

**OKLAHOMA
AERONAUTICS
COMMISSION**

**OKLAHOMA CITY
AIRPORT TRUST**

**PROJECT NUMBER
PWA-07-F**

**REVISED ENGINEERING
AND ADVERTISING
COSTS RELATED TO
RECONSTRUCTION
OF TAXIWAYS
A, A-1, AND A-3**

**FOR THE PERIOD
AUGUST 2, 2007 THROUGH
JULY 16, 2009**

OPERATIONAL AUDIT



Oklahoma State Auditor
& Inspector

**Audit Report of the
Oklahoma Aeronautics Commission
Oklahoma City Airport Trust - Project Number PWA-07-F
Revised Engineering and Advertising Costs
Related to Reconstruction of Taxiways A, A-1, and A-3**

**For the period
August 2, 2007 through July 16, 2009**

STATE AUDITOR AND INSPECTOR

STEVE BURRAGE, CPA
State Auditor

MICHELLE R. DAY, ESQ.
Chief Deputy



2300 N. Lincoln Boulevard State Capitol, Room 100 Oklahoma City, OK 73105-4801 Phone (405) 521-3495 Fax (405) 521-3426 www.sai.ok.gov

July 15, 2010

TO THE OKLAHOMA AERONAUTICS COMMISSION

Pursuant to your request, this is the audit report for the Oklahoma Aeronautics Commission for the period of August 2, 2007 through July 16, 2009. The Office of the State Auditor and Inspector is committed to serving the public interest by providing independent oversight and by issuing reports that serve as a management tool to the State. Our goal is to ensure a government that is accountable to the people of the State of Oklahoma.

We wish to take this opportunity to express our appreciation to the agency's staff for the assistance and cooperation extended to our office during the course of our engagement.

Sincerely,

A handwritten signature in blue ink, reading "Steve Burrage", is positioned above the printed name.

STEVE BURRAGE, CPA
STATE AUDITOR & INSPECTOR

Oklahoma Aeronautics Commission

Operational Audit

Background

The Oklahoma Aeronautics Commission (the Commission) was created to encourage, foster, and assist in the development of aeronautics in Oklahoma and to encourage the establishment and maintenance of public airports. This includes the preservation and improvement of the state's 114 public airports, which make up the state's airport system; and the promotion of the aviation industry, one of the top ten employers in Oklahoma, providing 143,700 jobs.

Oversight is provided by seven commission members. They are:

Kenneth Adams	Chair
Wes Stucky	Vice-Chair
Rick Armstrong	Secretary
Dave Amis	Member
Dr. David Conway	Member
Tom Stephenson	Member
Joe Harris	Member

The Oklahoma City Airport Trust (the Sponsor) applied for assistance from the Commission to reconstruct taxiways A, A-1, and A-3 at Wiley Post Airport due to deterioration and incompatible pavement strengths. The Commission committed \$163,684 to this \$2,782,987 project. The Sponsor pledged \$77,641 with the difference paid by the Federal Aviation Administration (FAA).

The Office of the State Auditor and Inspector issued a report related to project PWA-07-F on March 11, 2010. As a result of the audit finding issued in that report, the Sponsor sought amended engineering invoices from the project engineer for engineering costs specifically related to this project. These revised invoices were submitted to the Commission for partial reimbursement. The Sponsor opted not to seek reimbursement for the applicable advertising costs. The prior report should be read in conjunction with this report.

Purpose and Scope

This audit was conducted in response to the Commission's request.

The audit period covered was August 2, 2007 through July 16, 2009.

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 objectives. 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.

Objective 1 - Determine whether the revised engineering and advertising invoices submitted by the Oklahoma City Airport Trust are in accordance with "Exhibit B-1 - Program Narrative" and "Exhibit B-2 - Project Costs" of the airport construction agreement (state project number PWA-07-F).

Conclusion

The revised engineering invoices submitted by the Sponsor are in accordance with "Exhibit B-1 – Program Narrative" and "Exhibit B-2 – Project Costs" of the airport construction agreement.

Because revised advertising invoices could not be obtained, the Sponsor has waived its request for reimbursement for the Commission's share of advertising costs.

Methodology

To accomplish our objective, we performed the following:

- Reviewed the airport construction agreement;
- Interviewed the airport manager and the project engineer;
- Reviewed all original and revised invoices submitted by the engineer;
- Documented the expenditure process related to the construction project; and
- Observed the completed project.

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. Our objective was to determine whether revised engineering and advertising invoices submitted by the Oklahoma City Airport Trust (state project number PWA-07-F) were in accordance with “Exhibit B-1 – Program Narrative” and “Exhibit B-2 – Project Costs” of the airport construction agreement. Therefore, we did not conclude on the following schedule.

Category	Budget	Actual	Variance
Engineering	\$ 187,211.00	\$ 202,305.99	\$ (15,094.99)
Advertising	980.00	-	980.00
Total Eligible Project Cost	<u>\$ 188,191.00</u>	<u>\$ 202,305.99</u>	<u>\$ (14,114.99)</u>

Note: Because the Sponsor was unable to obtain revised invoices for advertising costs that separated the costs for this project from the remaining Wiley Post projects, they did not seek reimbursement.



**OFFICE OF THE STATE AUDITOR AND INSPECTOR
2300 N. LINCOLN BOULEVARD, ROOM 100
OKLAHOMA CITY, OK 73105-4896**

WWW.SAI.OK.GOV