

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

COMPLIANCE REVIEW

OF

CAPITAL IMPROVEMENT BOARD OF MANAGERS

MARION COUNTY, INDIANA

January 1, 2009 to December 31, 2009



FILED

07/01/2010

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Capital Improvement Board of Managers - 2010	2
Capital Improvement Board of Managers - 2009	2
Capital Improvement Board Management	3
Transmittal Letter	4
General Information	5-12
CIB Management Discussion.....	13
Audit Result and Comment: Contracts	14
Exit Conference.....	15

CAPITAL IMPROVEMENT BOARD OF MANAGERS - 2010

<u>Board Member</u>	<u>Position</u>	<u>Appointed by</u>	<u>Term on Board</u>
Ann Lathrop, CPA	President	Mayor	01-15-10 to 01-14-12
David N. Shane	Vice President	Mayor	01-15-10 to 01-14-12
Paul Okeson	Treasurer	Mayor	01-15-10 to 01-14-12
Douglas R. Brown, Esq.	Secretary	Marion County Commissioners	01-01-10 to 12-31-10
Jay K. Potesta	Member	Mayor	01-15-10 to 01-14-12
Carolene Mays	Member	Mayor	01-15-10 to 01-14-12
Jim Dora, Jr.	Member	Mayor	01-15-10 to 01-14-12
Brenda Myers	Member	County Commissioners **	01-15-10 to 01-14-12
Michael J. McQuillen	Member	City-County Council	01-12-10 to 01-15-11

**Member appointed by the majority vote of a body consisting of one member of the Board of County Commissioners of each county in which a food and beverage tax is in effect under IC 6-9-35.

CAPITAL IMPROVEMENT BOARD OF MANAGERS - 2009

<u>Board Member</u>	<u>Position</u>	<u>Appointed by</u>	<u>Term on Board</u>
Robert T. Grand, Esq.	President	Mayor	02-01-08 to 01-14-10
Patrick J. Early, CPA	Vice President	Marion County Commissioners	01-15-08 to 01-14-10
Ann Lathrop, CPA	Treasurer	Mayor	02-01-08 to 01-14-10
Douglas R. Brown, Esq.	Secretary	Marion County Commissioners	01-01-09 to 12-31-09
Jay K. Potesta	Member	Mayor	01-15-09 to 01-14-10
John D. Short	Member	Mayor	01-15-09 to 01-14-10
Craig Huse	Member	Mayor	01-23-09 to 01-14-10
Dorothy A. Henry	Member	Mayor	01-15-09 to 01-14-10
Robert E. Cockrum	Member	City-County Council	01-30-08 to 01-15-10

CAPITAL IMPROVEMENT BOARD MANAGEMENT

<u>Manager</u>	<u>Title</u>	<u>Term</u>
Barney Levensgood	Executive Director	01-07-91 to present
Dixie L. Gough	Controller	02-01-72 to 10-03-09
Patti Dean (contracted)	Interim Controller	09-16-09 to present
Jeffrey Billig	Chief Financial Officer	11-01-09 to 02-06-10
Dan Huges	Chief Financial Officer	03-08-10 to present



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

TO: THE OFFICIALS OF THE CAPITAL IMPROVEMENT
BOARD OF MANAGERS, MARION COUNTY, INDIANA

We have audited the financial statements of the Capital Improvement Board of Managers of Marion County, Indiana (CIB), a component unit of the consolidated City of Indianapolis-Marion County, as of and for the year ended December 31, 2009, and have issued our opinion thereon dated April 26, 2010. The primary purpose of the audit was to report our opinion on the financial statements. We have included an unqualified opinion on these financial statements which, along with the audited financial transactions of the CIB, is available in the CIB's Comprehensive Annual Financial Report.

Although it is not explicitly stated, an unqualified audit report indicates that we did gather adequate audit evidence to support the assertions in the financial statements and related Notes, that we agree that the books and records are in agreement with the financial statements, and that we received all the information and explanations we considered necessary for the audit. Our audit procedures are designed to give us reasonable assurance that the financial statements, taken as a whole, are free of material misstatement. It is the responsibility of management to ensure that accurate and reliable accounting records are maintained and that adequate internal controls are established and maintained.

We utilized risk assessment procedures, tests of controls, and substantive procedures during the course of the audit in order to develop our opinion. During the planning stages of the audit, we gained an in-depth understanding of the processes and controls in place, determined which audit areas were significant, and identified those areas with higher risk. We tested controls for significant areas to ensure that the controls which had been implemented were effective. Based on this assessment, we developed substantive audit procedures to support our opinion on the financial statements. This approach allowed us to perform an effective and efficient audit and to receive sufficient audit evidence to support our opinion.

In planning and performing our audit, we considered the internal controls over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Accordingly, we express no opinion on the internal control over financial reporting. However, we noted certain conditions in the design or operation of one or more of the internal control components that, in our judgment, needed to be communicated with management. We communicated these internal control related issues to management in accordance with Statement on Auditing Standards 115. Due to their nature, the internal control related issues were not reported publicly. Any issues of noncompliance with statutes, board policies, and other regulations are included in this report.

Indiana State Board of Accounts
STATE BOARD OF ACCOUNTS

May 6, 2010

CAPITAL IMPROVEMENT BOARD OF MANAGERS
MARION COUNTY, INDIANA
GENERAL INFORMATION

I. INTRODUCTION

Purpose of this Compliance Audit

A compliance audit is designed to review specific activities in order to determine whether performance of a particular transaction or activity conforms to a predetermined contractual, regulatory, or statutory requirement. These requirements are established by the State of Indiana, the City-County Council, and the Capital Improvement Board of Managers of Marion County (CIB). This audit was not intended to be an audit of performance or efficiency of the CIB. Accordingly, no audit procedures were performed and no opinion or comments will be issued on performance or efficiency of the CIB.

IC 36-10-9-9(f) states, "The controller shall submit to the board at least annually a report of the board's accounts exhibiting the revenues, receipts, and disbursements and the sources from which the revenues and receipts were derived and the purpose and manner in which they were disbursed. The board may require that the report be prepared by an independent certified public accountant designated by the board. The state board of accounts shall audit annually the accounts, books, and records of the board and prepare a financial report and a compliance audit report. The board shall submit to the city-county legislative body financial and compliance reports of the state board of accounts. The board shall post the reports of the state board of accounts on the board's Internet web site. The city-county legislative body shall discuss the financial and compliance reports of the state board of accounts in a public hearing. The handling and expenditure of funds is subject to supervision by the state board of accounts."

Scope and Methodology of this Compliance Audit

To accomplish the objectives of the compliance audit, we reviewed laws, regulations, and contracts which set forth criteria for the CIB. Based on our review, we established audit procedures to ensure that the CIB was in compliance with the applicable requirements. We performed these audit procedures which include, but are not limited to, the following:

- A review of financial records of the CIB to ensure that the forms used for such purpose had been properly approved by the State Board of Accounts.
- A review of documents to ensure that the necessary employees were properly bonded for the faithful performance and discharge of all duties required of them by law.
- A review of CIB records to ensure that all investments made were done so in accordance with statutory requirements.
- A review of records, on a test basis, to determine that deposit of funds received was completed by the next business day, as required by statute.
- A review of disbursements of the CIB, on a test basis, to ensure that payments were within procedures established by the Board, were properly supported by itemized statements and contracts, were countersigned by either the Treasurer or the Executive Director and were properly approved by the Board.
- A comparison of the operating budget approved by the City-County Council to the actual expenditures of the CIB to ensure that spending was within approved amounts.

CAPITAL IMPROVEMENT BOARD OF MANAGERS
MARION COUNTY, INDIANA
GENERAL INFORMATION
(Continued)

- A review of revenues and expenses of both the Capital Improvement (operating) Fund and the Capital Improvement Bond Fund to ensure that the activity in each fund was in accordance with applicable statutes.
- A review of the agreements between the CIB and the following organizations - the Indianapolis Colts, the Indiana Pacers, the Indianapolis Indians, the Indianapolis Convention and Visitors Association, Ticketmaster, and Service America Corporation (Centerplate). From the agreements, audit procedures were established and performed to ensure that the provisions of the agreements were being met.

Any significant issues of noncompliance noted as a result of the above mentioned audit procedures have been identified in the "Audit Result and Comment" section of this report.

Background of the Capital Improvement Board of Managers of Marion County, Indiana

The CIB is a municipal body of Marion County created in 1965 pursuant to the provisions of Indiana Code (IC) 36-10-9. As amended in 2009, six (6) of the nine (9) board members, who serve two year terms, are appointed by the Mayor of the City of Indianapolis, one (1) is appointed by the Marion County Board of Commissioners, one (1) is appointed by the City-County Council (Marion County-Indianapolis), and one (1) is appointed jointly by majority vote of a body consisting of one (1) member of the board of county commissioners of each county in which a food and beverage tax is in effect under IC 6-9-35 on January 1 of the year of the appointment.

In general, the organization is to acquire, construct, finance, lease, operate, promote and publicize capital improvements and thereby serve the convention and visitor industry and the commercial, industrial and cultural interests of the State of Indiana and its citizens. This presently occurs principally through its operation of the Indiana Convention Center and Lucas Oil Stadium, and its use arrangements related to Victory Field and Conseco Fieldhouse.

The powers and duties of the CIB are as follows in accordance with IC 36-10-9-6:

"The board may, acting under the title "capital improvement board of managers of _____ County", do the following:

- (1) Acquire by grant, purchase, gift, devise, lease, condemnation, or otherwise, and hold, use, sell, lease, or dispose of, real and personal property and all property rights and interests necessary or convenient for the exercise of its powers under this chapter.
- (2) Construct, reconstruct, repair, remodel, enlarge, extend, or add to any capital improvement built or acquired by the Board under this chapter.
- (3) Control and operate a capital improvement, including letting concessions and leasing all or part of the capital improvement.
- (4) Fix charges and establish rules governing the use of a capital improvement.
- (5) Accept gifts or contributions from individuals, corporations, limited liability companies, partnerships, associations, trusts, or political subdivisions, foundations, and funds, loans, or advances on the terms that the board considers necessary or desirable from the United States, the State, and any political subdivision or department of either, including entering into and carrying out contracts and agreements in connection with this subdivision.

CAPITAL IMPROVEMENT BOARD OF MANAGERS
MARION COUNTY, INDIANA
GENERAL INFORMATION
(Continued)

- (6) Exercise within and in the name of the county the power of eminent domain under general statutes governing the exercise of the power for a public purpose.
- (7) Receive and collect money due for the use or leasing of a capital improvement and from concessions and other contracts, and expend the money for proper purposes.
- (8) Receive excise taxes, income taxes, and ad valorem property taxes and expend the money for operating expenses, payments of principal or interest of bonds or notes issued under this chapter, and for all or part of the cost of a capital improvement.
- (9) Retain the services of architects, engineers, accountants, attorneys, and consultants and hire employees upon terms and conditions established by the Board, so long as any employees or members of the Board authorized to receive, collect, and expend money are covered by a fidelity bond, the amount of which shall be fixed by the Board. Funds may not be disbursed by an employee or member of the Board without prior specific approval by the Board.
- (10) Provide coverage for its employees under IC 22-3 and IC 22-4.
- (11) Purchase public liability and other insurance considered desirable.
- (12) Make and enter into all contracts and agreements necessary or incidental to the performance of its duties and the execution of its powers under this chapter, including the enforcement of them.
- (13) Sue and be sued in the name and style of "capital improvement board of managers of _____ County" (including the name of the county), service of process being had by leaving a copy at the Board's office.
- (14) Prepare and publish descriptive material and literature relating to the facilities and advantages of a capital improvement and do all other acts that the board considers necessary to promote and publicize the capital improvement, including the convention and visitor industry, and serve the commercial, industrial, and cultural interests of Indiana and its citizens. The Board may assist, cooperate, and fund governmental, public, and private agencies and groups for these purposes.
- (15) Enter into leases of capital improvements and sell or lease property under IC 5-1-17 or IC 36-10-9.1."

CAPITAL IMPROVEMENT BOARD OF MANAGERS
MARION COUNTY, INDIANA
GENERAL INFORMATION
(Continued)

II. RELATED PARTIES OF THE CIB

A. Asset Related Debt - Pre-2005

In 1985, IC 36-10-9.1 created the Marion County Convention and Recreational Facilities Authority (MCCRFA) for the purpose of "financing, constructing, and leasing capital improvements (including future additions to such properties) to the capital improvement board." This was to be accomplished by means of various lease-purchase agreements with the CIB. MCCRFA issued various debt instruments and supervised to completion construction of the Indiana Convention Center Expansion & RCA Dome in 1984, Victory Field in 1996, and Conesco Fieldhouse in 1999. Debt from the demolished RCA Dome remains as a portion of various outstanding debt issues. Lease agreements between MCCRFA and the CIB secure the related bonds, along with certain state and local taxes which are committed by the CIB to pay lease rentals. At the termination of each lease, ownership of the various properties reverts to the lessee (CIB). A complete detail of all outstanding debt issues is available in the CIB's Comprehensive Annual Financial Report.

B. Asset Related Debt - 2005 to Present

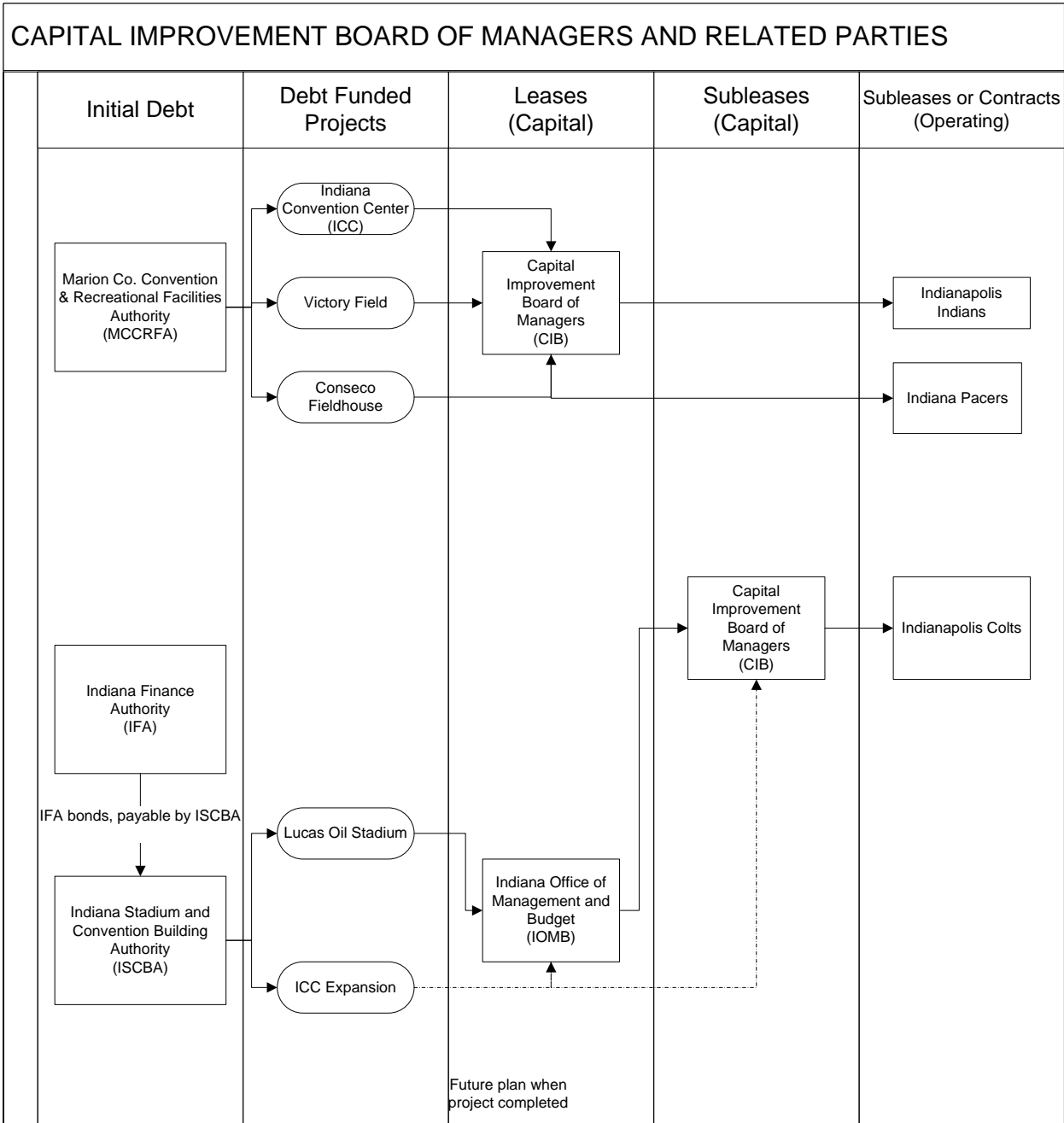
In 2005, IC 5-1-17 created the Indiana Stadium and Convention Building Authority (ISCBA) to assume the responsibilities for future debt and construction of Lucas Oil Stadium and the Indiana Convention Center Expansion (including future additions to these properties). Construction of Lucas Oil Stadium and the additions to the Indiana Convention Center have been contracted and supervised by the ISCBA. Bonds for these projects were issued by the Indiana Finance Authority (IFA). Construction expenses are approved by the ISCBA and paid through the IFA. At the completion of each project, the properties are leased by ISCBA, through the Indiana Office of Management and Budget (OMB), to the CIB, which is then committed to pay the debt through the lease. At the termination of each lease, ownership of the various properties reverts to the lessee (CIB). A complete detail of all outstanding debt issues is available in the CIB's Comprehensive Annual Financial Report.

C. Lease Agreements

A complete picture of the various lease arrangements is illustrated by the flowchart following this section. To discern between leases noted as "Capital" and "Operating," a capital lease indicates that, in accordance with Financial Accounting Standards Board Statement #13, the lessee (CIB) qualifies as the "true owner" of the property and reports such as a capital asset on their financial statements. An operating lease indicates a "rental" contract not signifying ownership by the lessee and reported as rental expense on financial statements.

A general description of the terms of each lease follows the chart. Details of leases are available in the CIB's Comprehensive Annual Financial Report and on the CIB's website, www.capitalimprovementboard.org.

CAPITAL IMPROVEMENT BOARD OF MANAGERS
 MARION COUNTY, INDIANA
 GENERAL INFORMATION
 (Continued)



CAPITAL IMPROVEMENT BOARD OF MANAGERS
MARION COUNTY, INDIANA
GENERAL INFORMATION
(Continued)

D. Indianapolis Convention and Visitors Association (ICVA)

The ICVA, although not directly involved in the construction, operation or maintenance of entertainment facilities, is critical to the success of these facilities as this association is responsible for their promotion and marketing to organizations throughout the country. The success and solvency of many of the facilities and, in turn, the sales and related tax revenues of the state, is dependent on the success of this organization. Since 1967, the ICVA has had a written agreement with the CIB to promote conventions, meetings, exhibitions, and other events facilities operated by the CIB, specifically the Indiana Convention Center and Lucas Oil Stadium. To assist in the expenses of the ICVA, the CIB pays to the ICVA a fee as noted in the contract, the source of which is hotel-motel tax received by the CIB. The CIB payments represent approximately 70% of the ICVA total revenue. Restrictions for the use of these funds are noted in this contract to prevent the use of "public funds" for inappropriate purposes. The CIB has the authority to audit ICVA expenditures if desired. In lieu of auditing the ICVA's expenditures, the CIB receives and relies on the audited financial statements of the ICVA. Additionally, the Executive Director and the Board President of the CIB sit on the board of the ICVA and, as board members, receive information related to expenditures.

E. Indianapolis Indians - Victory Field

Victory Field is home to the Indianapolis Indians, a AAA minor league baseball franchise affiliated with the Pittsburgh Pirates organization. Remaining debt related to Victory Field is an obligation of the CIB; certain state and local taxes are committed to payment of this debt. Expenses of the operation, maintenance and insurance for the facility are assumed by the Indians' organization.

F. Indiana Pacers - Conseco Fieldhouse

Conseco Fieldhouse is home to the Indiana Pacers, a National Basketball Association (NBA) franchise, and is used for a variety of events, including Indiana Fever games (a Women's National Basketball Association franchise), other sporting events and concerts. Remaining debt related to Conseco Fieldhouse is an obligation of the CIB; certain state and local taxes are committed to payment of this debt. Except for certain on-going capital maintenance and repair items, expenses of the operation and maintenance for the facility are assumed by the Pacers' organization. Negotiations are currently ongoing between the CIB and the Pacers' organization regarding possible assumption of the operating and maintenance costs of the facility by the CIB.

G. Indiana Convention Center (ICC)

The ICC is financed in part through pre-2005 debt issued by the MCCRFA. The original structure was built and opened in 1972 and additions were completed in 1984, 1993, and 2000. In 2005, additional debt was issued by the IFA, and the ISCBA is currently in the process of adding 254,000 square feet of exhibit floor space to the current 300,000 square feet of exhibition space. This addition includes expanding through the property formerly occupied by the RCA Dome with a tunnel to LOS, making it possible to utilize both facilities for large conventions/conferences. Revenues and expenses of the ICC are the responsibility of the CIB.

CAPITAL IMPROVEMENT BOARD OF MANAGERS
MARION COUNTY, INDIANA
GENERAL INFORMATION
(Continued)

H. Indianapolis Colts - Lucas Oil Stadium (LOS)

Lucas Oil Stadium is home to the Indianapolis Colts, a National Football League (NFL) franchise, and is used for a variety of other events, including the 2010 National Collegiate Athletic Association (NCAA) Men's basketball championship finals. Debt related to LOS is an obligation of the CIB; certain state and local taxes are committed to payment of this debt. The CIB is responsible for capital and operating expenses, maintenance and insurance of the facility. The CIB coordinates all events held at LOS, many of which are in conjunction with events scheduled at the adjoining ICC. Stadium revenues from all events other than Colts games are retained by the CIB.

I. Capitol Commons - Parking Garage

In 1986, the CIB and the City of Indianapolis, along with developers, constructed and operated the Capitol Commons parking facility, the construction of which was partially funded with \$6,300,000 from private grants. Since 1988, the CIB has been the lessor of the garage facility. Under an amendment to the agreement in 2004, the CIB relinquished certain ownership rights of half the parking to the Indianapolis-Marion County Department of Metropolitan Development (DMD). The CIB is currently responsible for one-third of all operating costs and necessary capital improvements to the Capitol Commons site and the DMD half of the garage, as described in an operating agreement and lease agreement. In return, the CIB continues to receive a portion of all rental payments and/or monthly parking allowance payments, as defined in the agreements.

III. REVENUE SOURCES OF THE CIB

In addition to lease rental payments and operating income from the Capitol Commons, ICC and LOS, the following sources of tax revenues are received by the CIB:

Marion County Innkeeper's Tax

- In 1997, this tax was established at 6% with 1/6th of this tax dedicated to fund lease rental payments or obligations of the convention center expansion of 1997.
- In 2005, this tax was increased by 3% with the additional tax dedicated to the debt service obligations related to LOS and the ICC expansion of 2005.
- In 2009, this tax was increased by 1% with the additional tax dedicated to the operating expenses of the CIB.

Marion County Food and Beverage Tax

- In 1981, this tax was established at 1%.
- In 2005, this tax was increased by 1% with the additional tax dedicated to the debt service obligations related to LOS and the ICC expansion of 2005.

CAPITAL IMPROVEMENT BOARD OF MANAGERS
MARION COUNTY, INDIANA
GENERAL INFORMATION
(Continued)

Marion County Admissions Tax

- In 1997, this tax was established at 5%.
- In 2005, this tax was increased by 1% with the additional tax dedicated to the debt service obligations related to LOS and the ICC expansion of 2005.

Marion County Supplemental Auto Rental Excise Tax

- In 1997, this tax was established at 2%.
- In 2005, this tax was increased by 2% with the additional tax dedicated to the debt service obligations related to LOS and the ICC expansion of 2005.

Regional County Food and Beverage Tax

- In 2005, this tax was established at 1% with ½ of the tax dedicated to the debt service obligations related to LOS and the ICC expansion of 2005. If the ½ amount collected is over \$5 million, the remaining balance is remitted to the participating counties which include Boone, Johnson, Hamilton, Hancock, Hendricks, and Shelby.

Indiana Cigarette Tax

- A total of \$350,000 is received from this tax annually.

Specialty License Plate Fee

- The CIB receives \$20 for each Indianapolis Colts vanity license plate sold. The amount collected is dedicated to the debt service obligations related to LOS and the ICC expansion of 2005.

Professional Sports Development Area (PSDA) Revenues

- In 1997, the PSDA was established and includes Conseco Fieldhouse, the former domed stadium, ICC, Victory Field, and the Indianapolis Colts practice facility. For the 1997 PSDA, up to a maximum of \$5 million per year is collected from state use, sales, and income taxes related to these facilities. The PSDA also includes local income and food and beverage taxes related to these facilities. The tax collected is dedicated to pay debt obligations relating to Conseco Fieldhouse.
- In 2005, the PSDA was changed to include LOS as of July 1, 2007. An additional \$11 million per year was allocated from the State related PSDA taxes for a total maximum amount of \$16 million per year. The additional \$11 million is dedicated to debt service obligations related to LOS and the ICC expansion of 2005. After June 2017, the entire \$16 million will be dedicated to debt service obligations related to LOS and the ICC expansion; however, the local related PSDA taxes will continue to be dedicated to pay debt obligations relating to Conseco Fieldhouse.
- In 2009, the PSDA was expanded to include hotel sites in the area bounded on the east by Illinois Street, on the south by Maryland Street, and on the west and north by Washington Street. The expansion includes state income, sales and use taxes and COIT taxes related to activities at the hotel sites. These taxes must be used to pay usual and customary operating expenses at CIB facilities.

CAPITAL IMPROVEMENT BOARD OF MANAGERS
MARION COUNTY, INDIANA
CIB MANAGEMENT DISCUSSION

I. COST CUTTING MEASURES IMPLEMENTED IN 2009

Tax and conference revenues for 2009, due to the national recession, were significantly lower than those revenues for 2008. As a result, the CIB implemented the following cost cutting measures in order to avoid the necessity for sizeable tax increases. A hiring freeze, coupled with furloughs, wage cuts and a work force reduction provided savings in wages and benefits. Repairs and maintenance were deferred and security expenses cut, along with significant savings in utility costs. Travel, promotions and advertising were virtually suspended. Also, cost savings were realized in the professional services, including legal and accounting. Supplies and materials were ordered just "in time" and only when absolutely necessary to operate.

II. FUTURE PLANS

In January of 2011, the Indiana Stadium and Convention Building Authority (ISCBA) will officially hand over the Phase V expansion of the Indiana Convention Center to the Capital Improvement Board (CIB). This much-anticipated expansion is exciting for all of those who have been a part in making this project a reality. We look forward to welcoming customers into the beautiful expanded space. The new kitchen is already a fully functioning area since March 19, 2010. The first trade show to use the new space will be Dealer Expo 2011, February 19-21. We are also looking forward to welcoming back the ICVA, who will move their offices into the expansion next spring.

CAPITAL IMPROVEMENT BOARD OF MANAGERS
MARION COUNTY, INDIANA
AUDIT RESULT AND COMMENT

CONTRACTS

During 2009, payments were made for legal and accounting services and to the Arts Council of Indianapolis, Inc., without a proper contract in effect. Subsequent to the audit period, contracts have been established for legal and accounting services to be provided during 2010, and no funding is expected to be provided to the Arts Council of Indianapolis, Inc., during 2010.

Payments made or received for contractual services should be supported by a written contract. The CIB is responsible for complying with the provisions of its contracts.

CAPITAL IMPROVEMENT BOARD OF MANAGERS
MARION COUNTY, INDIANA
EXIT CONFERENCE

The contents of this report were discussed on May 13, 2010, with Ann Lathrop, CPA, President; Paul Okeson, Treasurer; Barney Levensgood, Executive Director; Dan Huge, Chief Financial Officer; and Patti Dean, Interim Controller. The officials concurred with our audit finding.