



Dave Yost • Auditor of State





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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Portage County Regional Airport Authority  
Portage County  
4039 Nanway Blvd.  
Ravenna, Ohio 44266

We have performed the procedures enumerated below, with which the Board of Trustees and the management of the Portage County Regional Airport Authority (the Airport) agreed, solely to assist the Board in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2013 and 2012, and certain compliance requirements related to these transactions and balances. Management is responsible for recording transactions; and management and the Board are responsible for complying with the compliance requirements. This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. The sufficiency of the procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

This report only describes exceptions exceeding \$10.

### Cash

1. We tested the mathematical accuracy of the December 31, 2013 and December 31, 2012 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2012 beginning fund balances recorded in the General and FAA/ODOT Fund Financial Reports to the December 31, 2011 balances in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2013 beginning fund balances recorded in the General and FAA/ODOT Fund Financial Reports to the December 31, 2012 balances in the General and FAA/ODOT Fund Financial Reports. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2013 and 2012 fund cash balances reported in the Expenditure and Receipt Registers. The amounts agreed.
4. We observed the year-end bank balances on the financial institution's website. The balances agreed. We also agreed the observed balances to the amounts appearing in the December 31, 2013 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2013 bank reconciliation:
  - a. We traced each debit to the subsequent January bank statement. We found no exceptions.

### **Cash – (Continued)**

- b. We traced the amounts and dates to the check register, to determine the debits were dated prior to December 31. We noted no exceptions.
6. We tested interbank account transfers occurring in December of 2012 to determine if they were properly recorded in the accounting records and on each bank statement. We found no exceptions.

### **Intergovernmental and Other Confirmable Cash Receipts**

1. We selected five receipts from the State Distribution Transaction List (DTL) from 2012. We also selected five receipts from the County Auditor's Confirmation Report from 2013 and five from 2012.
  - a. We compared the amount from the above reports to the amount recorded in the Receipt Register. The amounts agreed.
  - b. We determined whether these receipts were allocated to the proper fund. We found no exceptions.
  - c. We determined whether the receipts were recorded in the proper year. We found no exceptions.
2. We confirmed the amounts paid from the Federal Aviation Administration (FAA) to the Airport during 2012, as documented by direct deposits into the Airport's bank account, to the Airport's FAA/ODOT Account Register. We found no exceptions.
  - a. We determined whether these receipts were allocated to the proper funds. We found no exceptions.
  - b. We determined whether the receipts were recorded in the proper year. We found no exceptions.

### **Rent Receipts**

We haphazardly selected 10 rent cash receipts from the year ended December 31, 2013 and 10 rent cash receipts from the year ended December 31, 2012 recorded in the Revenue Line Category Report and determined whether the:

- a. Receipt amount agreed to the amount recorded in the Receipt Register. The amounts agreed.
- b. Amount charged complied with rates in force during the period. We found no exceptions.
- c. Receipt was posted to the proper fund, and was recorded in the proper year. We found no exceptions.

### **Over-The-Counter Cash Receipts**

We selected the over-the-counter cash receipt from the year ended December 31, 2013 recorded in the Revenue Line Category Report and determined whether the:

- a. Receipt amount agreed to the amount recorded in the Receipt Register. The amount agreed.
- b. Receipt was posted to the proper fund, and was recorded in the proper year. We found no exception.

**Debt**

1. From the prior agreed-upon procedures documentation, we noted the following note and loan outstanding as of December 31, 2011. These amounts agreed to the Airport's January 1, 2012 balances on the summary we used in step 3.

<b>Issue</b>	<b>Principal outstanding as of December 31, 2011:</b>
Chinn Aviation Note	\$273,994
Portage County Board of Commissioners Loan	\$377,100

2. We inquired of management, and scanned the Register Report for evidence of debt issued during 2013 or 2012 or debt payment activity during 2013 or 2012. All debt noted agreed to the summary we used in step 3.
3. We obtained a summary of note and loan debt activity for 2013 and 2012 and agreed principal and interest payments from the related debt invoices to general fund payments reported in the Register Report. We also compared the date the debt service payments were due to the date the Airport made the payments. We found no exceptions.

**Payroll Cash Disbursements**

1. We haphazardly selected one payroll check for all employees from 2013 and one payroll check for all employees from 2012 from the Individual Payroll Report and:
  - a. We compared the hours and pay rate recorded in the Individual Payroll Report to supporting documentation (timecard or legislatively approved rate). We found no exceptions.
  - b. We recomputed gross and net pay and agreed it to the amount recorded in the payroll register. We found no exceptions.
  - c. We determined whether the fund and account codes to which the check was posted was reasonable based on the employees' duties as documented in the minute record. We also determined whether the payment was posted to the proper year. We found no exceptions.
2. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2013 to determine whether remittances were timely paid, and if the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period of 2013. We noted the following:

<b>Withholding (plus employer share, where applicable)</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Due</b>	<b>Amount Paid</b>
Federal income taxes & Medicare	January 31, 2014	January 20, 2014	\$58.46	\$58.46
State income taxes	January 31, 2014	January 7, 2014	\$11.82	\$11.82
OPERS retirement	January 30, 2014	January 8, 2014	\$301.44	\$301.44

### **Non-Payroll Cash Disbursements**

1. From the Expenditure Register, we re-footed checks recorded as General Fund disbursements for fuel for 2013. We found no exceptions.
2. We haphazardly selected ten disbursements from the Expenditure Register for the year ended December 31, 2013 and ten from the year ended 2012 and determined whether:
  - a. The disbursements were for a proper public purpose. We found no exceptions.
  - b. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the Expenditure Register and to the names and amounts on the supporting invoices. We found no exceptions.
  - c. The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used. We found no exceptions.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the Airport's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management, those charged with governance, and others within the Airport, and is not intended to be, and should not be used by anyone other than these specified parties.



**Dave Yost**  
Auditor of State

Columbus, Ohio

April 30, 2014



# Dave Yost • Auditor of State

**PORTAGE COUNTY REGIONAL AIRPORT AUTHORITY**

**PORTAGE 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  
MAY 22, 2014**