

OPERATIONAL AUDIT

**OKLAHOMA AERONAUTICS COMMISSION
CITY OF PERRY
PROJECT NUMBER F22-12-S
RUNWAY REHABILITATION AND OVERLAY**

For the Period May 10, 2012 through May 8, 2013



Oklahoma State
Auditor & Inspector
Gary A. Jones, CPA, CFE

**Audit Report of the
Oklahoma Aeronautics Commission
City of Perry - Project Number F22-12-S
Runway Rehabilitation and Overlay**

**For the Period
May 10, 2012 through May 8, 2013**



Oklahoma State Auditor & Inspector

2300 N. Lincoln Blvd. • State Capitol, Room 100 • Oklahoma City, OK 73105 • Phone: 405.521.3495 • Fax: 405.521.3426

July 8, 2013

TO THE OKLAHOMA AERONAUTICS COMMISSION

At management's request, we have conducted an audit of the Oklahoma Aeronautics Commission (Commission) – City of Perry (state project number F22-12-S) for the period May 10, 2012 through May 8, 2013. The objective of the audit was to determine whether expenditures paid to the City of Perry were in accordance with *Exhibit B-1 – Program Narrative* and *Exhibit B-2 – Project Costs* of the airport construction agreement.

According to Exhibit B-1 and Exhibit B-2, the project was to provide runway rehabilitation and overlay. The project was budgeted at \$444,444. The Commission's share of the budget was \$400,000 and the City of Perry's share was \$44,444.

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 that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

Our audit procedures included inquiries of appropriate Commission personnel, the project engineer, the Perry Director of Public Works, and the airport manager; inspection of all invoices and supporting documentation related to project reimbursements; and a physical inspection of the completed project conducted on June 26, 2013. **These procedures indicated that costs paid to the City of Perry by the Commission appeared to be in accordance with the *Program Narrative* and the *Project Costs*.**

This report is a public document pursuant to the Oklahoma Open Records Act (51 O.S. § 24A.1 et seq.), and shall be open to any person for inspection and copying.

Sincerely,

A handwritten signature in blue ink, appearing to read "Gary A. Jones".

GARY A. JONES, CPA, CFE
OKLAHOMA STATE AUDITOR & INSPECTOR

APPENDIX

**Oklahoma Aeronautics Commission
Operational Audit
Appendix- Project Costs (unaudited) and
Close Out Documentation**

The following information has been presented at the request of management. Therefore, we did not verify the data presented in the following schedules.

Category	Budget	Actual	Variance
Construction ¹	\$ 444,444.00	\$ 937,184.37 ¹	\$ (492,740.37)
Project Cost	<u>\$ 444,444.00</u>	<u>\$ 937,184.37</u>	<u>\$ (492,740.37)</u>

	Grant Amount	Actual	Variance
City's Share - 10%	\$ 44,000.00	\$ 44,000.00	\$ -
Commission's Share - 90%	<u>400,000.00</u>	<u>400,000.00</u>	<u>-</u>
	<u>\$ 444,000.00</u>	<u>\$ 444,000.00</u>	<u>\$ -</u>

¹ This project was executed in two phases. Phase I was supported with Federal Aviation Administration (FAA) funds and Phase II was supported with Commission funds. However, the construction costs were not separated into two phases. The "Actual" column represents the final **construction** costs for the entire project, the top portion of the "Variance" column represents the costs supported in Phase I by the FAA and the "Budget" column represents the costs supported by the Commission for Phase II.

**Oklahoma Aeronautics Commission
Operational Audit
Appendix- Project Costs (unaudited) and
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Description	Bid Unit	Bid Quantity	Unit Price Bid	Bid Amount	Actual Quantity	Actual Cost	Quantity Variance	Cost Variance
Site Preparation	L.S.	1.00	\$ 32,000.00	32,000.00	1.00	\$ 34,500.00	-	\$ (2,500.00)
Cold Milling (2")	S.Y.	42,755.00	2.75	117,576.25	42,755.00	117,576.25	-	-
Joint and Crack Repair	L.F.	45,900.00	1.98	90,882.00	45,900.00	90,882.00	-	-
Bituminous Surface Course	TON	4,880.00	114.65	559,492.00	4,427.05	507,561.28	453	51,930.72
Bituminous Material	GAL	17,960.00	3.65	65,554.00	17,000.00	62,050.00	960	3,504.00
First Application Aggregate	SY	44,890.00	1.75	78,557.50	42,575.33	74,506.83	2,315	4,050.67
Runway and Taxiway Painting	S.F.	43,700.00	0.98	42,826.00	42,130.00	41,287.40	1,570	1,538.60
Failed Subgrade Repair	L.S.	-	-	-	1.00	7,648.00	(1)	(7,648.00)
Failed Subgrade Repair	S.Y.	-	\$ -	-	12.90	1,172.61	(13)	(1,172.61)
TOTAL				\$ 986,887.75		\$ 937,184.37	¹	49,703.38

¹ This variance came from a change order and applied to total construction costs. However, it was not possible to ascertain whether Phase I or Phase II or both phases were affected. Therefore, no change order was indicated on the previous page.

**Oklahoma Aeronautics Commission
Operational Audit
Appendix- Project Costs (unaudited) and
Close Out Documentation**

NOTICE OF FINAL INSPECTION

Date: November 13, 2012
Project Number: F22-12-S
Airport: Perry Municipal Airport (F22)

TO: Oklahoma Aeronautics Commission
120 N. Robinson, Suite 1244 W
Oklahoma City OK 73102
(405) 604-6900 – phone
(405) 604-6919 – fax

FROM: Joseph C. Sober
Project Manager
1016 24th Avenue NW
Address
Norman, Oklahoma 73069
City/Town and Zip Code
(405) 329-2555
Area Code and Phone Number

This is to advise you that the above referenced project is complete and ready for final

inspection. The final inspection is scheduled to begin at 9:30 am
(Time)
on December 18, 2012 at Perry Municipal Airport (F22)
(Date) (Location)

Prior to making this request, I have carefully gone over this project and have found there to be no known plan omissions and that the work is complete and in reasonably close conformity with approved plans and specifications.

 Project Engineer
Signature of above named person Title of above named person

**Oklahoma Aeronautics Commission
Operational Audit
Appendix- Project Costs (unaudited) and
Close Out Documentation**

FINAL INSPECTION REPORT

Date: December 18, 2012 Project No: F22-12-S Airport: Perry Municipal Airport

TO: Oklahoma Aeronautics Commission
120 N. Robinson, Suite 1244 W
Oklahoma City OK 73102
(405) 804-8900 – phone
(405) 804-8919 – fax

FROM: Garver, LLC
Project Engineer, Mayor, City Manager
1016 24th Avenue NW
Address
Norman, Oklahoma 73069
City/Town and Zip Code
(405) 329-2555
Area Code and Phone Number

Final inspection on the above project was made by Curtis Brown, PE
(Project Manager)


on December 18, 2012 at Perry Municipal Airport
(Date) (Location)

Personnel attending inspection:

name-title-organization	name-title-organization

The project was found acceptable with the following exceptions: See the attached punch-list items.

Anticipated completion date for above exceptions: _____



Signature of above named person

Project Manager

Title of above named person

**Oklahoma Aeronautics Commission
Operational Audit
Appendix- Project Costs (unaudited) and
Close Out Documentation**

FINAL ACCEPTANCE NOTICE

Date: December 18, 2012
Project Number: F22-12-S
Airport: Perry Municipal Airport (F22)

TO: Oklahoma Aeronautics Commission
120 N. Robinson, Suite 1244 W
Oklahoma City OK 73102
(405) 604-6900 – phone
(405) 604-6919 – fax

FROM: Mary Rupp
City Manager
622 Cedar Street
Address
Perry, Oklahoma 73077
City/Town and Zip Code
(580) 336-9360
Area Code and Phone Number

This is to advise you that the exceptions found at the final inspection have been completed or corrected. The project is accepted by Mary Rupp
(City Manager)
on December 18, 2012 at Perry Municipal Airport
(Date) (Location)

 City Manager
Signature of above named person Title of above named person

NOTE: If no exceptions are found at the Final Inspection, submit this form at the same time the Final Inspection is completed, showing acceptance of the Project.



OFFICE OF THE STATE AUDITOR & INSPECTOR
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OKLAHOMA CITY, OK 73105-4896

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