



OHIO AUDITOR OF STATE
KEITH FABER



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Belmont County Regional Airport Authority
Belmont County
P.O. Box 83
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We have completed certain procedures in accordance with Ohio Rev. Code § 117.01(G) to the accounting records and related documents of the Belmont County Regional Airport Authority, Belmont County, Ohio (the Authority), for the years ended December 31, 2019 and 2018.

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 Authority's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Authority's financial statements, transactions or balances for the years ended December 31, 2019 and 2018.

The Authority'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 found the following significant compliance or accounting issues to report.

Current Year Observations

1. **Ohio Rev. Code § 149.351(A)** states, in part, all records are the property of the public office concerned and shall not be removed, destroyed, mutilated, transferred, or otherwise damaged or disposed of, in whole or in part, except as provided by law or under the rules adopted by the records commissions provided for under §§ 149.38 to 149.42 of the Revised Code. Those records shall be delivered by outgoing officials and employees to their successors and shall not be otherwise removed, destroyed, mutilated, or transferred unlawfully. Additionally, management is responsible for designing and implementing internal control policies and procedures to reasonably ensure specific financial objectives will be achieved. A sound internal control structure requires documented procedures to provide management with reasonable assurance that recorded transactions occurred and are not fictitious. This includes maintaining sufficient supporting documentation such as purchase orders, invoices, and vouchers for all disbursements.

The Authority did not always maintain supporting documentation to support receipts and expenditures. We noted the following:

- The Authority began use of a credit card in late 2019. The Authority did not provide supporting itemized receipts for \$70 worth of credit card charges. Failure to maintain the appropriate supporting documentation could allow payments to be made for items not received and allow other errors or irregularities to occur and remain undetected.

Current Year Observations (Continued)

1. Ohio Rev. Code § 149.351(A) (Continued)

- The Authority charges rent for anyone who wants to store their airplane in a hangar. Several rental contracts could not be found and several rental contracts were for individuals renting a hangar that paid no money to the airport during the audit period. No support was on file or approved by the Authority to determine if the proper rates were charged nor could completeness of receipts be determined.

Supporting documentation should be maintained by the Fiscal Officer in accordance with record retention policies for each receipt and disbursement, including a voucher with the original invoice attached, purchase order information, copy of check received with a pay-in detailing information for the receipt including payee, date, reason, and amount and any other supporting documentation applicable to the receipt or disbursement.

- 2. Ohio Rev. Code § 149.43(B)(2)** requires the Authority to have available a copy of its current records retention schedule at a location readily available to the public. The Authority did not establish a records retention schedule. The Board of Trustees should approve a records retention policy.
- 3. 26 U.S.C. § 3403** states, in part, the employer shall be liable for the payment of the tax required to be deducted and withheld under this chapter.

During 2019, we noted the Authority was not paying medicare and social security taxes in full and timely. The Internal Revenue Service billed the Authority for collections due along with numerous penalties and late fees. Fourth Quarter withholdings for both employer and employee FICA taxes in 2019 have not yet been paid in full.

The Authority should remit withholdings to the appropriate federal and state agencies in a timely manner. Additionally, the Authority should review payroll records and remit any unpaid withholdings due. This will help ensure the Authority complies with various federal and state laws and reduce the likelihood of interest and penalties.



Keith Faber
Auditor of State
Columbus, Ohio

June 16, 2020

OHIO AUDITOR OF STATE
KEITH FABER



BELMONT COUNTY REGIONAL AIRPORT AUTHORITY

BELMONT 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
JUNE 30, 2020**