

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

SUPPLEMENTAL COMPLIANCE REPORT
OF

TERRE HAUTE INTERNATIONAL
AIRPORT AUTHORITY
VIGO COUNTY, INDIANA

January 1, 2013 to December 31, 2013



FILED
09/26/2014

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Bill McKown (Vacant) William J. Foraker	01-01-13 to 02-05-14 02-06-14 to 02-19-14 02-20-14 to 02-28-15
Office and Finance Manager	Rose M. Overpeck (Vacant)	01-01-13 to 02-20-14 02-21-14 to 07-06-14
Finance and Office Manager	Karen Burger	07-07-14 to 12-31-14
President of the Board	William J. Foraker Darryl Huyett	01-01-13 to 02-19-14 02-20-14 to 06-30-15



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE TERRE HAUTE INTERNATIONAL
AIRPORT AUTHORITY, VIGO COUNTY, INDIANA

This report is supplemental to our audit report of the Terre Haute International Airport Authority (Airport Authority), for the period from January 1, 2013 to December 31, 2013. It has been provided as a separate report so that the reader may easily identify any Federal Findings and Audit Results and Comments that pertain to the Airport Authority. It should be read in conjunction with our Financial Statement and Federal Single Audit Report of the Airport Authority, which provides our opinions on the Airport Authority's financial statement and federal program compliance. This report may be found at www.in.gov/sboa/.

The Federal Findings, identified in the above referenced audit report, are included in this report and should be viewed in conjunction with the Audit Results and Comments as described below.

As authorized under Indiana Code 5-11-1, we performed procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The Audit Results and Comments contained herein describe the identified reportable instances of noncompliance found as a result of these procedures. Our tests were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

Any Corrective Action Plan for the Federal Findings, incorporated within this report, was not verified for accuracy.

Paul D. Joyce
Paul D. Joyce, CPA
State Examiner

August 27, 2014

TERRE HAUTE INTERNATIONAL AIRPORT AUTHORITY
FEDERAL FINDINGS

FINDING 2013-001 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

We noted several deficiencies in the internal control system of the Airport Authority related to financial transactions and reporting. We believe the following deficiencies constitute material weaknesses:

1. **Lack of Segregation of Duties:** Control activities should be selected and developed at various levels of the Airport Authority to reduce risks to the achievement of financial reporting objectives. The Airport Authority has not separated incompatible activities related to receipts, disbursements, payroll and related liabilities, and cash and investment balances. The failure to establish these controls could enable material misstatements or irregularities to remain undetected.
2. **Preparing Financial Statements:** Effective internal control over financial reporting involves the identification and analysis of the risks of material misstatement to the Airport Authority's audited financial statement and then determining how those identified risks should be managed. The Airport Authority has not identified risks to the preparation of a reliable financial statement and as a result has failed to design effective controls over the preparation of the financial statement to prevent, or detect material misstatements, including notes to the financial statement. The failure to establish these controls and perform the control activities resulted in the financial statement containing material errors.
3. **Preparing the Schedule of Expenditures of Federal Awards:** The Airport Authority did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA). The Airport Authority should have proper controls in place over the preparation of the SEFA to ensure accurate reporting of federal awards. Without a proper system of internal control in place that operates effectively, material misstatements of the SEFA could remain undetected. During the audit of the SEFA, we noted the following errors: The federal expenditures reported on the SEFA were overstated by \$409,067. Also, the name of the federal program was incorrect.
4. **Monitoring of Controls:** Effective internal control over financial reporting requires the Airport Authority Board to monitor and assess the quality of the Airport Authority's system of internal control. The Airport Authority Board has not performed either an ongoing or separate evaluation of their system of internal controls. The failure to exercise their oversight responsibility places the Airport Authority at risk that controls may not be designed or operating effectively to provide reasonable assurance that controls will prevent, or detect material misstatements in a timely manner. Additionally, the Airport Authority Board has no process to identify or communicate corrective actions to improve controls.

Audit adjustments were proposed, accepted by the Airport Authority, and made to the Financial Statement and to the SEFA presented in this report.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets, and all forms of information processing are necessary for proper internal control.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

TERRE HAUTE INTERNATIONAL AIRPORT AUTHORITY
FEDERAL FINDINGS
(Continued)

OMB Circular A-133, Subpart C, section .300 states in part: "The auditee shall: . . . (d) Prepare appropriate financial statements, including the schedule of expenditures of Federal Awards in accordance with section .310."

OMB Circular A-133, Subpart C, section .310(b) states:

"Schedule of expenditures of Federal awards. The auditee shall also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements. While not required, the auditee may choose to provide information requested by Federal awarding agencies and pass-through entities to make the schedule easier to use. For example, when a Federal program has multiple award years, the auditee may list the amount of Federal awards expended for each award year separately. At a minimum, the schedule shall:

- (1) List individual Federal programs by Federal agency. For Federal programs included in a cluster of programs, list individual Federal programs within a cluster of programs. For R&D, total Federal awards expended shall be shown either by individual award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.
- (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity shall be included.
- (3) Provide total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available.
- (4) Include notes that describe the significant accounting policies used in preparing the schedule.
- (5) To the extent practical, pass-through entities should identify in the schedule the total amount provided to subrecipients from each Federal program.
- (6) Include, in either the schedule or a note to the schedule, the value of the Federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end. While not required, it is preferable to present this information in the schedule."

FINDING 2013-002 - INTERNAL CONTROLS OVER DISBURSEMENTS

The Airport Authority established the following system of internal control over disbursements. Supporting documentation was to be attached to each Accounts Payable Voucher. Each Accounts Payable Voucher was to be listed on an Accounts Payable Voucher Register and approved by the Airport Authority Board at the monthly meeting. These controls were not effective. The former Office Manager made personal purchases with the Airport Authority's credit cards. She also made personal purchases by check. These purchases were not detected by the internal control system.

Ineffective internal controls may result in material misstatements in the financial statement which could remain undetected and uncorrected.

Public funds may not be used to pay for personal items or for expenses which do not relate to the functions and purposes of the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

TERRE HAUTE INTERNATIONAL AIRPORT AUTHORITY
FEDERAL FINDINGS
(Continued)

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets, and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

FINDING 2013-003 - INTERNAL CONTROLS OVER COMPLIANCE REQUIREMENTS THAT HAVE A DIRECT AND MATERIAL EFFECT TO AIRPORT IMPROVEMENT PROGRAM

Federal Agency: Department of Transportation
Federal Program: Airport Improvement Program
CFDA Number: 20.106

Federal Award Number and Year (or Other Identifying Number): 3-18-0082-035, 3-18-0082-038,
3-18-0082-039, 3-18-0082-040,
3-18-0082-041

Pass-Through Entity: Direct

Management of the Airport Authority has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and all of the compliance requirements that have a direct and material effect to the program. This includes the following compliance requirements: Activities Allowed, Allowable Costs, Cash Management, Matching, Period of Availability, Reporting, and Special Tests and Provisions. The failure to establish an effective internal control system places the Airport Authority at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow noncompliance with compliance requirements and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the grant.

Activities Allowed, Allowable Costs, Period of Availability

Airport Authority management relied upon a paid consultant to approve the disbursements for the federal projects. An Accounts Payable Voucher was not prepared for federal project disbursements and the disbursements were not reviewed and approved by someone other than the person making the disbursement.

Establishing controls to ensure vendor invoices are reviewed by someone other than the preparer would assist the Airport Authority management to ensure payments were made for allowable activities and within the period of availability for the grant.

Cash Management, Matching

Airport Authority management relied upon a paid consultant to prepare requests for reimbursements of federal funds for airport federal projects. Preparing these claims included calculating matching amounts for state and local funds. The reimbursement requests were not reviewed or approved by knowledgeable Airport Authority staff.

Establishing controls to ensure reimbursement requests are reviewed by a knowledgeable employee of the Airport Authority would assist the Airport Authority management to ensure reimbursements were claimed for allowable expenses at the correct federal percentage.

TERRE HAUTE INTERNATIONAL AIRPORT AUTHORITY
FEDERAL FINDINGS
(Continued)

Reporting

Airport Authority management relied upon a paid consultant to prepare reports required by the federal agency. The reports were not reviewed or approved by knowledgeable Airport Authority staff.

Establishing controls to ensure reports are reviewed by a knowledgeable employee of the Airport Authority would assist the Airport Authority management to ensure reports are prepared accurately and completely.

Special Tests and Provisions

Airport Authority management had controls in place to ensure that revenue was used only for operating and capital activities; however, the controls were not effective.

Proper segregation of duties would assist Airport management in ensuring that one employee did not have the opportunity to spend revenue for nonairport purposes.

An internal control system, including segregation of duties, should be designed and operate effectively to provide reasonable assurance that material noncompliance with the grant agreement, or a type of compliance requirement of a federal program will be prevented, or detected and corrected, on a timely basis. In order to have an effective internal control system, it is important to have proper segregation of duties. This is accomplished by making sure proper oversight, reviews, and approvals take place and to have a separation of functions over certain activities related to the program. The fundamental premise of segregation of duties is that an individual or small group of individuals should not be in a position to initiate, approve, undertake, and review the same activity.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

The failure to establish internal controls could enable material noncompliance to go undetected. Noncompliance of the grant agreement or the compliance requirements that have a direct and material effect to the program could result in the loss of federal funds to the Airport Authority.

We recommended that the Airport Authority management establish controls, including segregation of duties, related to the grant agreement and all compliance requirements that have a direct and material effect to the program.

FINDING 2013-004 - CASH MANAGEMENT

Federal Agency: Department of Transportation

Federal Program: Airport Improvement Program

CFDA Number: 20.106

Federal Award Number and Year (or Other Identifying Number): 3-18-0082-38, 3-18-0082-40

Pass-Through Entity: Direct

The Airport Authority was required to pay vendors prior to claiming amounts for reimbursement. The Airport Authority received 27 reimbursements for various Airport Improvement projects during 2013 and for 10 of those, the Airport Authority did not pay the vendors prior to receiving the reimbursements.

TERRE HAUTE INTERNATIONAL AIRPORT AUTHORITY
FEDERAL FINDINGS
(Continued)

49 CFR 18.21(b) states: "Basic standard. Methods and procedures for payment shall minimize the time elapsing between the transfer of funds and disbursement by the grantee or subgrantee, in accordance with Treasury regulations at 31 CFR part 205."

31 CFR 205.12(b)(5) states: "Reimbursable funding means that a Federal Program Agency transfers Federal funds to a State after that State has already paid out the funds for Federal assistance program purposes."

Noncompliance of the grant agreement or the compliance requirements that have a direct and material effect to the program could result in the loss of federal funding.

We recommended that officials review compliance requirements related to cash management requirements to ensure compliance.

FINDING 2013-005 - REPORTING

Federal Agency: Department of Transportation
Federal Program: Airport Improvement Program
CFDA Number: 20.106
Federal Award Number and Year (or Other Identifying Number): 3-18-0082-035
Pass-Through Entity: Direct

The Federal Financial Report (SF-425) is required to be filed annually by the Airport Authority. The report requires a listing of cumulative disbursements as of the end of the grant year (September 30, 2013) by grant award. One project was omitted from the report. Project 3-18-0082-035 only had one disbursement in 2013, but the cumulative total should have been included in the report.

49 CFR 18.20 Standards for financial management systems states in part:

"(b) The financial management systems of other grantees and subgrantees must meet the following standards:

- (1) *Financial reporting.* Accurate, current, and complete disclosure of the financial results of financially assisted activities must be made in accordance with the financial reporting requirements of the grant or subgrant."

Lack of submission of complete and accurate required financial reports could inhibit the Airport Authority's ability to receive further federal financial assistance.

We recommended that the Airport Authority prepare accurate and complete reports in accordance with the federal guidelines.

FINDING 2013-006 - SPECIAL TESTS AND PROVISIONS

Federal Agency: Department of Transportation
Federal Program: Airport Improvement Program
CFDA Number: 20.106
Federal Award Number and Year (or Other Identifying Number): 3-18-0082-035, 3-18-0082-038,
3-18-0082-039, 3-18-0082-040,
3-18-0082-041
Pass-Through Entity: Direct

TERRE HAUTE INTERNATIONAL AIRPORT AUTHORITY
FEDERAL FINDINGS
(Continued)

The Airport Authority was not in compliance with the Special Tests and Provisions requirement regarding Revenue Diversion during 2013.

The former Office and Finance Manager used numerous Airport Authority credit cards to charge personal expenditures. Personal items such as food, clothing, nails, gasoline, internet, cell phone monthly bills, airplane tickets, RV camping fees, and shoes were all charged to various Airport Authority credit cards. She also spent Airport Authority funds by check on personal package shipping and personal clothing.

The former Office and Finance Manager also used Airport Authority funds to make purchases at Lowe's Home Improvement Store for appliances. Those purchases are considered personal and unrelated to the operation of the Airport Authority.

All federal funds were accounted for and were not used to make these personal purchases. However, it could not be determined if the source of the funds used to make the personal purchases was property tax receipts or other generated revenue.

The total amount of purchases for 2013 that are considered to constitute unlawful revenue diversion was \$16,945.21.

Federal Register Vol. 64, No. 30 states in part:

"Section IV - Statutory Requirements for the Use of Airport Revenue

C. Application of 49 U.S.C. § 47133

1. Section 47133 imposes the same requirements on all airports, privately owned or publicly-owned, that are the subject of Federal assistance. Subsection 47133(a) states that:

Local taxes on aviation fuel (except taxes in effect on December 30, 1987) or the revenues generated by an airport that is the subject of Federal assistance may not be expended for any purpose other than the capital or operating costs of—

- (a) the airport;
- (b) The local airport system; or
- (c) Other local facilities owned or operated by the person or entity that owns or operates the airport that is directly and substantially related to the air transportation of persons or property."

We recommended that the Airport Authority implement procedures to minimize the risk of fraudulent or other illegal use of revenue.



CORRECTIVE ACTION PLAN

FINDING 2013-001 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

Contact Person Responsible for Corrective Action: Bill Foraker / Executive Director
Contact Phone Number: 812-877-2524

Description of Corrective Action Plan:

Administrative and accounting duties have been segregated among the staff. There are also a variety of reviews/approvals required by staff in order to perform functions. The Airport Authority is in the process of revising their Personnel Policy manual and a variety of financial policies which are listed below.

Financial Policies will include the following topics:

- Documentation required with claims submitted to the Board
- Financial statements, fund reports, credit card statements and other reports to the Board
- Define the purposes and personnel approved for Signature stamp use
- Define uses for Airport credit cards and specific documentation required
- Elimination of Petty cash
- Bank reconciliation requirements reporting and review
- Bank deposits made within 24 business hours of receipt with proper documentation
- Definition of Payroll procedures and improved documentation to the board
- Review all financial procedures and implement specific segregation of duties
- Federal Projects procedures including approval, claims, pay requests, record keeping and tracking

Financial statements are going to be prepared on a monthly basis and will be reviewed and approved by Director before being presented to the Board.

The internal control procedures will be evaluated periodically to confirm they are being followed and are adequate in following the rules set forth by the State Board of Accounts.

Anticipated Completion Date: 12/31/14

FINDING 2013-002 - MANAGEMENT OVERRIDE OF CONTROLS

Contact Person Responsible for Corrective Action: Bill Foraker / Executive Director
Contact Phone Number: 812-877-2524

Description of Corrective Action Plan:

The former Office and Finance Manager was terminated and the Executive Director at that time has also resigned. Since new personnel have assumed those roles there are new internal controls have been

established that include additional approvals of accounting information by a variety of staff, and the Airport Authority is in the process of updating their financial policies.

Anticipated Completion Date: 12/31/14

FINDING 2013-003 - INTERNAL CONTROLS OVER COMPLIANCE REQUIREMENTS THAT HAVE A DIRECT AND MATERIAL EFFECT TO AIRPORT IMPROVEMENT PROGRAM

Contact Person Responsible for Corrective Action: Bill Foraker / Executive Director
Contact Phone Number: 812-877-2524

Description of Corrective Action Plan:

The former Office and Finance Manager was terminated and the Executive Director at that time has also resigned. Since new personnel have assumed those roles there are new internal controls have been established that include additional approvals of accounting information by a variety of staff.

The Airport Authority is developing policies and procedures for the Federal Projects that include being more involved in the review, claims, multiple layers of approval, and a more detailed internal record keeping for overall projects and reimbursements.

Administrative and accounting duties have been segregated among the staff. Internal control procedures have been put into place in order to prevent an individual from overriding the system.

Anticipated Completion Date: 12/31/14

FINDING 2013-004 - CASH MANAGEMENT

Contact Person Responsible for Corrective Action: Bill Foraker / Executive Director
Contact Phone Number: 812-877-2524

Description of Corrective Action Plan:

The Airport Authority will pay vendors prior to claiming amounts for reimbursement.

Anticipated Completion Date: 8/22/14

FINDING 2013-005 - REPORTING

Contact Person Responsible for Corrective Action: Bill Foraker / Executive Director
Contact Phone Number: 812-877-2524

Description of Corrective Action Plan:

The Airport Authority is developing a new policy and procedure for Federal Projects that includes a more comprehensive internal tracking of grants, pay requests and reimbursements. This procedure will help in the final review before submitting the annual report and aid in omissions and errors moving forward.

Anticipated Completion Date: 12/31/14

FINDING 2013-006 - SPECIAL TESTS AND PROVISIONS

Contact Person Responsible for Corrective Action: Bill Foraker / Executive Director
Contact Phone Number: 812-877-2524

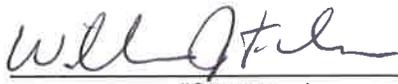
Description of Corrective Action Plan:

The former Office and Finance Manager was terminated and the Executive Director at that time has also resigned. Since new personnel have assumed those roles there are new internal controls have been established that include additional approvals of accounting information by a variety of staff. The Airport Authority is in the process of revising their Personnel Policy manual and a variety of financial policies which are listed below.

Financial Policies will include the following topics:

- Documentation required with claims submitted to the Board
- Financial statements, fund reports, credit card statements and other reports to the Board
- Define the purposes and personnel approved for Signature stamp use
- Define uses for Airport credit cards and specific documentation required
- Elimination of Petty cash
- Bank reconciliation requirements reporting and review
- Bank deposits made within 24 business hours of receipt with proper documentation
- Definition of Payroll procedures and improved documentation to the board
- Review all financial procedures and implement specific segregation of duties
- Federal Projects procedures including approval, claims, pay requests, record keeping and tracking

Anticipated Completion Date: 12/31/14



(Signature)

EXECUTIVE DIRECTOR

(Title)

8-22-14

(Date)

TERRE HAUTE INTERNATIONAL AIRPORT AUTHORITY
AUDIT RESULTS AND COMMENTS

ANNUAL FINANCIAL REPORT

The Annual Financial Report for 2013 contained material errors and did not properly reflect the financial activity of the Airport Authority. The electronic Annual Report for 2013 was not filed until June 19, 2014.

Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under IC 5-14-3.8-7."

BANK ACCOUNT RECONCILIATIONS

Depository reconciliations of the fund balances to the bank account balances were not performed during the audit period. The Airport Authority hired a consultant to reconcile each month in 2013 and the consultant completed the depository reconciliations in 2014.

Indiana Code 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

CREDIT CARDS

The Airport Authority was using credit cards to purchase items without an approved credit card policy.

The Indiana State Board of Accounts will not take exception to the use of credit cards by a governmental unit provided the following criteria are observed:

1. The governing board must authorize credit card use through an ordinance or resolution, which has been approved in the minutes.
2. Issuance and use should be handled by an official or employee designated by the board.
3. The purposes for which the credit card may be used must be specifically stated in the ordinance or resolution.
4. When the purpose for which the credit card has been issued has been accomplished, the card should be returned to the custody of the responsible person.
5. The designated responsible official or employee should maintain an accounting system or log which would include the names of individuals requesting usage of the cards, their position, estimated amounts to be charged, fund and account numbers to be charged, date the card is issued and returned, etc.

TERRE HAUTE INTERNATIONAL AIRPORT AUTHORITY
AUDIT RESULTS AND COMMENTS
(Continued)

6. Credit cards should not be used to bypass the accounting system. One reason that purchase orders are issued is to provide the fiscal officer with the means to encumber and track appropriations to provide the governing board and other officials with timely and accurate accounting information and monitoring of the accounting system.
7. Payment should not be made on the basis of a statement or a credit card slip only. Procedures for payments should be no different than for any other claim. Supporting documents such as paid bills and receipts must be available. Additionally, any interest or penalty incurred due to late filing or furnishing of documentation by an officer or employee should be the responsibility of that officer or employee.
8. If properly authorized, an annual fee may be paid.

(Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

DEPOSITS

Receipts were deposited later than the next business day in 26 percent of receipts tested.

Indiana Code 5-13-6-1(c) states in part:

". . . all local officers . . . who collect public funds of their respective political subdivisions, shall deposit funds not later than the business day following the receipt of funds on business days of the depository in the depository or depositories selected by the . . . local boards of finance . . ."

ERRORS ON CLAIMS

Our audit of 100 percent of the expenditures from the AIP fund revealed that claims were not prepared, did not have Airport Authority Board approval, and did not have fiscal officer approval for \$1,483,427 of expenditures.

Indiana Code 5-11-10-1.6 states in part:

"(b) As used in this section, 'claim' means a bill or an invoice submitted to a governmental entity for goods or services.

(c) The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless:

- (1) there is a fully itemized invoice or bill for the claim;
- (2) the invoice or bill is approved by the officer or person receiving the goods and services;
- (3) the invoice or bill is filed with the governmental entity's fiscal officer;

TERRE HAUTE INTERNATIONAL AIRPORT AUTHORITY
AUDIT RESULTS AND COMMENTS
(Continued)

- (4) the fiscal officer audits and certifies before payment that the invoice or bill is true and correct; and
- (5) payment of the claim is allowed by the governmental entity's legislative body or the board or official having jurisdiction over allowance of payment of the claim."

PRESCRIBED FORMS

The Indiana State Board of Accounts is responsible for prescribing and/or approving the accounting forms/records for all governmental units. The Airport Authority did not use the prescribed forms 99A Employee's Service Record, or 352 Receipt, nor have they requested approval for alternative forms in lieu of the prescribed forms.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

TERRE HAUTE INTERNATIONAL AIRPORT AUTHORITY
EXIT CONFERENCE

The contents of this report were discussed on August 27, 2014, with William J. Foraker, Director; Karen Burger, Finance and Office Manager; Abby Harlan, Marketing Coordinator; and Kara McIntosh, Deputy Director.