOICE DOCUMENTATION

For the 21 active NOAB contracts selected for testing, OIG auditors reviewed all invoices paid during the scope period to determine whether NOAB maintained effective internal controls to ensure contractor compliance with City procurement policies. Auditors examined all invoices paid associated with those contracts.

Thirteen contracts required contractors to submit specific information and/or supporting documentation with each invoice. Auditors reviewed all supporting documentation for the 106 invoices associated with these contracts, which totaled \$14,284,610.

Finding 2: Forty-five of the 106 invoices reviewed (42.5%) were missing at least one required document or other pertinent information, including one contract that did not contain the required subcontractor timesheets for \$706,322 of invoiced work.²⁹

The auditors found that 45 of the 106 total invoices (42.5%) were missing at least one contract requirement, as shown in Figure 2.

²⁹ Five months after the findings were provided to NOAB and testing had concluded, NOAB submitted a portion of the requested timesheet documentation to the OIG.

Figure 2. Tested Invoices Not in Compliance with Contract Requirements

Contract #	\$ Amount	Total Invoices	Invoices Missing Required Documents
K21-573	\$ 39,200	1	-
K23-1054	\$ 209,410	8	-
K23-1123	\$ 30,310	7	-
K23-1218	\$ 134,000	2	-
K23-1260	\$1,831,804	25	-
K23-1316	\$ 105,926	6	-
K23-1322	\$ 9,855	4	4
K23-1342	\$6,086,336	9	7
K23-500	\$1,123,754	21	21
K23-897	\$ 239,200	6	6
K23-935	\$1,109,578	7	7
K24-0127	\$3,167,670	6	-
K24-228	\$ 197,567	4	-
Totals:	\$14,284,610	106	45

For these 45 invoices, OIG auditors noted a total of 77 exceptions involving missing required information and documentation, as shown in Figure 3 and detailed below³⁰:

Figure 3. Analysis of Exceptions for Invoices Missing Required Documentation

Documentation not Included with Invoice	Invoices Lacking Required Documentation
Detailed and itemized description of services performed	13
Disbursement summary listing expenses by expense code	4
Pay rates and itemized hours	20
Name of the Outside Counsel case manager	4
Purchase order number or contract number	25
Letter of Authorization Number and/or title, NOAB matter number, or Scope of Work Number and/or title	4
Supporting invoices in required format for subcontractor work	7
Total Exceptions	77

- **Detailed and itemized description of services performed.** Nine contracts required each invoice to include a description of the services performed, with eight specifically mandating that the description be detailed and itemized. Of these, two contracts lacked the required documentation for 13 invoices reviewed.
- **Disbursement summary listing expenses by expense code.** One contract required each invoice to include a disbursement summary that detailed each expense by its expense code. All four invoices reviewed for that contract lacked the required documentation.
- **Pay rates and itemized hours.** Four of the ten contracts that required pay rates and itemized hours lacked the required documentation for all 20 invoices.

³⁰ Some of the invoices reviewed lacked multiple contract requirements, leading to the 77 total exceptions.

- **Name of the outside counsel case manager.** One contract stipulated that each invoice must include the name of the outside counsel case manager.³¹ However, all four invoices reviewed under this contract failed to include the required information.
- **Purchase order number or contract number.** Three contracts required each invoice to include the purchase order or contract number. Two of these three contracts lacked the required information for all 25 invoices associated with those contracts.
- **Letter of Authorization (LOA) number and/or title, NOAB matter number, or scope of work number and/or title.** Five contracts required each invoice to include one or more of the following: the LOA number, LOA title, the NOAB matter number, the scope of work number, or scope of work title. For one of the five contracts, all four of its invoices lacked the required information.
- **Supporting invoices in required format for subcontractor work.** Three contracts required each invoice to include supporting documentation for subcontractor work, presented in the same format as the amounts submitted by the contractor for their own services.³² For one of these contracts, seven of the nine invoices reviewed did not contain the required supporting documentation in the specified format. The contract required all subcontractor invoices to be supported by timesheet documentation. However, the subcontractor invoices reviewed did not include the required timesheets for the invoiced work. The unsupported billings for those eight invoices totaled \$706,322.³³

NOAB management acknowledged that the required supporting documentation was not consistently retained in BRASS. Although management committed to providing the missing documentation to the OIG auditors, they were ultimately unable to furnish all of the records referenced in this finding.

The absence of required documentation impaired NOAB’s ability to verify that subcontractor work was performed as billed. Without timesheets or complete

³¹ The case manager acts as the primary liaison between the law firm and NOAB, overseeing the coordination of legal services and the management of case assignments.

³² The “required format” indicated that sub-contractor invoices were required to follow the same requirements as the contractor.

³³ As of January 26, 2026, OIG auditors had not received all requested timesheet documentation.

invoices, NOAB could not fully confirm labor hours, personnel assignments, or the basis for charges. These gaps increased the risk of billing inaccuracies, such as overbilling or duplicate payments. In addition, the lack of consistent enforcement of documentation requirements reduced transparency and accountability in contract administration. While the missing subcontractor documentation did not indicate wrongdoing, the gaps highlight areas where controls can be strengthened to reduce the risk of errors and improve oversight.

The United States Code governing federal funds classified improper payments as follows:

when the ... agency cannot determine, due to lacking or insufficient documentation, whether a payment is proper or not, the payment shall be treated as an improper payment.³⁴

Incomplete invoice records also raised the risk of improper payments, reduced transparency, and limited NOAB's ability to ensure that goods and services were delivered in accordance with contract terms.

Recommendation 2: New Orleans Aviation Board should enhance its invoice review and approval procedures and provide targeted training for both employees and vendors to ensure full compliance with all contract requirements.

NOAB should provide periodic training for staff involved in contract administration to reinforce their understanding of the documentation required for each contract type. Such training will promote consistent application of invoice review protocols across all contracts and ensure that supporting documentation is properly retained in BRASS.

In addition, NOAB should establish and enforce clear, standardized criteria for verifying compliance with invoicing requirements prior to payment approval. Supporting documentation must be assessed against the specific terms of each contract, and assumptions about sufficiency should never replace documented

³⁴ 31 U.S.C. §3352(c)(2).

evidence. Strengthening these controls will reduce the risk of improper payments and enhance accountability in contract oversight.

If NOAB intends for the title or nature of the work (i.e., “janitorial” or “security services”) to satisfy invoicing requirements, contract language must be revised to explicitly reflect that position. Contracts should clearly specify when minimal documentation (i.e., timesheets only) is acceptable, thereby eliminating ambiguity and ensuring consistent interpretation during invoice reviews and audits. Without such clarity, NOAB remains vulnerable to documentation gaps and the risk of paying for work not performed.

Finally, NOAB should also provide periodic training to vendors to ensure they understand the documentation requirements for each contract type. This will help ensure invoices are properly prepared and that payments are made only for work adequately supported by documentation.

IV. INVOICE VARIANCES

The Louisiana Legislative Auditor's (LLA) contracting best practices recommended the following:³⁵

Payments to vendors should only be made by the Purchasing/Disbursement function after verifying with the contract manager that the related goods or services have been received or performed in accordance with the terms of the contract.³⁶

The LLA's purchasing and disbursements best practices recommended the following:

Good controls over purchasing and disbursements require appropriate checks and balances [which include] verification ... that documentation is present to support the payment and the amount owed is correct.³⁷

The OIG auditors reviewed all 114 invoices in the sample that were paid during the scope period, verifying each by recalculating the totals against the supporting documentation.³⁸

Finding 3: Eight of the 114 invoices tested (7%) contained invoiced amounts that did not match, or could not be verified against, the supporting documentation, totaling \$3,050.

Two of the 16 contracts with invoices paid (12.5%) during the scope period lacked supporting documentation for the amounts invoiced. Within these two contracts, eight of the 11 invoices (72.7%) lacked documentation that supported the amount invoiced, totaling \$3,050, as shown in Figure 4 and detailed below.

³⁵ The Louisiana Legislative Auditor (LLA) offers best practices to guide governmental entities in developing written policies and procedures. These resources are available online at:

<https://lla.la.gov/resources/local-government-reporting/best-practices>.

³⁶ Louisiana Legislative Auditor Best Practices – Contracting. Revised April 2019.

<https://www.lla.la.gov/resources/local-government-reporting/best-practices>.

³⁷ Louisiana Legislative Auditor Purchasing and Disbursements Policy. October 10, 2014.

<https://www.lla.la.gov/resources/local-government-reporting/best-practices>.

³⁸ These 114 invoices related to 16 of the 21 active NOAB contracts selected for testing.

Figure 4. Invoices That Did Not Match Supporting Documentation

Contract ID	Exception	Invoices Tested	Invoices with Exception(s)	\$ Amount of Exceptions
K23-1123	Each invoice billed \$4,330 for “Maintenance Agreement- Website Development, Security & Maintenance Agreement (Monthly)”, but the recalculated total based on hours and pay rates was \$3,850.	7	7	\$ 3,360
K23-1322	Invoice underbilled the Timekeeper’s rate.	4	1	\$ (310)
	Total	11	8	\$ 3,050

Contract K23-1123 required that the “maximum amount payable” was \$50,000. OIG auditors found that the billed hours and rates for the seven reviewed invoices did not reconcile with the invoice totals, resulting in a discrepancy of \$3,360. According to NOAB management, each invoice for Contract K23-1123 included timesheet data reflecting more hours than were billed. NOAB paid the invoiced amounts, which were lower than the actual hours the vendor had worked. NOAB management stated that this contract is a Lump Sum Not to Exceed contract, which was limited to \$50,000 as noted above. The invoice reviewer’s procedures focused on confirming that the hours billed did not exceed the hours worked and that total charges remained within the contract’s maximum lump-sum amount. Because these criteria were met, the reviewer did not identify concerns with the wording of the invoices. OIG auditors also observed that each invoice included an accompanying Excel spreadsheet detailing the contractor employees’ hours and tasks, and the hours listed did not exceed the amounts billed. After OIG auditors notified NOAB of this discrepancy, management requested corrected invoices that reflected the accurate totals; however, as of December 2025, the vendor had not responded.

Contract K23-1322 required the Airport to compensate outside counsel at the rates specified in the contract. However, one timekeeper was billed at \$1 per hour instead of the correct rate of \$125, which deviated from the contractual terms. Although this error resulted in an underbilling of \$310, not identifying such inaccuracies during invoice review increases the likelihood that similar discrepancies may go unnoticed and uncorrected. Following the OIG’s finding, NOAB subsequently paid an invoice for the \$310 underbilled amount in October 2025.

The absence of effective controls to identify discrepancies between invoiced amounts and supporting documentation limited NOAB's ability to ensure accurate payments and maintain strong oversight. Without such controls, NOAB faced an increased likelihood of overpayments or underpayments and a reduced level of assurance in the consistency of its contract management processes and procedures.

Recommendation 3: New Orleans Aviation Board should strengthen and enforce its formal invoice reconciliation process to confirm that billed amounts accurately reflect hours worked and contractually agreed-upon rates. Vendor training should also be strengthened to minimize discrepancies between invoices and supporting documentation.

NOAB staff should ensure all invoices are reviewed for mathematical accuracy, with any discrepancies resolved and documented prior to approval. NOAB should train vendors to verify invoice accuracy and document any discrepancies before submission.

V. CONTRACT AUTHORIZATION

The City's procurement policy defined Proof of Signatory Authority (PSA) as a "document giving authority to an individual to execute the contract with the City of New Orleans on behalf of the Vendor."³⁹ The PSA for each contract was established through a Certified Corporate Resolution, which identified the individual authorized to sign and defined the scope of that authority. Nineteen of the 21 contracts tested required vendors to provide a PSA in BRASS, as outlined in the contract checklists.

Finding 4: Three of the 19 contracts that required Proof of Signatory Authority, totaling \$10,394,972, lacked the authorized individual's signature.

The City's procurement policy required vendors to provide a PSA for all service and maintenance contracts, as outlined in the contract checklists.⁴⁰ City policy stated NOAB and other user entities, "must follow the checklists developed by the Bureau of Purchasing and the Law Department to route a contract."⁴¹

Of the 19 NOAB contracts that required a PSA, three were executed without the signature of the individual authorized to execute the contract.⁴² Instead, they were signed by persons lacking signatory authority. During a meeting to discuss the findings, NOAB management stated that they relied on the City's Legal Department's final review to confirm that the signatures corresponded with authorized individuals. According to City policy, contracts must follow a defined routing process to ensure all required signatures are obtained before execution. This process included departmental review, legal review, CAO approval, and final

³⁹ Appendix E to Policy Memorandum 122(R) Contract Routing Process Policy – contract checklists. Revised October 28, 2014.

⁴⁰ Appendix E to Policy Memorandum 122(R) Contract Routing Process Policy – contract checklists. Revised October 28, 2014.

⁴¹ City of New Orleans Chief Administrative Office Policy Memorandum No. 122(R) – Contract Routing Process Policy. Revised September 1, 2022.

⁴² Subsequently to the audit testing, NOAB provided two of the three missing PSAs and uploaded them into BRASS for those two contracts. One of the two PSAs provided was dated May 20, 2025, and therefore out of the scope of this audit. For the third contract, NOAB provided e-mail correspondence from the authorized individual verifying that the authorized individual had approved the contract signer.

execution by the Mayor or authorized executive official.⁴³ NOAB is responsible for verifying that the authorized individuals have signed the contract before routing it to the Legal Department. Relying on the Legal Department to identify signature issues increased the likelihood that such errors went unnoticed. Approving contracts without the required signature increased the risk that unauthorized individuals may enter into contractual obligations with the City, which could result in financial loss or reputational harm.

Recommendation 4: New Orleans Aviation Board contract reviewers should ensure that the contract signatory is the same individual identified in the Proof of Signatory Authority before approving contracts for execution.

NOAB staff responsible for contract processing should receive ongoing training on documentation requirements, with emphasis on verifying signatory authority and ensuring effective use of BRASS.

⁴³ City of New Orleans Chief Administrative Office Policy Memorandum No. 122(R) – Contract Routing Process Policy. Revised September 1, 2022.

APPENDIX A. OBJECTIVES, SCOPE, AND METHODOLOGY

The OIG conducted an audit of NOAB’s service and maintenance contracts. The objectives of the audit were to determine if:

- NOAB had adequate policies and procedures for procuring service and maintenance contracts that complied with best practices.
- NOAB effectively implemented those policies and procedures for service and maintenance contracts.

The scope of the audit encompassed all NOAB service and maintenance contracts that remained active as of April 30, 2024, and all invoices paid during the period May 1, 2023 through April 30, 2024.

To accomplish the audit objectives, OIG auditors performed the following planning procedures:

1. Conducted interviews with NOAB employees to gain an understanding of the controls governing the procurement process and the oversight of service and maintenance contracts.
2. Obtained and reviewed relevant NOAB and City policies.

CONTRACT DOCUMENTATION

3. Obtained a listing of all NOAB service and maintenance contracts active as of April 30, 2024.
4. Verified completeness of the provided contract listing.
5. Identified a testing population of 78 active NOAB service and maintenance contracts, with a total value of \$77,394,528.
6. Selected a random sample of 21 active NOAB contracts from the testing population, with a total value of \$67,970,333, using the methodology outlined in Figure 5.

Figure 5. Sampling Methodology

Population	Confidence Level	Tolerable Error	Expected Error	Sample Size	Dollar Value of Sample
High Value	100%	N/A	N/A	10	\$ 63,284,369
Random Sample	95%	5%	0%	11	\$ 4,685,964
Total NOAB Service and Maintenance Contracts Tested				21	\$ 67,970,333

7. To verify NOAB management complied with relevant policies and procedures when procuring service and maintenance contracts, the auditors performed the following procedures for each of the 21 contracts selected for testing:
 - a. Reviewed the City’s documentation requirements for each type of contract.
 - b. Reviewed contract documentation in BRASS to verify that all required documents were properly included.
 - c. Reviewed each executed contract to ensure the required signatures were included.

CONTRACT INVOICES

8. To determine whether NOAB management adequately reviewed invoices for vendor compliance with contract terms prior to payment approval, the auditors performed the following procedures to each of the 21 contracts selected for testing:
 - a. Reviewed all 114 invoices paid under the sampled contracts during the scope period.
 - b. Confirmed that each invoice received proper approval prior to payment.
 - c. Assessed each invoice for compliance with the contract’s billing requirements.
 - d. Verified that invoiced amounts were consistent with the supporting documentation.

The following criteria were used by auditors to carry out this performance audit:

- Louisiana Revised Statutes;
- LLA best practices;

- City policies; and
- NOAB policies.

AUDITING STANDARDS

We conducted this performance audit in accordance with Generally Accepted Government Auditing Standards (GAGAS) issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.⁴⁴

Auditors also conducted this performance audit in accordance with the *Principles and Standards for Offices of Inspector General*.⁴⁵

LEGAL AUTHORITY

The authority to perform this audit is established in La. R.S. 33:9613 and in City Code Sec. §2-1120 of the City of New Orleans.

⁴⁴ *Government Auditing Standards, Chapter 9.03*; U.S. Government Accountability Office, 2024.

⁴⁵ "Quality Standards for Audits by Offices of Inspector General," *Principles and Standards for Offices of Inspector General* (Association of Inspectors General, Revised and approved October 22, 2022).

City of New Orleans Ordinance, §2-1120(8)(b) provides that a person or entity who is the subject of an audit or evaluation report shall have 30 days to submit a written explanation or rebuttal of the findings before the report is finalized, and that such timely submitted written explanation or rebuttal shall be attached to the finalized report.

On January 7, 2026, the OIG distributed an Internal Review Copy of this report to NOAB so they would have an opportunity to comment on the report prior to the public release of this Final Report. On February 25, 2026, the OIG distributed an updated Internal Review Copy of this report to NOAB. The OIG received NOAB's comments on March 6, 2026. The OIG attached these comments to the report.

In its written response to the OIG recommendations, NOAB disagreed with Finding 1, Finding 2 (partial disagreement), and Finding 3 in this report. However, NOAB provided corrective actions outlined in its written response that, if implemented effectively, will resolve the findings noted in this report. NOAB was responsive to OIG requests throughout the audit.



LOUIS ARMSTRONG
NEW ORLEANS
INTERNATIONAL AIRPORT

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New Orleans Aviation Board

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Gary L. Smith, Sr.

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March 6, 2026

Alison Broyles
Deputy Inspector General of Audit and Review

Re: Management Response – Performance Audit of Service and Maintenance Contracts

Dear Alison Broyles,

The New Orleans Aviation Board (NOAB) appreciates the opportunity to review and respond to the draft Performance Audit Report regarding service and maintenance contracts.

NOAB respectfully disagrees with several findings and with the report's overall implication that documentation inconsistencies within the City's separate BRASS system indicate weakened oversight or increased financial risk. The audit findings are predicated on documentation not being present within the City's separate BRASS ERP system. However, NOAB operates pursuant to enterprise authority under the City's Home Rule Charter and maintains its own financial management system of record (ROSS) separate from BRASS.

As we shared with the OIG after receiving the prior draft of the Performance Audit Report, the City's separate BRASS system is not NOAB's official accounting system of record. BRASS is not configured to meet the federal, contractual, or operational requirements of a segregated enterprise fund such as the NOAB.

NOAB's ERP system contains:

- Contract approvals
- Procurement documentation
- Invoice review records
- Payment authorization controls
- Segregation of duties controls

All cited documentation existed at the time of audit testing within the NOAB's official records and upon the OIG's request, the information was provided without delay. In addition, the report does not identify:

- Unauthorized contracts or contracts lacking in supporting documentation
- Expenditures exceeding contract maximums
- Payments for services not rendered
- Duplicate payments
- Material misstatements
- Internal control breakdowns resulting in financial loss

The absence of documentation within the City's BRASS system does not equate to absence of documentation or availability of those documents to the public or any requesting governmental entity. Nor does it demonstrate unsupported

payments. Information was uploaded to BRASS for the convenience of the OIG because your office indicated that was the system to which it had easy access. The NOAB did not represent that BRASS was its system of record or that all records were within the City's BRASS system. Where documentation routing or format clarity can be improved for transparency, management has proposed reasonable process enhancements. However, NOAB does not agree that the findings reflect ineffective controls or financial risk exposure.

Furthermore, NOAB's financial reporting and internal control environment are evaluated annually by independent auditors in accordance with Governmental Auditing Standards, Federal grant compliance, and State-level audit oversight. Those audits have consistently resulted in unmodified opinions and have not identified procurement or payment control deficiencies.

Accordingly, management does not agree that the conditions described in the report constitute weakened oversight or increased financial risk. In addition, our detailed responses to each finding are provided in accordance with the OIG's requested response framework.

Sincerely,



Kevin C. Dolliole
Director of Aviation

RESPONSE TO FINDING 1:

Management Position: Disagree

Rationale

The draft report states that missing documentation compromised transparency and oversight.

However:

- The documentation existed within NOAB's official records.
- Documentation was provided during the audit.
- No contract was found unauthorized or invalid.
- No contract exceeded approved authority.

The issue identified concerns document location and the NOAB records within the City's BRASS system, not document existence or oversight failure.

The audit began with the entrance conference on July 11, 2024. Not until the NOAB received the first draft of the final report was it disclosed that the audit was, in part, to determine if the NOAB complied with CAO policy No.112(R) Contract Routing Process Policy, Appendix E. Appendix E is no longer on the City's website. There are several items on Appendix E that actually only apply to City departments and are inapplicable to the NOAB's structure and operations.

For example, references to a "Department Selection Letter" are not applicable to NOAB's structure. NOAB is not a City "department." As such, there can be no "Department Selection Letter" from the NOAB because the NOAB is not a "Department" per the City's Charter, it is an "Unattached Board." Awards are determined in a public meeting by action of the Aviation Board. That award documentation exists within NOAB's official records.

Similarly:

- The NOAB does not use the City's Office of Supplier Diversity as the NOAB has additional federal DBE program obligations beyond the City's DBE program. DBE records are reviewed and maintained by NOAB's DBE compliance office, not the City's Office of Supplier Diversity.

- Payment and performance bonds list NOAB as beneficiary and are retained by NOAB.
- Editable contract drafts remain with the City Attorneys assigned to the NOAB and within the NOAB's records. Because it is City Attorneys at the NOAB drafting and approving contracts, there is no purpose to include an editable version in BRASS.

The conclusion that oversight was compromised due to documentation not being in BRASS is not supported by the existence of complete records within NOAB's system and the oversight within that system.

Corrective Actions

While management does not agree that a control deficiency exists, NOAB will:

1. Clarify internal Airport procedures regarding duplication of key contract documents into BRASS, as applicable, for additional transparency.
2. Develop a standardized upload checklist for contracts and supporting documentation into BRASS, as applicable, for additional transparency and approval by City Attorneys assigned to the NOAB.

Responsible Position

Airport Procurement Manager

Deputy Director of Aviation—Finance and Administration

Timing

Within 90 days.

RESPONSE TO FINDING 2:

Management Position: Disagree with characterization; Agree to clarify documentation standards

Rationale

The draft references unsupported invoice payments totaling \$706,322 and cites 31 U.S.C. § 3352(c)(2) inferring that the lack of documentation means there was an improper payment.

However, there was no lack of documentation:

- NOAB maintained supporting documentation within its official records.
- Documentation was provided during the audit and uploaded to BRASS for the OIG's convenience.
- No overpayments were identified.
- No duplicate payments were identified.
- No payments exceeded contract maximums.
- No evidence of payment for services not rendered was identified.

U.S.C. § 3352(c)(2) applies when an agency cannot determine whether a payment is proper due to insufficient documentation. NOAB possessed sufficient documentation within its system of record to determine payment validity. Therefore, the statutory definition of improper payment is not met.

The audit findings relate to documentation standardization within BRASS, not unsupported expenditures.

Corrective Actions

NOAB will:

1. Evaluate and update invoice documentation requirements to remove outdated or redundant elements.
2. Provide guidance to vendors regarding invoice formatting expectations.

3. Conduct internal refresher training for contract administrators on documentation retention standards.

Responsible Position

Deputy Director of Aviation—Finance and Administration
Airport Accounting Manager

Timing

Within 120 days.

RESPONSE TO FINDING 3:

Management Position: Disagree

Rationale

The draft states that absence of documentation impaired NOAB's ability to verify subcontractor work and increased risk of fraud.

NOAB maintained subcontractor documentation within its official files and conducted invoice review procedures prior to payment. The audit did not identify:

- Fraud
- Waste
- Abuse
- Overbilling
- Duplicate payment
- Payments beyond contract limits

The assertion that oversight was impaired is based on a presumption of missing documentation in BRASS. Because documentation existed within NOAB's records, the conclusion is not supported by identified outcomes.

Corrective Actions

NOAB will document a formal reconciliation step within its invoice review checklist to further standardize verification procedures.

Responsible Position

Deputy Director of Aviation—Finance and Administration
Airport Accounting Manager

Timing

Within 60 days.

RESPONSE TO FINDING 4:

Management Position: Agree

Rationale

The draft states that three of the reviewed contracts were executed without the signature of the individual authorized to execute the contract.

Corrective Actions

NOAB will review with Airport procurement staff and City Attorneys assigned to the NOAB the process for reviewing entity authority to execute contracts.

Responsible Position

Airport Procurement Manager
Deputy Director of Aviation- Legal Affairs

Timing

Within 60 days.