

Aeronautics Commission

BISMARCK, NORTH DAKOTA

Audit Report

For the Biennium
June 30, 2015



Office of the State Auditor
Division of State Audit

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STATE OF NORTH DAKOTA
OFFICE OF THE STATE AUDITOR
STATE CAPITOL
600 E. BOULEVARD AVENUE – DEPT 117
BISMARCK, NORTH DAKOTA 58505

Transmittal Letter

May 23, 2016

The Honorable Jack Dalrymple, Governor
Members of the North Dakota Legislative Assembly
Mr. Kyle Wanner, Director

We are pleased to submit this audit of the Aeronautics Commission for the biennium ended June 30, 2015. This audit resulted from the statutory responsibility of the State Auditor to audit or review each state agency once every two years. The same statute gives the State Auditor the responsibility to determine the contents of these audits.

In determining the contents of the audits of state agencies, the primary consideration was to determine how we could best serve the citizens of the state of North Dakota. Naturally we determined financial accountability should play an important part of these audits. Additionally, operational accountability is addressed whenever possible to increase efficiency and effectiveness of state government.

The in-charge auditor for this audit was Allison Bader. Krista Lambrecht, CPA, and Megan Reis were the staff auditors. Cindi Pedersen, CPA, was the audit manager. Inquiries or comments relating to this audit may be directed to the audit manager by calling (701) 328-4743. We wish to express our appreciation to Mr. Wanner and his staff for the courtesy, cooperation, and assistance they provided to us during this audit.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Bob Peterson".

Robert R. Peterson
State Auditor

Executive Summary

Introduction

The North Dakota Aeronautics Commission was established in 1947 by the State Legislature assigning responsibility for the state aviation functions. The Governor appoints the five members of the Aeronautics Commission to the board for five year terms. The Commission staff is composed of the Director and five support staff.

The Legislative Audit and Fiscal Review Committee (LAFRC) requests that certain items be addressed by auditors performing audits of state agencies. Those items and the Office of the State Auditor's responses are noted below.

Responses to LAFRC Audit Questions

1. What type of opinion was issued on the financial statements?

Financial statements were not prepared by the Aeronautics Commission in accordance with generally accepted accounting principles so an opinion is not applicable. The agency's transactions were tested and included in the state's basic financial statements on which an unmodified opinion was issued.

2. Was there compliance with statutes, laws, rules, and regulations under which the agency was created and is functioning?

Yes.

3. Was internal control adequate and functioning effectively?

Other than our findings addressing the "lack of segregation of duties surrounding revenue collections" (page 9) and "inadequate controls surrounding disposal of fixed assets" (page 11), we determined internal control was adequate.

4. Were there any indications of lack of efficiency in financial operations and management of the agency?

No.

5. Has action been taken on findings and recommendations included in prior audit reports?

There were two recommendations in the prior audit report. Except "lack of segregation of duties surrounding revenue collections" as shown on page 15, the Aeronautics Commission implemented the additional recommendation included in the prior audit report.

6. Was a management letter issued? If so, provide a summary below, including any recommendations and the management responses.

Yes, a management letter was issued and is included on page 16 of this report, along with management's response.

LAFRC Audit Communications

7. *Identify any significant changes in accounting policies, any management conflicts of interest, any contingent liabilities, or any significant unusual transactions.*

There were no significant changes in accounting policies, no management conflicts of interest were noted, no contingent liabilities were identified or significant unusual transactions.

8. *Identify any significant accounting estimates, the process used by management to formulate the accounting estimates, and the basis for the auditor's conclusions regarding the reasonableness of those estimates.*

The Aeronautics Commission's financial statements do not include any significant accounting estimates.

9. *Identify any significant audit adjustments.*

Significant audit adjustments were not necessary.

10. *Identify any disagreements with management, whether or not resolved to the auditor's satisfaction relating to a financial accounting, reporting, or auditing matter that could be significant to the financial statements.*

None.

11. *Identify any serious difficulties encountered in performing the audit.*

None.

12. *Identify any major issues discussed with management prior to retention.*

This is not applicable for audits conducted by the Office of the State Auditor.

13. *Identify any management consultations with other accountants about auditing and accounting matters.*

None.

14. *Identify any high-risk information technology systems critical to operations based on the auditor's overall assessment of the importance of the system to the agency and its mission, or whether any exceptions identified in the six audit report questions to be addressed by the auditors are directly related to the operations of an information technology system.*

ConnectND Finance, Human Resource Management System (HRMS), and AIMS (Aviation Information Management System) are high-risk information technology systems critical to the Aeronautics Commission.

Audit Objectives, Scope, and Methodology

Audit Objectives

The objectives of this audit of the Aeronautics Commission for the biennium ended June 30, 2015 were to provide reliable, audited financial statements and to answer the following questions:

1. What are the highest risk areas of the Aeronautics Commission's operations and is internal control adequate in these areas?
2. What are the significant and high-risk areas of legislative intent applicable to the Aeronautics Commission and are they in compliance with these laws?
3. Are there areas of the Aeronautics Commission's operations where we can help to improve efficiency or effectiveness?

Audit Scope

This audit of the Aeronautics Commission is for the biennium ended June 30, 2015. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The Aeronautics Commission's sole location is its Bismarck office which was included in the audit scope.

Audit Methodology

To meet the objectives outlined above, we:

- Prepared financial statements from the legal balances on the state's accounting system tested as part of this audit and the audit of the state's Comprehensive Annual Financial Report and developed a discussion and analysis of the financial statements.
- Performed detailed analytical procedures including computer-assisted auditing techniques. These procedures were used to identify high-risk transactions and potential problem areas for additional testing.
- Tested internal control and compliance with laws and regulations which included selecting representative samples to determine if controls were operating effectively and to determine if laws were being followed consistently. Non-statistical sampling was used and the results were projected to the population. Where applicable, populations were stratified to ensure that particular groups within a population were adequately represented in the sample, and to improve efficiency by gaining greater control on the composition of the sample.
- Interviewed appropriate agency personnel.
- Queried the ConnectND (PeopleSoft) system. Significant evidence was obtained from ConnectND.

- Observed Aeronautics Commission's processes and procedures.
- Surveyed employees of the Aeronautics Commission for evaluation of employees' response to the following:
 - Actual, suspected, or allegations of fraud;
 - Non-compliance with laws or regulations;
 - Inappropriate or unusual financial corrections or accounting adjustments;
 - Management's communication of the importance of ethical behavior and appropriate business practices;
 - Management's oversight over financial reporting, operational compliance, and internal control procedures;
 - Timely corrective action by management of internal control deficiencies;
 - Reporting lines, authorities, and responsibilities assigned to knowledgeable individuals;
 - Individuals held accountable for internal control responsibilities;
 - Process for information on fraud, waste, or abuse to be submitted in an anonymous or confidential manner; and,
 - Contingency plans for succession planning or unplanned leave of absence of employees to allow for uninterrupted services to the public.

In aggregate there were no significant limitations or uncertainties related to our overall assessment of the sufficiency and appropriateness of audit evidence.

Discussion and Analysis

The accompanying financial statements have been prepared to present the Aeronautics Commission's revenues and expenditures on the legal (budget) basis. The accompanying financial statements are not intended to be presented in accordance with generally accepted accounting principles (GAAP).

For the biennium ended June 30, 2015, operations of the Aeronautics Commission were primarily supported by appropriations from the Aeronautics Commission Special Fund. In addition to revenues collected by the Aeronautics Commission, the Special Fund also receives aviation fuel tax which is deposited by the Tax Department. The majority of collections to the Special Fund are from aviation fuel tax, excise taxes and aircraft registration and licensing fees. Operations were supplemented by federal and general funds.

Financial Summary

Revenues of the Aeronautics Commission consisted primarily of aircraft excise tax collections, federal revenue, and aircraft licenses and registrations. Aircraft excise tax decreased as a result of the decrease in aircraft sales. Aircraft sales recently peaked in 2014 due to increased aviation use throughout the state related to oil and gas activity in western North Dakota. Remaining revenues all remained fairly constant for the Aeronautics Commission. Total revenues were \$1,726,737 for the year ended June 30, 2015 as compared to \$1,982,968 for the year ended June 30, 2014.

Total expenditures for the Aeronautics Commission were \$8,929,559 for the year ended June 30, 2015 as compared to \$6,956,078 for the prior year. The increase in total expenditures reflects primarily an increase in expenditures for airport grants. All other expenditures remained fairly constant.

Analysis of Significant Variances - Budgeted and Actual Expenditures

The excess of grants appropriations over actual expenditures were due to airport projects that were not completed to receive the reimbursement funding from the Aeronautics Commission. Construction carryover appropriation is requested for the following biennium to make reimbursement payments as projects are completed. The Aeronautics Commission received construction carryover appropriation in the 2015-2017 biennium of \$1,888,909.

Financial Statements

Statement of Revenues and Expenditures

	<u>June 30, 2015</u>	<u>June 30, 2014</u>
<u>Revenues:</u>		
Aircraft Excise Tax	\$ 1,287,231	\$1,553,607
Federal Revenue	304,876	299,521
Aircraft Licenses and Registrations	134,590	121,543
Miscellaneous Revenue	40	8,297
Total Revenues	<u>\$ 1,726,737</u>	<u>\$ 1,982,968</u>
<u>Expenditures:</u>		
Grants to Airports	\$ 7,549,990	\$ 5,896,287
Consulting and Engineering Services	486,870	364,235
Salaries and Benefits	481,744	416,514
Repairs	92,484	66,254
Land Improvements	85,679	
Rental of Rooms, Buildings, and Equipment	47,836	44,653
Equipment Under \$5,000	39,299	1,283
Travel	31,448	18,980
Supplies	29,026	57,627
Information Technology Services	22,447	23,895
Professional Development	17,218	14,184
Printing	14,519	16,259
Postage	7,388	5,673
Insurance	7,209	8,605
Miscellaneous Expenses	16,402	21,629
Total Expenditures	<u>\$ 8,929,559</u>	<u>\$ 6,956,078</u>

Statement of Appropriations

For The Biennium Ended June 30, 2015

Expenditures by Line Item:	<u>Original Appropriation</u>	<u>Adjustments</u>	<u>Final Appropriation</u>	<u>Expenditures</u>	<u>Unexpended Appropriation</u>
Salaries and Wages	\$ 1,135,606	\$ (11,922)	\$ 1,123,684	\$ 859,794	\$ 263,890
Accrued Leave Payments	10,772	11,922	22,694	22,694	
Operating Expenses	1,977,049	300,000	2,277,049	1,556,922	720,127
Capital Assets Construction	390,000		390,000		390,000
Carryover		2,233,511	2,233,511	1,516,704	716,807
Grants	15,500,000	(300,000)	15,200,000	11,929,523	3,270,477
Totals	<u>\$ 19,013,427</u>	<u>\$ 2,233,511</u>	<u>\$ 21,246,938</u>	<u>\$ 15,885,637</u>	<u>\$ 5,361,301</u>
Expenditures by Source:					
General Fund	\$ 6,550,000		\$ 6,550,000	\$ 6,550,000	
Other Funds	12,463,427	\$ 2,233,511	14,696,938	9,335,637	\$ 5,361,301
Totals	<u>\$ 19,013,427</u>	<u>\$ 2,233,511</u>	<u>\$ 21,246,938</u>	<u>\$ 15,885,637</u>	<u>\$ 5,361,301</u>

Appropriation Adjustments:

The \$11,922 transfer from the Salaries and Wages line to the Accrued Leave Payments line was in accordance with the House Bill 1015, Section 14 of the 2013 Legislative Session for the payment of vacation and sick leave balances for employees that resigned or retired during the biennium.

The \$300,000 transfer from the Grants line to the Operating Expenses Line was to update the Commission's Economic Impact of Aviation study. The transfer was approved by the Emergency Commission.

The \$2,233,511 increase in the Construction Carryover line item was approved by the Carryover Committee for airport construction amounts provided throughout the state.

Internal Control

In our audit for the biennium ended June 30, 2015, we identified the following areas of the Aeronautic Commission's internal control as being the highest risk:

Internal Controls Subjected to Testing:

- Controls surrounding the segregation of duties and reconciliation procedures to ensure proper receipt and deposit of revenue collections.
- Controls surrounding the approval of expenditures and correcting entries in the ConnectND (PeopleSoft) system.
- Controls surrounding the reconciliation and approval of state purchase card expenditures.
- Controls surrounding the ConnectND (PeopleSoft) system.

The criteria used to evaluate internal control is published in the publication *Standards for Internal Control in the Federal Government* issued by the Comptroller General of the United States (Green Book, GAO-14-704G). Agency management must establish and maintain effective internal control in accordance with policy of the Office of Management and Budget (OMB Policy 216) and, for programs receiving federal funds, the Code of Federal Regulation as set forth by the Federal Government (2 CFR 200.303).

We gained an understanding of internal control surrounding these areas and concluded as to the adequacy of their design. We also tested the operating effectiveness of those controls we considered necessary based on our assessment of audit risk. We concluded that internal control was not adequate, noting certain matters involving internal control and its operation that we consider to be significant deficiencies.

Auditors are required to report deficiencies in internal control that are significant within the context of the objectives of the audit. A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect: (1) misstatements in financial or performance information; (2) violations of laws and regulations; or (3) impairments of effectiveness or efficiency of operations, on a timely basis. Considering both qualitative and quantitative factors, we identified the following significant deficiencies in internal control. We also noted other matters involving internal control that we have reported to management of Aeronautics Commission in a management letter dated May 23, 2016.

Lack of Segregation of Duties Surrounding Revenue Collections (Finding 15-1)

Condition:

The Aeronautics Commission has not properly segregated duties of employees with access to revenue collections. Two employees handle revenue collections received through the mail or counter walk-in and cash is being passed between these two individuals. These individuals also have access to the Aviation Information Management System (AIMS) in which: revenue is recorded; receipts, registrations, and licenses are generated; and, summary reports used for reconciliation purposes are created.

Criteria:

According to the "Standards of Internal Control in the Federal Government", control activities must be designed, including segregation of duties, to help prevent fraud, waste, and abuse. Management needs to separate control activities for custody of collections to achieve adequate segregation of duties. Assigning different people responsibilities for authorizing transactions, recording transactions, reconciling information, and maintaining custody of assets reduces the opportunity for any one employee to conceal errors or perpetrate fraud in the normal course of his or her duties. (GAO-14-704G para.10.01, 10.13).

Cause:

The Aeronautics Commission has not adequately reviewed the potential risk of fraud surrounding the handling of revenue collections and the passing of cash. In addition, the Aeronautics Commission did not implement the prior formal recommendation to properly segregate duties surrounding revenue collections and access to the computer system where licenses and registrations are generated and printed.

Effect or Potential Effect:

During fiscal years 2014 and 2015, the Aeronautics Commission received revenue for aircraft registrations, excise taxes, various licenses, and miscellaneous sales totaling approximately \$3 million. Any reconciliation procedures to ensure revenue is received and all revenue is properly deposited are ineffective until access to collections is properly segregated from individuals with access to issue receipts, registrations, and licenses. Also, the custody of cash receipts by more than one person increases the risk of money going missing without identifying responsibility.

Recommendation:

We recommend the Aeronautics Commission properly segregate duties surrounding revenue collections. Individuals with access to collections should not have access to the computer system where licenses and registrations are generated and printed. Once this is accomplished, the Aeronautics Commission should implement proper reconciling procedures to ensure all revenue is collected and deposited.

Aeronautics Commission Response:

The Aeronautics Commission agrees with the finding regarding the need to segregate duties surrounding revenue collections. The agency has implemented the recommended changes by shifting employee responsibilities and implementing additional controls. The Aviation Information Management System has also been secured for utilization by the appropriate employees.

Inadequate Controls Surrounding Disposal of Fixed Assets (Finding 15-2)

Condition:

The Aeronautics Commission does not have adequate controls surrounding disposal of fixed assets. The Commission identified 25 items removed from the fixed asset records in fiscal year 2014. The following errors were noted:

- 9 assets did not have support of being properly sent Surplus Property. These items included 2 desktop computers, 2 laptop computers, printer, fax machine, and office furniture.
- 3 assets were listed more than once on the deleted items list;
- 1 asset was sent to Surplus Property with the wrong asset tag and/or serial number recorded; and,
- 3 assets that were still possessed were listed on the deleted items list and/or Surplus Property disposal forms.

Criteria:

According to the "Standards for Internal Control in the Federal Government," management is to design an internal control system to provide reasonable assurance regarding prevention or prompt detection and correction of unauthorized acquisition, use, or disposition of an entity's assets. (GAO-14-704G para OV2.24)

North Dakota Century Code 54-44-04.06 requires that the person in charge of any department, agency, or institution of the state shall inform the director of the Office of Management and Budget or the director's designee whenever that department, agency, or institution possesses property surplus to its needs, whether originally obtained with state or other funds.

Cause:

The Aeronautics Commission is not maintaining adequate records surrounding fixed assets.

Effect or Potential Effect:

Without adequate controls surrounding fixed assets, the agency is unaware of the assets they possess and there is an increased risk of theft of assets.

Recommendation:

We recommend the Aeronautics Commission improve controls surrounding fixed assets to ensure:

- All asset disposals are processed through Surplus Property and disposal records maintained;
- Surplus property records are completed accurately; and,
- Inventory records are accurate.

Aeronautics Commission Response:

The Aeronautics Commission agrees with the finding regarding the need to improve the controls surrounding the disposal of fixed assets. The agency will work to ensure that the proper documentation is kept regarding disposal records and that inventory records are maintained and accurate.

Compliance With Legislative Intent

In our audit for the biennium June 30, 2015, we identified and tested the Aeronautics Commission's compliance with legislative intent for the following areas we determined to be significant and of higher risk of noncompliance:

- Compliance with appropriation laws (2013 Session Laws), including \$6,550,000 from the general fund for grants to airports (chapter 37, sections 1 and 2)
- Proper deposit of the aircraft excise tax to the Aeronautics Commission special fund in accordance with NDCC 57-40.5-09.
- Proper deposit of the aircraft registration fees to the Aeronautics Commission special fund in accordance with NDCC 2-05-11.
- Proper deposit of permanent aircraft registration fees to the Aeronautics Commission special fund in accordance with NDCC 2-05-11.3.
- Proper deposit of aerial sprayer license fees to the Aeronautics Commission special fund in accordance with NDCC 2-05-18.
- Proper deposit of aircraft dealer license fees to the Aeronautics Commission special fund in accordance with NDCC 2-08-03.
- Proper deposit of ultralight vehicle dealer license fees to the Aeronautics Commission special fund in accordance with NDCC 2-08-04.
- Grants are provided up to 90% of project costs from aviation fuel tax to qualifying political subdivisions or airport authorities and for proper airport construction of improvement projects in accordance with NDCC 57-43.3-06.
- Proper use and authorization of the Aeronautics Commission special fund (NDCC 57-43.3-06)
- Proper use of the State Treasurer (State Constitution, article X, section 12).
- Compliance with appropriations (2013 North Dakota Session Laws, chapter 37 and Carryover Committee authorizations).
- Compliance with OMB's Purchasing Procedures Manual and Purchase Card Manual.
- Adequate blanket bond coverage of employees (NDCC section 26.1-21-08).
- Compliance with fixed asset requirements including record-keeping, annual inventory, and surplus property in accordance with OMB policy.
- Compliance with payroll-related laws, including statutory salaries for applicable elected and appointed positions, and certification of payroll.

The criteria used to evaluate legislative intent are the laws as published in the *North Dakota Century Code* and the *North Dakota Session Laws*.

Government Auditing Standards require auditors to report all instances of fraud and illegal acts unless they are inconsequential within the context of the audit objectives. Further, auditors are required to report significant violations of provisions of contracts or grant agreements, and significant abuse that has occurred or is likely to have occurred.

The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. Thus, we concluded there was compliance with the legislative intent identified above.

While we did not find any items that were required to be reported in accordance with *Government Auditing Standards*, we noted certain inconsequential or insignificant instances of non-compliance that we have reported to management of the Aeronautics Commission in a management letter dated May 23, 2016.

Operations

Our audit of the Aeronautics Commission included a review of operations surrounding the grants to airports impacted by oil and gas development.

Airport Grants

Background:

House Bill 1358, section 9 of the 2013 Legislative Session appropriated \$60 million to the Board of University and School Lands for the purpose of providing grants to airports impacted by oil and gas development. The Energy Infrastructure and Impact Office, a division of the Department of Trust Lands, was further directed in House Bill 1358, section 9 to adopt grant procedures and requirements for distribution of the grants to include priority for projects that have been awarded or are eligible to receive federal funding. The Board approved the Aeronautics Commission as the formal advisory agency for the airport grants. Recommendation for awards of oil and gas impact grant funds to airports were reviewed and approved by the Aeronautics Commission. The Aeronautics Commission also performs oversight procedures of project requests for reimbursement and project completion.

Our audit of the Aeronautics Commission's procedures surrounding Airport Grants was designed and conducted to meet the following objectives:

- Does the Aeronautics Commission have proper procedures to identify qualifying airport projects to the Energy Infrastructure and Impact Office including:
 - Airports impacted by oil and gas development; and
 - Priority for projects that have been awarded or are eligible to receive federal funding?
- Does the Aeronautics Commission have proper monitoring procedures to ensure airport grant payments requested from the Energy Infrastructure and Impact Office are based on reimbursement of project invoices and project completion reviewed by the Aeronautics Commission?

The results of our testing did not identify any significant instances of inefficient operations. In addition, there were no inconsequential items related to operations noted.

Prior Recommendations Not Implemented

Prior recommendations have been implemented with the exception of the following:

Lack of Segregation of Duties Surrounding Revenue (Finding 13-1)

Recommendation:

We recommend the Aeronautics Commission properly segregate duties surrounding revenue collections. Individuals with access to collections should not have access to the computer system where licenses and registrations are generated and printed. Once this is accomplished, the Aeronautics Commission should implement proper reconciling procedures to ensure all revenue is collected and deposited.

Status: Not implemented. See finding 15-1 on page 9.

Management Letter (Informal Recommendations)

May 23, 2016

Mr. Kyle Wanner, Executive Director
Aeronautics Commission
PO Box 5020
Bismarck, ND 58502

Dear Mr. Wanner:

We have performed an audit of the Aeronautics Commission for the biennium ended June 30, 2015, and have issued a report thereon. As part of our audit, we gained an understanding of the Aeronautics Commission's internal control structure to the extent we considered necessary to achieve our audit objectives. We also performed tests of compliance as described in the same report.

Our audit procedures are designed primarily to enable us to report on our objectives including those related to internal control and compliance with laws and regulations and may not bring to light all weaknesses in systems and procedures or noncompliance with laws and regulations which may exist. We aim, however, to use our knowledge of your organization gained during our work to make comments and suggestions which we hope will be useful to you.

In connection with the audit, gaining an understanding of the internal control structure, and tests of compliance with laws and regulations referred to above, we noted certain conditions we did not consider reportable within the context of your audit report. These conditions relate to areas of general business practice or control issues that have no significant bearing on the administration of federal funds. We do, however, want to present our recommendations to you for your consideration and whatever follow-up action you consider appropriate. During the next audit we will determine if these recommendations have been implemented, and if not, we will reconsider their status.

The following present our informal recommendations.

Informal Recommendation 15-1: We recommend the Aeronautics Commission properly use state funds in accordance with the duties of the Aeronautics Commission as assigned in North Dakota Century Code 2-05-05.

Informal Recommendation 15-2: We recommend the Aeronautics Commission discontinue sharing of purchase cards between employees in accordance with the Office of Management and Budget's purchase card manual.

Informal Recommendation 15-3: We recommend the Aeronautics Commission establish controls to ensure meals are provided on a reimbursement basis to individuals in travel status within per-diem allowances in accordance with OMB Policy 505 and 217. In addition, the Aeronautics Commission should only reimburse meals for employees not in travel status when a necessary working lunch occurs.

Informal Recommendation 15-4: We recommend the Aeronautics Commission properly code expenditures for performing Federal Aviation Administration (FAA) contracted airport inspections to federal funds. We also recommend the Aeronautics Commission close federal funds in ConnectND when contracts are complete.

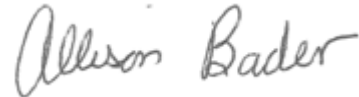
Informal Recommendation 15-5: We recommend the Aeronautics Commission ensure all employees annually sign acknowledgment of receipt and compliance with the code of ethics policy.

Informal Recommendation 15-6: We recommend the Aeronautics Commission develop contingency plans for key positions.

Management of Aeronautics Commission agreed with these recommendations.

I encourage you to call me or an audit manager at 328-2241 if you have any questions about the implementation of recommendations included in your audit report or this letter.

Sincerely,

A handwritten signature in cursive script that reads "Allison Bader".

Allison Bader
Auditor in-charge

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600 East Boulevard Avenue – Department 117
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