



Dave Yost • Auditor of State

ALLEN COUNTY REGIONAL AIRPORT AUTHORITY
ALLEN COUNTY

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Dave Yost • Auditor of State

Allen County Regional Airport Authority
Allen County
P.O. Box 1401
Lima, Ohio 45802

To the Board:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to an interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. Our Report includes an adverse opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

August 10, 2011

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Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Allen County Regional Airport Authority
Allen County
P.O. Box 1401
Lima, Ohio 45802

To the Members of the Board:

We have audited the accompanying financial statements of Allen County Regional Airport Authority, Allen County, (the Authority) as of and for the years ended December 31, 2010 and 2009. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the Authority has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Instead of the combined funds the accompanying financial statements present, GAAP require presenting entity wide statements and also presenting the Authority's larger (i.e. major) funds separately. While the Authority does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of State permits, but does not require Authorities to reformat their statements. The Authority has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2010 and 2009 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Authority as of December 31, 2010 and 2009 or its changes in financial position for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of Allen County Regional Airport Authority, Allen County, as of December 31, 2010 and 2009, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The Authority has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 10, 2011, on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

We conducted our audit to opine on the Authority's financial statements taken as a whole. The Schedule of Federal Awards Expenditures provides additional information required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. The Schedule of Federal Awards Expenditures is management's responsibility, and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. This schedule was subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Dave Yost
Auditor of State

August 10, 2011

**ALLEN COUNTY REGIONAL AIRPORT AUTHORITY
ALLEN COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2010**

| | <u>All Governmental Fund Types</u> | | <u>Totals (Memorandum Only)</u> |
|--|------------------------------------|-----------------------------|---|
| | <u>General</u> | <u>Capital Projects</u> | |
| Cash Receipts: | | | |
| County Allocation | \$71,200 | \$15,056 | \$86,256 |
| Fuel Sale | 315,023 | | 315,023 |
| Rents | 144,502 | | 144,502 |
| Federal and State Grants | | 454,880 | 454,880 |
| Interest Earnings | 183 | | 183 |
| Miscellaneous | 12,853 | | 12,853 |
| Total Cash Receipts | <u>543,761</u> | <u>469,936</u> | <u>1,013,697</u> |
| Cash Disbursements: | | | |
| Salaries | 65,581 | | 65,581 |
| Supplies and Materials | 7,812 | | 7,812 |
| Fuel Inventory | 250,810 | | 250,810 |
| Repairs and Maintenance | 25,674 | | 25,674 |
| Utilities | 26,703 | | 26,703 |
| Contractual Services | 56,455 | | 56,455 |
| Capital Outlay | 13,800 | 479,502 | 493,302 |
| Property Taxes | 33,984 | | 33,984 |
| Miscellaneous | 20,390 | | 20,390 |
| Debt Service: | | | |
| Principal | 35,333 | | 35,333 |
| Interest | 24,711 | | 24,711 |
| Total Cash Disbursements | <u>561,253</u> | <u>479,502</u> | <u>1,040,755</u> |
| Total Receipts (Under) Disbursements | (17,492) | (9,566) | (27,058) |
| Other Financing Receipts/(Disbursements): | | | |
| Transfers In | 22,969 | | 22,969 |
| Transfers Out | | (22,969) | (22,969) |
| Debt Proceeds | | 23,825 | 23,825 |
| Total Other Financing Receipts/(Disbursements): | <u>22,969</u> | <u>856</u> | <u>23,825</u> |
| Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements | 5,477 | (8,710) | (3,233) |
| Fund Cash Balances, January 1 | <u>12,973</u> | <u>15,926</u> | <u>28,899</u> |
| Fund Cash Balances, December 31 | <u>\$18,450</u> | <u>\$7,216</u> | <u>\$25,666</u> |

The notes to the financial statements are an integral part of this statement.

**ALLEN COUNTY REGIONAL AIRPORT AUTHORITY
ALLEN COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2009**

| | <u>All Governmental Fund Types</u> | | <u>Totals (Memorandum Only)</u> |
|--|------------------------------------|-----------------------------|---|
| | <u>General</u> | <u>Capital Projects</u> | |
| Cash Receipts: | | | |
| Fuel Sales | \$113,372 | | \$113,372 |
| Rents | 159,646 | | 159,646 |
| Federal and State Grants | | \$2,646,115 | 2,646,115 |
| Interest Earnings | 556 | | 556 |
| Miscellaneous | 9,609 | | 9,609 |
| Total Cash Receipts | <u>283,183</u> | <u>2,646,115</u> | <u>2,929,298</u> |
| Cash Disbursements: | | | |
| Salaries | 29,847 | | 29,847 |
| Supplies and Materials | 113,413 | | 113,413 |
| Repairs and Maintenance | 32,366 | | 32,366 |
| Utilities | 27,679 | | 27,679 |
| Contractual Services | 43,750 | | 43,750 |
| Capital Outlay | 79,016 | 2,780,794 | 2,859,810 |
| Property Taxes | 35,000 | | 35,000 |
| Miscellaneous | 9,952 | | 9,952 |
| Debt Service: | | | |
| Interest | 10,547 | | 10,547 |
| Total Cash Disbursements | <u>381,570</u> | <u>2,780,794</u> | <u>3,162,364</u> |
| Total Receipts (Under) Disbursements | (98,387) | (134,679) | (233,066) |
| Other Financing Receipts/(Disbursements): | | | |
| Transfers In | | 5,396 | 5,396 |
| Transfers Out | (5,396) | | (5,396) |
| Debt Proceeds | | 115,409 | 115,409 |
| Total Other Financing Receipts/(Disbursements): | <u>(5,396)</u> | <u>120,805</u> | <u>115,409</u> |
| Excess of Cash Receipts and Other Financing Receipts Under) Cash Disbursements and Other Financing Disbursements | (103,783) | (13,874) | (117,657) |
| Fund Cash Balances, January 1 | <u>116,756</u> | <u>29,800</u> | <u>146,556</u> |
| Fund Cash Balances, December 31 | <u>\$12,973</u> | <u>\$15,926</u> | <u>\$28,899</u> |

The notes to the financial statements are an integral part of this statement.

**ALLEN COUNTY REGIONAL AIRPORT AUTHORITY
ALLEN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010 AND 2009**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Allen County Regional Airport Authority, Allen County, (the Authority) as a body corporate and politic. The County Commissioners appoint seven Board members to direct the Authority. The Authority is responsible for the safe and efficient operation and maintenance of the airport.

The Authority's management believes these financial statements present all activities for which the Authority is financially accountable.

B. Accounting Basis

These financial statements follow the accounting basis the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The Authority recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred.

These statements include adequate disclosure of material matters, as the Auditor of State prescribes or permits.

C. Deposits and Investments

The Authority's cash is held in demand deposit accounts.

D. Funding Accounting

The authority uses fund accounting to segregate cash that is restricted as to use. The authority classifies its funds into the following types:

1. General Fund

The General Fund reports all financial resources except those required to be accounted for in another fund.

2. Capital Project Fund

This fund accounts for receipts restricted to acquiring or constructing major capital projects.

E. Property, Plant, and Equipment

The Authority records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

2. EQUITY IN POOLED DEPOSITS

The carrying amount of deposits at December 31 was as follows:

| | | |
|-----------------|-----------------|-----------------|
| | <u>2010</u> | <u>2009</u> |
| Demand deposits | <u>\$25,666</u> | <u>\$28,899</u> |

Deposits: Deposits are insured by the Federal Depository Insurance Corporation; or collateralized by securities specifically pledged by the financial institution to the Authority.

**ALLEN COUNTY REGIONAL AIRPORT AUTHORITY
ALLEN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010 AND 2009**

3. DEBT

The Authority entered into a funding agreement with the Allen County Commissioners on August 5, 2009 in the amount of \$530,000.

This agreement was to issue a note to 1) renew an outstanding bond note with a balance of \$377,000, 2) to secure an additional \$130,000 to fund a 5% match for an FFA grant for improvements, and 3) pay the costs of issuing the note.

The Airport received \$115,409 and \$23,825 of loan proceeds in 2009 and 2010, respectively for total loan proceeds of \$139,234. The airport has \$13,766 in undisbursed loan proceeds available.

The Authority has pledged its revenues to the repayment of the amounts borrowed by the County on its behalf. The note is payable over fifteen years, with a five-year fixed interest rate of 4.58 percent. At the end of the five years, this noted will balloon and will need to be refinanced. Annual principal payments of \$35,333 are to be paid August 5 of the years 2010 through 2013. Interest is to be paid semiannually on February 5 and August 5 of each year. The Authority made debt service payments, to the County in 2010 in the amounts of \$60,044 which included \$35,333 for principal and \$24,711 for interest; and in 2009 a payment of \$10,547 was made for interest only.

4. RETIREMENT SYSTEM

The Authority's full-time employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes the Plan's retirement benefits, including postretirement healthcare and survivor and disability benefits to participants.

The Ohio Revised Code also prescribes contribution rates. For 2010 and 2009, OPERS members contributed 10%, of their gross salaries and the Authority contributed an amount equaling 14%, of participants' gross salaries. The Authority has paid all contributions required through December 31, 2010.

5. RISK MANAGEMENT

Commercial Insurance

The Authority has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

6. CONTINGENT LIABILITIES

Amounts received from grantor agencies are subject to audit and adjustment by the grantor, principally the federal government. Any disallowed costs may require refunding to the grantor. Amounts which may be disallowed, if any, are not presently determinable. However, based on prior experience, management believes such refunds, if any, would not be material.

**ALLEN COUNTY REGIONAL AIRPORT AUTHORITY
ALLEN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010 AND 2009**

7. RELATED PARTY TRANSACTIONS

A Board member is minority owner of the company from which the Authority acquired insurance during 2010 and 2009. The Authority paid \$12,294 to this company in 2010 and \$14,075 in 2009.

8. TRANSFERS

In 2010, the Authority transferred \$22,969 from the Capital Projects Fund to the General Fund to reimburse for the cost of moving electric lines related to the airport improvement project grant.

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**ALLEN COUNTY REGIONAL AIRPORT AUTHORITY
ALLEN COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR YEAR ENDED DECEMBER 31, 2009**

| Federal Grantor Program Title | Federal CFDA Number | Grant Year | Disbursements |
|--|------------------------------------|-------------------|---------------------------|
| U.S. Department of Transportation | | | |
| <i>Direct Award</i> | | | |
| Airport Improvement Program | 20.106 | 2009 | <u>\$2,646,115</u> |
| | | | |
| Total Federal Awards Expenditures | | | <u><u>\$2,646,115</u></u> |

See accompanying notes to the schedule of federal awards expenditures.

**ALLEN COUNTY REGIONAL AIRPORT AUTHORITY
ALLEN COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2009**

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Expenditures (the Schedule) summarizes the activity of all federal award programs of the Authority. The Authority's reporting entity is defined in Note 1 of the Authority's general purpose financial statements. All federal awards received directly from federal agencies or passed through another agency are included in the schedule. The accompanying Schedule has been prepared on a basis of cash receipts and disbursements, consequently, revenues are recognized when received rather than when earned, and expenditures are recognized when paid rather than when the obligation is incurred.



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Allen County Regional Airport Authority
Allen County
P.O. Box 1401
Lima, Ohio 45802

To the Members of the Board:

We have audited the financial statements of the Allen County Regional Airport Authority, Allen County, (the Authority) as of and for the years ended December 31, 2010 and 2009, and have issued our report thereon dated August 10, 2011, wherein we noted the Authority followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Authority's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of opining on the effectiveness of the Authority's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Authority's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

Compliance and Other Matters

As part of reasonably assuring whether the Authority's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We did note certain matters not requiring inclusion in this report that we reported to the Authority's management in a separate letter dated August 10, 2011.

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We intend this report solely for the information and use of management, Members of the Board, federal awarding agencies and pass-through entities, and others within the Authority. We intend it for no one other than these specified parties.

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

August 10, 2011



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Allen County Regional Airport Authority
Allen County
P.O. Box 1401
Lima, Ohio 45802

To the Members of the Board:

Compliance

We have audited the compliance of Allen County Regional Airport Authority (the Authority) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect Allen County Regional Airport Authority's major federal program for the year ended December 31, 2009. The summary of auditor's results section of the accompanying schedule of findings identifies the Authority's major federal program. The Authority's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to reasonably assure whether noncompliance occurred with the compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the Airport's compliance with those requirements and performing other procedures we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Authority's compliance with those requirements.

In our opinion, the Allen County Regional Airport Authority complied, in all material respects, with the requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2009. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements that, while not affecting our opinion on compliance, OMB Circular A-133 requires us to report. The accompanying schedule of findings lists this instance as Finding 2010-01.

Internal Control Over Compliance

The Authority's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Authority's internal control over compliance with requirements that could directly and materially affect a major federal program, to determine our auditing procedures for the purpose of opining on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of opining on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program compliance requirement. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

The Authority's response to the finding we identified is described in the accompanying schedule of findings. We did not audit the Authority's response and, accordingly, we express no opinion on it.

We also noted a matter involving federal compliance or internal control over federal compliance not requiring inclusion in this report, that we reported to the Authority's management in a separate letter dated August 10, 2011.

We intend this report solely for the information and use of management, Members of the Board, others within the Authority, and the federal awarding agency. It is not intended for anyone other than these specified parties.



Dave Yost
Auditor of State

August 10, 2011

**ALLEN COUNTY REGIONAL AIRPORT AUTHORITY
ALLEN COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A-133 & .505
DECEMBER 31, 2009**

1. SUMMARY OF AUDITOR'S RESULTS

| | | |
|---------------------|---|---|
| (d)(1)(i) | Type of Financial Statement Opinion | Unqualified |
| (d)(1)(ii) | Were there any material control weaknesses reported at the financial statement level (GAGAS)? | No |
| (d)(1)(ii) | Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)? | No |
| (d)(1)(iii) | Was there any reported material non-compliance at the financial statement level (GAGAS)? | No |
| (d)(1)(iv) | Were there any material internal control weaknesses reported for major federal programs? | No |
| (d)(1)(iv) | Were there any other significant deficiencies in internal control reported for major federal programs? | No |
| (d)(1)(v) | Type of Major Programs' Compliance Opinion | Unqualified |
| (d)(1)(vi) | Are there any reportable findings under § .510? | Yes |
| (d)(1)(vii) | Major Programs (list): | CFDA # 20.106 – Airport Improvement Program |
| (d)(1)(viii) | Dollar Threshold: Type A\B Programs | Type A: > \$ 300,000 Type B: all others |
| (d)(1)(ix) | Low Risk Auditee? | No |

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None.

3. FINDINGS FOR FEDERAL AWARDS

FINDING NUMBER 2010-01

Noncompliance

Office of Management and Budget (OMB) Circular A-133 section 320(a) requires the auditee to submit the data collection form described in section 320(b) and the reporting package described in section 320(c) within the earlier of 30 days after receipt of the auditor's report, or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audit. If this was not done, then a federal single audit was not "completed" for purposes of this low risk auditee determination.

The Authority was required to have a single audit performed in 2009 because federal expenditures exceeded \$500,000. A single audit was not performed, thus the 2009 data collection form was not filed within the required timeframe. As a result the Authority will not qualify as a low auditee for at least two years.

Policies and procedures should be implemented to help assure that the Authority identifies the need for a Single Audit in a timely manner.

OFFICIALS' RESPONSE: The board was unaware of the requirement to have a single audit performed in 2009, due to the amount of funding received. In the future, we will make certain to adhere to this requirement.



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ALLEN COUNTY REGIONAL AIRPORT AUTHORITY

ALLEN 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
SEPTEMBER 20, 2011**