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March 27, 2019

Board of Directors  
Terre Haute International Airport  
581 S Airport St  
Terre Haute, IN 47803

This report is supplemental to the audit report of the Terre Haute International Airport (Airport), for the period from January 1, 2017 to December 31, 2017. It should be read in conjunction with the financial statement and single audit report of the Airport, which provides an opinion on the Airport's financial statements. This report may be found at [www.in.gov/sboa/](http://www.in.gov/sboa/).

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of the Airport and perform procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

We have reviewed the Supplemental Audit Report for Terre Haute International Airport prepared by Katz, Sapper & Miller, Independent Public Accountants, for the period January 1, 2017 to December 31, 2017. In our opinion, the Supplemental Audit Report was prepared in accordance with the guidelines established by the State Board of Accounts.

The report is filed with this letter in our office as a matter of public record.

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

# TERRE HAUTE REGIONAL AIRPORT AUTHORITY

## SUPPLEMENTAL AUDIT REPORT

VIGO COUNTY, INDIANA  
December 31, 2017

# TERRE HAUTE REGIONAL AIRPORT AUTHORITY

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**SCHEDULE OF OFFICIALS**

<b>Office</b>	<b>Official</b>	<b>Term</b>
Executive Director	Jeffrey Hauser	01-01-16 to 12-31-18
Finance/Office Manager	Peggy Arnold	01-01-17 to 12-31-17
President of the Board	Darryl Huyett	07-01-15 to 12-31-18

*Independent Auditors' Supplemental Audit Report*

Board of Directors  
Terre Haute Regional Airport Authority

We have audited, in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Uniform Compliance Guidelines for Audit of Hospitals and State and Local Governments by Authorized Independent Public Accountants*, issued by the Indiana State Board of Accounts, the financial statement of Terre Haute Regional Authority (the Airport Authority) as of and for the year ended December 31, 2017, and have issued our report thereon dated March 8, 2019.

In connection with our audit, nothing came to our attention that caused us to believe that the Airport Authority failed to comply with the conditions of the *Accounting and Uniform Compliance Guidelines Manual for Special Districts*, established by the Indiana State Board of Accounts, as it applies to airport authorities, except as stated in the Audit Results and Comments.

This report is intended solely for the information and use of the Board of Directors and management of the Airport Authority and the Indiana State Board of Accounts, and is not intended to be and should not be used by anyone other than these specified parties.

*Katz, Sapper & Miller, LLP*

Indianapolis, Indiana  
March 8, 2019

## TERRE HAUTE REGIONAL AIRPORT AUTHORITY

### AUDIT RESULTS AND COMMENTS

Year Ended December 31, 2017

#### ***Lack of Capital Asset Policy***

The Terre Haute Regional Airport Authority (the Airport Authority) lacks a written policy regarding capital assets. The State Board of Accounts requires each unit to have a written capital asset policy in place that details the threshold at which an item is considered a capital asset (*Accounting and Uniform Compliance Guidelines Manual*, Chapter 1 – Prescribed Forms, Taxes, General Information, Local Policies, and Deposits and Investments).

Furthermore, the Airport Authority should ensure that a physical inventory is being completed every two years. Any dispositions of capital assets should meet sale requirements of IC 5-22-22-4 and IC 5-22-22-5, as required by the State Board of Accounts.

## **TERRE HAUTE REGIONAL AIRPORT AUTHORITY**

### **EXIT CONFERENCE Year Ended December 31, 2017**

The contents of this report were discussed on February 15, 2019 with Jeff Hauser, Executive Director; Kara McIntosh, Director of Operations; Tammy Sindors, Financial Office Manager; Peggy Arnold, Finance Manager; Dick Baker, current Board Treasurer; and Rachel Leslie, current President of the Board. The officials concurred with our audit finding.

The Official Response has been included on page 5 of this report. The Official Response has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the Official Response.



Terre Haute 2017 Compliance Report:

Finding #1 – Lack of Capital Asset Policy

The Airport Officials agree with the finding.

Corrective Action Plan:

The Airport Authority Board of Directors will set a policy to make a threshold for asset purchases. The new software system will track assets at or above that threshold as they are purchased.