# WORLD TRADE CENTER CORPORATION
# FINANCIAL AUDIT
# FOR THE TWO YEARS ENDED JUNE 30, 1990

Financial Audit Division
Office of the Legislative Auditor
State of Minnesota

# Financial Audit Division

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# WORLD TRADE CENTER CORPORATION
# FINANCIAL AUDIT
# FOR THE TWO YEARS ENDED JUNE 30, 1990

SEPTEMBER 1991


Financial Audit Division
Office of the Legislative Auditor
State of Minnesota


91-62

Centennial Office Building, Saint Paul, Minnesota 55155 ● 612/296-4708

STATE OF MINNESOTA
**OFFICE OF THE LEGISLATIVE AUDITOR**
CENTENNIAL BUILDING, ST. PAUL, MN 55155 • 612/296-4708
JAMES R. NOBLES, LEGISLATIVE AUDITOR

Representative Ann Rest, Chair
Legislative Audit Commission

Members of the Legislative Audit Commission

Mr. Willis Eken, Chair
World Trade Center Board

Mr. Richard Nolan, President,
World Trade Center Corporation

Audit Scope

We have conducted a financial related audit of the World Trade Center Corporation as of and for the two years ended June 30, 1990. Our audit was limited to only that portion of the State of Minnesota financial activities attributable to the transactions of the World Trade Center Corporation as discussed in the Introduction. We have also made a study and evaluation of the internal control structure of the Minnesota World Trade Center Corporation in effect at March 1991.

We conducted our audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial activities attributable to the transaction of the Minnesota World Trade Center Corporation are free of material misstatements.

As part of our study and evaluation of the internal control structure, we performed tests of the Minnesota World Trade Center Corporation's compliance with certain provisions of laws, regulations, contracts, and grants. However, our objective was not to provide an opinion on overall compliance with such provisions.

Management Responsibilities

The management of the Minnesota World Trade Center Corporation is responsible for establishing and maintaining an internal control structure. This responsibility includes compliance with applicable laws, regulations, contracts, and grants. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that:

- assets are safeguarded against loss from unauthorized use or disposition;

- transactions are executed in accordance with applicable legal and regulatory provisions, as well as management's authorization; and

- transactions are recorded properly on the statewide accounting system in accordance with Department of Finance policies and procedures.

Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate. The corporation did not receive an appropriation for fiscal years 1992 and 1993. The corporation has reduced the number of staff employed to reduce the costs of operation. As a result, the internal control structure in effect at March 1991 may no longer be in effect.

## Internal Control Structure

For purposes of this report, we have classified the significant internal control structure policies and procedures in the following categories:

- conference center revenue,
- payroll,
- professional/technical service,
- purchased services,
- rents and leases, and
- repairs and maintenance.

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

## Conclusions

In our opinion, the internal control structure of the World Trade Center Corporation in effect at March 1991, taken as a whole, was sufficient to meet the objectives stated above insofar as those objectives pertain to the prevention or detection of errors or irregularities in amounts that would be material in relation to the financial activities attributable to transactions of the World Trade Center Corporation.

We also noted other matters involving the internal control structure that we reported to the management of the Minnesota World Trade Center Corporation at the exit conference held on July 10, 1991.

The results of our tests indicate that, except for findings 1 through 6, with respect to the items tested, the Minnesota World Trade Center Corporation complied, in all material respects, with the provisions referred to in the audit scope paragraphs. With respect to items not tested, nothing came to our attention that caused us to believe that the Minnesota World Trade Center Corporation had not complied, in all material respects, with those provisions.

This report is intended for the information of the Legislative Audit Commission and management of the Minnesota World Trade Center Corporation. This restriction is not intended to limit the distribution of this report, which was released as a public document on September 6, 1991.

We would like to thank the Minnesota World Trade Center Corporation staff for their cooperation during this audit.

James R. Nobles
Legislative Auditor

John Asmussen, CPA
Deputy Legislative Auditor

END OF FIELDWORK: May 2, 1991

REPORT SIGNED ON: August 29, 1991

WORLD TRADE CENTER CORPORATION

TABLE OF CONTENTS



## AUDIT PARTICIPATION

The following members of the Office of the Legislative Auditor prepared this report:

| | |
|---|---|
| John Asmussen, CPA | Deputy Legislative Auditor |
| Margaret Jenniges, CPA | Audit Manager |
| Mary G. L. Jacobson, CPA | Auditor-In-Charge |

## EXIT CONFERENCE

The findings and recommendations in this report were discussed with the following staff from the World Trade Center Corporation on July 10, 1991:

| | |
|---|---|
| Willis Eken | Board Chair |
| Richard Nolan | Corporation President |
| Devin Rice | Corporation Managing Director |
| Beth Olson | Corporation Administrator |

WORLD TRADE CENTER CORPORATION

# I. INTRODUCTION

The World Trade Center Corporation began operations on July 1, 1987. It replaced the World Trade Center Board, which was a state agency created by the 1984 Legislature. The policy of the corporation is determined by a board of 15 members, which consists of nine public members and six legislators serving as nonvoting members. The corporation president, Richard Nolan, oversees the staff.

The main purpose of the corporation is to promote international trade in Minnesota and to develop, maintain, promote and support world trade center programs and services. This is accomplished through education and training, outreach to other international organizations and telecommunications, and trade information. The corporation, as coordinator of existing international services, works with international associations, cultural, private, and academic institutions.

The World Trade Center Corporation also manages the World Trade Conference Center, which is considered a resource center for international trade. Through rental of the conference center space, joint ventures, and partnerships, the corporation plans to be financially self-sufficient by calendar year 1995.

The corporation currently finances its activities primarily through general fund appropriations and receipts generated from the World Trade Conference Center. The corporation received an appropriation of $1,300,000 for fiscal year 1990. The summary below shows revenues and expenditures of the corporation for the year ended June 30, 1990.

| | Fiscal Year 1990 |
|---|---|
| Revenues: | |
| Conference Center Revenue | $ 441,051 |
| Other Revenues | 247,990 |
| Total Revenues | $ 689,041 |
| Expenditures: | |
| Payroll | $ 680,479 |
| Professional/Technical Services | 210,512 |
| Purchased Services | 207,960 |
| Rents and Leases | 382,864 |
| Repairs and Maintenance | 60,498 |
| Other Expenditures | 397,879 |
| Total Expenditures | $1,940,192 |

Source: Manager's Financial Report for Fiscal Year 1990 as of September 1, 1990. Estimated Actual Receipts Report for Fiscal Year 1990 as of September 1, 1990.

## II. CURRENT FINDINGS AND RECOMMENDATIONS

### 1. The board needs to reconsider the president's automobile allowance.

The board should reconsider its 1988 resolution authorizing the president's automobile allowance. Beginning in calendar year 1990, the president has received a monthly automobile allowance of $400. In addition, the president is reimbursed for business mileage of $.11 per mile and miscellaneous travel expenses such as parking fees, car washes, and other nonmaintenance items. The resolution stated the president is required to travel extensively throughout Minnesota and is also required to escort trade diplomats and officials. The resolution also stated that the corporation preferred not to purchase and assume responsibility for all automobile expenses. Providing the president an automobile allowance was deemed to be less expensive than purchasing a vehicle.

The extensive travel anticipated by the board resolution has not occurred. The president traveled 6,134 business miles in calendar year 1990. He escorted trade officials on 10 separate occasions during the year. Seven occasions related to the General Assembly held in September and October 1990. Based on these new circumstances, we believe the board should reevaluate the automobile allowance.

Furthermore, the staff miscalculated the president's mileage rate and overpaid him $427. The board resolution provided for an $.11 per mile reimbursement. However, the president received reimbursements of $.15 and $.27 per mile. The president repaid the $427 in June 1991.

#### RECOMMENDATION

- **The board should reconsider the president's automobile allowance based upon the current level of corporation travel.**

### 2. The corporation is not complying with its employee reimbursement policies.

The president received reimbursement of $158 for eight lunches which involved only corporation staff. The corporation's policy #004 for special expenses provides for reimbursement of "working breakfasts, lunches, and dinners between employees and consultants, board members, counsel from the Attorney General's Office, et. al." Routine staff meetings are not to be reimbursed according to this policy.

In addition, the corporation paid some questionable restaurant costs incurred by a former employee. The corporation had an open account with one of the restaurants located in the World Trade Center Building. The former employee charged about $212 on the account. There was no documentation to support the purposes of the meals. In addition, charges for cigarettes and for only the individual's meal were included. Policy #006 addresses promotion expenses. The corporation may pay for expenditures necessary to entertain clients including meals, social foods and beverages. For each meeting there must be a purpose, name of attendees, and what was discussed. The invoice for $212 did not indicate the purpose for the meeting or who was in attendance. Therefore, we believe that these expenses should not have been paid by the corporation.

The corporation also incurred other employee expenses not authorized by its policies:

- The president was reimbursed for the purchase of reading glasses totalling $15;

- The corporation purchased an answering machine for $138 used by the president at his home; and

- Reimbursement of $176 for newspapers, reading materials, and mineral water purchased while out of town on business.

RECOMMENDATION

- **The corporation should seek reimbursement for expenditures that did not meet the corporate policies and revise the policies as necessary to reflect the intended practice.**

3. <u>The corporation is not adequately processing disbursements</u>.

The corporation is not following its established purchasing procedures. Also, the corporation did not verify the accuracy of some invoices before payment. The corporation is exempt from Minn. Stat. 16B and therefore does not have to follow the purchasing procedures as regulated by the Commissioner of Administration. The corporation may purchase supplies, equipment and other property at its own discretion and has developed its own policies and procedures.

We could not locate properly executed contracts for 5 of 15 vendors we tested. We could not locate amendments to contracts for two other vendors tested. Corporation policy #003 addresses its policy for contract execution. Contractual service agreements are prepared for consultant services, professional and technical services and purchased services. As stated in the contract language, the contracts are specific in amount unless the corporation prepares an amendment. Without a contract, there is no assurance that a service will be provided as anticipated at the agreed upon cost.

The corporation does not obtain price lists from vendors to verify the accuracy of the monthly charges. For example, the corporation paid one vendor over $35,000 for audio visual equipment repair, but did not have the necessary attachments to the maintenance agreements to verify they were being properly charged.

The corporation did not document how it selected two vendors. One of the vendors received $33,862 for preparing videos. Another received $41,232 for printing, design, and photography work. This vendor did not submit the lowest bid. The corporation should document the selection process, especially if the lowest bid is not selected.

RECOMMENDATION

- **The corporation should follow their policies regarding contractual services and purchases.**

4. The corporation is not properly managing the compensatory hours worked by the employees.

The corporation is not monitoring compensatory time for its employees. Also, the corporation is not following its policy #007 when paying overtime to employees.

Compensatory hours worked are not monitored by the corporation. The corporation is exempt from following Minn. Stat. Chapter 43A and Department of Employee Relations policies relating to state employment. Therefore, the corporation has developed its own policies and procedures. The corporation's policies read, in part,

> ...staff can accumulate compensation hours for time worked in excess of 45 hours per week...

Each employee is responsible for maintaining personal compensatory time records. The corporation has no supervisory approval or independent documents to support the employee records. To effectively control compensatory time, the corporation should maintain records of compensatory time earned and taken by each individual to ensure the validity of hours claimed. The corporation should consider establishing the balances on the state payroll system as it has for sick and vacation balances.

In addition, conference center clerical employees earn overtime at a different rate than specified in the current policies. Conference center employees earn overtime after working 8 hours on any given day, even if they do not work 45 hours in one week. For the pay period ending March 12, 1991, three employees earned cash overtime of 1.5, 7, and 10.95 hours yet had only worked 71.5, 77, and 68.25 hours, respectively, within the 2 week period. The corporation must adhere to its policies regarding compensatory time.

Finally, we think the personnel policy adopted by the corporation regarding compensatory time earned by management is unreasonable. The president and the managing director of the corporation bank and accumulate compensatory time in accordance with the corporation's personnel policy. For the pay period ending March 12, 1991, the president and managing director had compensatory time balances of 73.5 hours and 56 hours, respectively.

We are not aware of any public or private sector entity that provides managers the opportunity to accumulate compensatory time. Managerial compensation is generally based upon the expectation that managers normally work at least 80 hours in the pay period. Managers have the flexibility to arrange their time in a manner which enables them to perform the responsibilities of their assignments. Since they have this flexibility, they do not receive compensation for overtime. The corporation should consider implementing a managerial personnel plan which is consistent with other similar personnel plans.

RECOMMENDATION

- **The corporation should develop policies and procedures to ensure proper handling of compensatory time and overtime earned at both the management and staff levels.**

5. The corporation has not developed written agreements for compensating workers from foreign countries.

The corporation is not preparing written agreements with exchange workers who are not United States citizens. The corporation had three workers as part of its exchange program with the Hong Kong World Trade Center. These workers receive a stipend in exchange for obtaining work experience in the trade office. The expenses incurred by the corporation for one of these workers was as follows:

| | |
|---|---|
| ▪ payment of monthly stipends ($500/month for 18 months); | $9,000 |
| ▪ payment of rent for six months; and | $1,450 |
| ▪ payment of health insurance premiums. | $769 |

The corporation has continued paying the health insurance premiums although the person no longer provides services to the corporation. Another individual received $1,000 in stipends, and the current worker is paid a $100 monthly stipend. Some workers also took English and other training classes paid by the corporation.

Minn. Stat. 44A.023 gives the corporation the power to execute contracts or agreements with individuals. The corporation had drafted an agreement for one of the workers, but did not finalize the agreement. The corporation should have written agreements which detail monetary considerations, length of the contract, and evaluation techniques.

RECOMMENDATION

- **The corporation should execute written agreements with any non United State citizens. The agreements should address compensation, time duration and evaluation techniques. The corporation should discontinue paying the health insurance premiums for the person no longer working for the corporation.**

6. The corporation is not charging equitable rates for use of the conference center.

The corporation sometimes charges reduced rates for conference center use. The corporation has established conference center rates. The 1990-91 Conference Center Rates are $65 per person for a full day meeting package. Also, rates vary for morning, afternoon, and evening meetings. The corporation also has conference room rental rates for use of conference rooms only. State agencies, World Trade Center tenants, and corporations doing frequent business receive a discounted rate. The rate schedule states that the package rates will be negotiated in price sensitive situations.

We question the following deviations from the established conference center rates:

- A corporation employee had a wedding reception at the facilities and was not charged a rental fee. The employee paid only for the tablecloths, napkins, tables, security and air conditioning: a total of $708.50. The corporation did not charge the employee for rent of $600.

- The corporation rented out certain parts of the conference center for a political meeting and charged only $150 for utilities.

- On several occasions the corporation did not charge a uniform rate. The rates were negotiated and ranged from $25 to $60 per person per day. We found no basis for the reduced rates.

The corporation did not document the reason for any rate reductions. Also, it does not have a formal policy for use of the facilities for events that are not trade related. The corporation should establish a policy to clarify such issues as what kind of events the facilities will host and how the charges relating to such an event will be assessed. The policy should attempt to maximize the revenue potential from such events, while limiting the liabilities to the corporation. The policy should also provide equal access to conference center facilities for all individuals or groups.

## RECOMMENDATIONS

- **The board should establish formal policies and rate schedules for use of the facilities for private or nontrade related events.**

- **The corporation should document the reason for any rate reductions.**

MINNESOTA

WORLD TRADE
CENTER

August 26, 1991

Mr. James R. Nobles
Legislative Auditor
State of Minnesota
Office of the Legislative Auditor
Centennial Building
St. Paul, MN 55155

Dear Mr. Nobles:

Find enclosed the Minnesota World Trade Center Corporation's response to the findings and recommendations cited in the preliminary audit report of July 26, 1991. Please be assured the draft audit report has not been discussed publicly, nor have copies been distributed outside our agency.

I would like to thank the audit team, and Mary Jacobson in particular, for the congeniality and respect shown my staff and me throughout the audit period. I am also pleased that as thorough and lengthy the audit was, it is important to note for the record that in the conclusion of the audit team, "except for findings 1 through 6, with respect to the items tested, the Minnesota World Trade Center Corporation complied in all material respects, with the provisions referred to in the audit scope paragraphs. With respect to the items not tested, <u>nothing came to our attention that caused us to believe that the Minnesota World Trade Center Corporation had not complied.</u>..with these provisions."

Here are the Minnesota World Trade Center Corporation's responses to your specific findings:

1. <u>The board needs to reconsider the president's automobile allowance.</u>

   This is in fact a moot point, since on July 2, 1991 the President instructed the Accountant to immediately discontinue the auto allowance. Due to severe budget constraints by the Corporation, the President

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felt it prudent to waive the approved allowance at this particular point in time.

However, as the attached copy of the Board-approved Automobile Allowance Resolution states, there were several reasons why the auto allowance was deemed necessary and the most important was not the outstate travel anticipated as the draft audit report alludes. Rather, it is the ongoing reciprocal requirement of membership in the World Trade Centers Association necessitating the President to receive and transport visiting delegates which requires a large, comfortable four door sedan. And since the Board specified the type of automobile which the President should own, it felt it important to share in the cost of that car. As the World Trade Center expands its services and receives more delegations, the use for such a car will become increasingly important. For this reason, the number of miles driven in-state, although considerable, is far less important than the need for a larger, more expensive auto required for the above-stated reasons.

It is true that in the past the former Accountant erroneously paid the President mileage reimbursement ranging from 11 to 27 cents per mile. Routine expense reports typically are reimbursed at the 27 cent rate for other staff, so this was an understandable oversight. As noted in your draft report, the President has repaid the Corporation $427 to correct this past error. In May 1991 the Board approved a resolution increasing the President's mileage reimbursement rate in fact from the 11 cents per mile to 27 cents, the same rate afforded all other State employees.

2. The Corporation is not complying with its employee reimbursement policies.

Addressing the item about lunch meetings with staff and Board for which the President was reimbursed, this topic is addressed in Policy 004 Special Expense. The policy reads that a special expense "includes working breakfasts, lunches and dinners between employees and consultants, board members, counsel from the Attorney General's office, et al. Under no circumstances does this include routine staff meetings. If the total cost is under $65, no special expense form is required."

Most of the working lunches with Board members cited occurred during delicate negotiations concerning the lawsuit over the World Trade Center Club. Many meetings were called on short notice and had to be squeezed in when and where Board members could meet. Oftentimes it was early morning or evening to work around Legislative meetings, other business meetings, etc.

Routine staff meetings are always held on-site at no expense to the Corporation. However, during the period of the lawsuit, and more recently during severe budget and staff cutbacks, emergency meetings of management staff were held--sometimes off-site to ensure privacy and quiet. These were thankfully not "routine" but nonetheless necessary. Sometimes these meetings occurred at mealtime to work around an already full schedule for the parties involved.

It is doubtful that any of these working meals exceeded the $65 limit which would have required a Special Expense Form. If one did, a form should have been completed and it was an error not to do so.

As to the restaurant expenses reimbursed to a former employee, this as an error of oversight and we have received reimbursement from that former employee.

The miscellaneous expenditures in question are addressed as follows:

1) Reading glasses totaling $15 - the President has reimbursed the Corporation for these.

2) Answering machine - the President will reimburse the Corporation for this machine. It was installed in his home for after hours business convenience. The nature of international trade and the public nature of the World Trade Center require the President to receive numerous calls at home for the purpose of accommodating communications and reciprocal services with other World Trade Centers calling from many different time zones around the world as well as members of the local press and public media.

3) Newspapers, mineral water - as noted in the exit interview, these expenses were incurred during necessary international business travel and are very common oversees reimbursable travel expenses. In the case of the bottled water, it is

an actual health necessity in many foreign countries to drink bottled water.

While reimbursement of these expenses does not violate the intent of Travel Policy 002, the staff will request the Board to amend the policy to include such "miscellaneous" expenses to avoid having to anticipate every possible travel-related expense or having to amend the policies and procedures often.

3. The Corporation is not adequately processing disbursements.

We agree that disbursements are not always adequately documented as to verification and selection process. Cutbacks in staff as well as the unique and heavy demands of this international enterprise sometimes make processing of paperwork difficult. Though not an excuse for not being thorough, it should be noted the intention and action taken are always legitimate, but only the supporting documents do not in all instances follow through to verify this. We will work to improve our paper trail.

With respect to the $41,232 cited for photography, the audit report should be corrected to show this expense covered printing, design and photography.

4. The Corporation is not properly managing the compensatory hours worked by the employees.

We find this finding to be erroneous and inaccurate and ask the audit team to reconsider its comments. As you will note from the enclosed copy of our Policies and Procedures, the criticisms cited in the draft report are not consistent with our most current Personnel Policy 007. In fact, we do have specific compensatory time procedures: we have dropped the 45 hour weekly work requirement to 40 to avoid confusion about when compensatory time begins; we require advance, written approval by the supervisor before an employee can earn comp or overtime; and we have placed a cap on comp time of 80 hours.

Professional staff are never paid for overtime. Overtime pay is reserved for craft/clerical staff and if pre-approved is reimbursed as stated in the Board approved policy which is "when work exceeds 8 hours per day, 5 days per week or on holidays." The employee is given the option of straight time off or time-and-one-half pay for overtime hours. All of our Personnel Policies and Procedures are in compliance with all applicable State and Federal labor laws relating to overtime.

While it is the opinion of the audit team that management should not accrue compensatory time, the World Trade Center Board has examined and approved it as noted in Personnel Policy 007. As stated in the exit interview, the nature of our business and the fact that it is a very small agency make it impossible for employed professionals to take compensatory time off in the same period as it was earned. Therefore, the World Trade Center Board approved carrying forward a limited amount of compensatory time to be taken in a later pay period.

5. <u>The Corporation has not developed agreements for compensating workers from foreign countries.</u>

We agree we need to specifically address these types of temporary workers from reciprocal World Trade Centers in our Personnel Policy, and staff will propose a revision in policy to the Board for approval.

It is customary to cover a small work stipend as well as essential living expenses in these instances. The example raised in the draft report where a Chinese exchange worker continued to receive health insurance after discontinuation of the stipend arose from a bizarre situation which no one foresaw. She was on staff just about the time the violent uprising occurred in Beijing, China. Fearing for her safety, we arranged to retain her on staff a bit longer than originally planned or budgeted for. We <u>did</u> terminate her pay stipend because her term of employment should have ended; however, we believed we were obligated to pay for her health insurance until the crisis had passed. This health insurance coverage obligation was terminated in June.

6. <u>The Corporation is not charging equitable rates for use of the Conference Center.</u>

The World Trade Conference Center operates as a private business entity. In charging rates for its use, every rate is negotiated on a case-by-case basis. Factors influencing rates include the size of the group, potential for repeat business, meeting date, day of the week, time of day, availability of space, ability to pay, public service rendered and whether it is a World Trade Center sponsored event.

Every single meeting in the World Trade Conference Center varies in the services provided and is separately negotiated, taking into consideration all of the above variables. To suggest a single rate for all meetings in all instances suggests a profound lack of understanding of the nature and requirements of running a competitive conference and meeting center.

Conference sales managers are given a certain latitude in negotiating price. Any significant reduction in rate is approved by a senior manager. All sales are monitored on a weekly basis.

We admit the free use of the World Trade Conference Center for a former employee's wedding reception was a mistake. He was an exemplary employee who was involved in the original design of the Conference Center. We were reimbursed for all related expenses, but in retrospect we should have charged a nominal room rental fee as well. We will not repeat this in the future.

In the case of the "political" meeting, the World Trade Center provided rent free our public facility for a public meeting. The Conference Center staff received a last minute urgent request from the downtown precinct caucus office to hold their legally required public meeting in our space since their regular meeting place was not available at the last minute on the date the caucuses were scheduled to be held. No other events were booked in the conference center for that evening, and since the group needed to meet in a centralized, public precinct location accessible to all people, we felt it our public duty to provide the space at no cost for the space, with just a small charge to cover our set-up staff and building access after hours costs.

A similar example would be if the voter registration office requested the World Trade Conference Center be a public voting place. We would of course try to accommodate the request.

In the third citing, it was noted that conference center rates often fluctuate. This is no surprise to us, and in fact occurs in cases where we sponsor or co-sponsor an event. These were trade-related meetings where we booked the space at discounted rates to fulfill our stated mission, or in rare instances where potentially large future conference center clients were given a reduced introductory fee. Sponsored events are coded as such in the conference center month-end reports. We considered that documentation to be enough. Essentially, there is not enough paper to anticipate every request for events or service to set a fixed price apart from setting the standard, which in all cases begins with the complete meeting package (full day) rate.

Thank you for the opportunity to respond to the draft audit report. Overall, I am very pleased with the outcome of the audit and our continued progress. The staff and Board of the Minnesota World Trade Center Corporation will begin immediately to address the issues cited which require action.

Sincerely,

Richard M. Nolan
President

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