



Dave Yost • Auditor of State



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Morgan County Regional Airport Authority
Morgan County
750 W. Richards Road NW
McConnelsville, Ohio 43756

We have completed certain procedures in accordance with Ohio Rev. Code § 117.01(G) to the accounting records and related documents of the Regional Airport Authority, Morgan County, Ohio (the Airport), for the years ended December 31, 2016 and 2015.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code § 117.11(A). Because our procedures were not designed to opine on the Government's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Airport's financial statements, transactions or balances for the years ended December 31, 2016 and 2015.

The Airport's management is responsible for preparing and maintaining its accounting records and related documents. Our responsibility under Ohio Rev. Code § 117.11(A) is to examine, analyze and inspect these records and documents.

Based on the results of our procedures, we noted the following significant compliance or accounting issues to report.

Current Year Observations

1. We examined the bank reconciliation prepared as of December 31, 2016. It included reconciling errors of a \$55.00 bank deposit not recorded, \$9.82 of bank interest recorded twice and \$140.00 bank deposit recorded twice. There was no documentation of the governing board review of the bank reconciliation.

Reconciling cash is a critical control in assuring all transactions are posted accurately and in the proper accounting period. The fiscal officer should review transactions recorded since the last reconciliation and correct the error.

Also, the Airport's small size requires governing board involvement with critical accounting processes (such as bank reconciliation) to compensate for the inability to segregate these duties. The absence of these reviews may be a material weakness in internal accounting control, resulting in inaccurate cash balances, or undetected theft.

Current Year Observations (Continued)

2. Ohio Rev. Code § 117.38 states entities filing on a cash-basis must file annual reports with the Auditor of State within 60 days of the fiscal year-end.

The Airport did not file its 2016 financial statements and notes to the financial statements until June 28, 2017, which was approximately 120 days after the deadline.

The Airport should make a complete filing within 60 days of the fiscal year-end.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping initial "D".

Dave Yost
Auditor of State
Columbus, Ohio

July 24, 2017



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MORGAN COUNTY REGIONAL AIRPORT AUTHORITY

MORGAN COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
AUGUST 8, 2017**