

**BRYAN COUNTY PUBLIC FACILITIES AUTHORITY  
FINANCIAL STATEMENTS AND INDEPENDENT  
AUDITOR'S REPORT  
FOR THE YEAR ENDED JUNE 30, 2011**

**AUDITED BY  
KERRY JOHN PATTEN, C.P.A.**

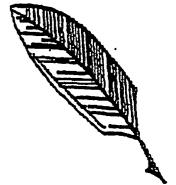
**BRYAN COUNTY PUBLIC FACILITIES AUTHORITY  
JUNE 30, 2011**

**TABLE OF CONTENTS**

|   | Page |
|---|------|
| Report of Independent Auditor .....   | 1    |
| Government-Wide Financial Statements -<br>Statement of Net Assets .....   | 2    |
| Statement of Activities.....  | 3    |
| Fund Financial Statements   |      |
| Balance Sheet.....  | 4    |
| Statement of Revenues, Expenses, and<br>Changes in Net Assets.....  | 5    |
| Notes to the Financial Statements .....   | 6    |
| Report on Compliance and on Internal Control over Financial Reporting<br>Based on an Audit of Financial Statements performed in Accordance<br>With <i>Government Auditing Standards</i> ..... | 12   |
| Schedule of Audit Results and Finds.....  | 13   |

# KERRY JOHN PATTEN, C.P.A.

2101 N. Willow Ave.  
Broken Arrow, OK 74012  
Phone Number (918) 250-8838  
FAX Number (918) 250-9853



---

## Independent Auditor's Report

Board of Trustees  
The Bryan County Public Facilities Authority  
Durant, Oklahoma

I have audited the financial statements of the Bryan County Public Facilities Authority (an Oklahoma Trust), a component unit of Bryan County, State of Oklahoma, as of June 30, 2011, as listed in the table of contents. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

As described in Note 2(G), the Authority does not record depreciation expense on its fixed assets. Generally accepted accounting principles require that property and equipment be capitalized and depreciated over the useful lives of the assets.

In my opinion, except that omission of depreciation on capital assets results in an incomplete presentation, as explained in the above paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of Bryan County Public Facilities Authority as of June 30, 2011, and the results of operations for the year then ended.

In accordance with *Government Auditing Standards*, I have also issued my report dated March 27, 2012, on my consideration of the Bryan County Public Facilities Authority's internal control structure and on its compliance with laws and regulations. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Bryan County Public Facilities Authority has not presented the "Management Discussion and Analysis" that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be a part of, the basic financial statements.

Kerry John Patten, C.P.A.  
March 27, 2012

**BRYAN COUNTY PUBLIC FACILITIES AUTHORITY**  
**A Component Unit of the County of Bryan, Oklahoma**  
**STATEMENT OF NET ASSETS**  
**JUNE 30, 2011**

|   | Governmental<br>Activities |
|---|----------------------------|
| <b><u>ASSETS</u></b>                            |                            |
| Cash and cash equivalents                       | \$ -                       |
| Restricted cash and investments                 | 197,786                    |
| Capital assets                                  |                            |
| Building  | 2,575,000                  |
| Total Assets                                    | \$ 2,772,786               |
| <b><u>LIABILITIES</u></b>                       |                            |
| Bonds payable                                   | \$                         |
| Accrued Interest payable                        | 9,568                      |
| Current portion                                 | -                          |
| Long-term                                       | 2,085,000                  |
| Total Liabilities                               | \$ 2,094,568               |
| <b><u>NET ASSETS</u></b>                        |                            |
| Invested in Capital Assets, net of related debt | \$ 490,000                 |
| Reserved for:                                   |                            |
| Debt service                                    | 188,218                    |
| Total Net Assets                                | \$ 678,218                 |

The notes to the financial statements are an integral part of this statement.

**BRYAN COUNTY PUBLIC FACILITIES AUTHORITY**  
**A Component Unit of the County of Bryan, Oklahoma**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2011**

|                                    |              | Program Revenues        |                                     |                       | Net (Expenses)<br>Revenue and<br>Changes in Net<br>Assets |
|------------------------------------|--------------|-------------------------|-------------------------------------|-----------------------|---|
|                                    | Expenses     | Charges for<br>Services | Operating Grants &<br>Contributions | Government Activities |   |
| <b>Governmental Activities</b>     |              |                         |                                     |                       |   |
| Interest                           | \$ (110,226) | \$ -                    | \$ -                                | \$ -                  | (110,226)   |
| Legal Fees                         | (1,500)      | -                       | -                                   | -                     | (1,500)   |
| Admin Fees                         | (2,719)      | -                       | -                                   | -                     | (2,719)   |
| Maintenance and Operation          | -            | -                       | -                                   | -                     | -   |
| Sub-Total Support                  | \$ (114,445) | \$ -                    | \$ -                                | \$ -                  | (114,445)   |
| Total governmental activities      | \$ (114,445) | \$ -                    | \$ -                                | \$ -                  | (114,445)   |
| <b>General revenues</b>            |              |                         |                                     |                       |   |
|                                    |              |                         |                                     | \$                    |   |
| Investment Income                  |              |                         |                                     |                       | 35  |
| Rental Income                      |              |                         |                                     |                       | 202,379   |
| Transfers In                       |              |                         |                                     |                       | -   |
| Total general revenues & transfers |              |                         |                                     | \$                    | 202,414   |
| <br>                               |              |                         |                                     |                       |   |
|                                    |              |                         |                                     |                       | 87,969  |
| Changes in net assets              |              |                         |                                     |                       | 87,969  |
| Net assets - beginning             |              |                         |                                     |                       | 590,249   |
| <br>                               |              |                         |                                     |                       |   |
| Net assets - ending                |              |                         |                                     | \$                    | 678,218   |

The notes to the financial statements are an integral part of this statement.

**BRYAN COUNTY PUBLIC FACILITIES AUTHORITY**  
**A Component Unit of the County of Bryan, Oklahoma**  
**BALANCE SHEET**  
**JUNE 30, 2011**

|  |        |                  | <u>Total</u>              |
|--|--------|------------------|---------------------------|
| <b><u>ASSETS</u></b>   |        |                  |                           |
| Cash & Investments   | \$     | -                |                           |
| Restricted Cash & Investments  |        |                  | <u>197,786</u>            |
| <br>Total Assets   | <br>\$ | <br>             | <br><u><u>197,786</u></u> |
| <b><u>LIABILITIES AND FUND BALANCES</u></b>  |        |                  |                           |
| <b>CURRENT LIABILITIES:</b>  |        |                  |                           |
| Accrued Interest Payable   | \$     | <u>9,568</u>     |                           |
| <br>Total Liabilities  | <br>\$ | <br>             | <br><u>9,568</u>          |
| <b><u>FUND BALANCES</u></b>  |        |                  |                           |
| Restricted   | \$     | 188,218          |                           |
| Unrestricted   |        | <u>-</u>         |                           |
| <br>Total Fund Balance   | <br>\$ | <br>             | <br><u><u>188,218</u></u> |
| <br>Total Liabilities and Fund Balance   |        |                  |                           |
| <br>Reconciliation of the Governmental Funds Balance<br>Sheet to Statement of Net Assets, June 30, 2011  |        |                  |                           |
| Capital assets used in Governmental Activities are not<br>current financial resources and therefore are not reported in the<br>governmental funds balance sheet. | \$     | 2,575,000        |                           |
| <br>Long term liabilities are not due and payable in the current year<br>and therefore are not reported in the governmental funds:                               |        |                  |                           |
| Due within one year  | \$     | -                |                           |
| Due in more than one year  |        | <u>2,085,000</u> |                           |
|  |        |                  | <u>(2,085,000)</u>        |
| <br>Net Assets   | <br>\$ | <br>             | <br><u><u>678,218</u></u> |

The notes to the financial statements are an integral part of this statement.

**BRYAN COUNTY PUBLIC FACILITIES AUTHORITY**  
**A Component Unit of the County of Bryan, Oklahoma**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS**  
**YEAR ENDED JUNE 30, 2011**

|   |    | Health<br>Department<br>Revenue Bond<br>Fund |
|---|----|--|
|   |    | <u>                    </u>                  |
| Operating revenues:                     |    |  |
| Commissary                              | \$ | -  |
| Jail Fees                               |    | -  |
| State Contract Fees                     |    | -  |
| Investment income                       |    | 35   |
| Miscellaneous                           |    | -  |
| Payment from primary government         |    | <u>202,379</u>                               |
| Total Revenues                          | \$ | <u>202,414</u>                               |
| Operating expenses:                     |    |  |
| Interest expense                        | \$ | 110,226                                      |
| Payroll                                 |    | -  |
| Maintenance & operation                 |    | -  |
| Capital outlay                          |    | -  |
| Admin Fees                              |    | 2,719  |
| Legal Fees                              |    | 1,500  |
| Payment of Note                         |    | <u>-</u>                                     |
| Total Expenses                          | \$ | <u>114,445</u>                               |
| Other financing sources:                |    |  |
| Bond proceeds                           | \$ | -  |
| Operating transfers in                  |    | -  |
| Operating transfers out                 |    | <u>-</u>                                     |
| Total other financing sources (uses)    | \$ | <u>-</u>                                     |
| Operating income                        | \$ | <u>87,969</u>                                |
| Net assets (deficit), beginning of year | \$ | <u>590,249</u>                               |
| Net assets (deficit), end of year       | \$ | <u><u>678,218</u></u>                        |

The accompanying notes are an integral part of these financial statements.

**BRYAN COUNTY PUBLIC FACILITIES AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011**

**1. Organization**

A. Creation of Trust

The Bryan County Public Facilities Authority (The Authority) is a public trust, created October 5, 1990, under Title 60 of the Oklahoma Statutes, Sections 176 to 180.3, to assist Bryan County in making the most efficient use of their resources and power in providing, expanding, improving and operating and maintaining buildings and facilities for public use or benefit of whatever nature.

**2. Summary of Significant Accounting Policies**

A. Component Unit

The Authority is a component unit of Bryan County, Oklahoma. Statement No. 14 of the Governmental Accounting Standards Board defines a component unit. That definition includes a legal entity that is a separate governmental organization but has the same board of trustees as the primary government.

B. Basis of Presentation

The financial statements of the Authority are prepared in accordance with generally accepted accounting principles ("GAAP") as applied to government units. The Governmental Accounting Standards Board ("GASB") is the standard-setting body for governmental accounting and financial reporting. Pronouncements of the Financial Accounting Standards Board ("FASB") issued after November 30, 1989, are not applied in the preparation of the financial statements of proprietary funds in accordance with an election made by the Authority under GASB Statement No. 20. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards, which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

C. Basis of Accounting

The financial statements of the Authority have been prepared on the accrual basis of accounting using the economic resources measurement focus. Revenues, expenses, gains, losses, assets and liabilities from exchange and exchange-like transactions are recognized when the exchange transaction takes place. The Authority first applies restricted net assets when an expense or outlay is incurred for purposes for which both restricted and unrestricted net assets are available.

D. Cash and Cash Equivalents

For purposes of reporting cash flows, the Authority considers all highly liquid debt instruments with an original maturity of three months or less when purchased

E. Investments

Investments consist primarily of obligations of the U.S. Treasury and various federal agencies, investment agreements with financial institutions and money market funds. These investments are held by bond trustees and invested in accordance with the requirements and terms of various bond indentures.

F. Capital Assets

Capital assets purchased or acquired are carried at historical cost.

G. Depreciation

Capital assets are not depreciated by the Authority.

H. Income Taxes

With regards to federal income taxes, the Authority is nontaxable as a political subdivision under Section 115(1) of the Internal Revenue Code, as amended.

**BRYAN COUNTY PUBLIC FACILITIES AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011**

**Summary of Significant Accounting Policies (continued)**

**I. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses and other changes in net assets during the reporting period.

**J. Memorandum Only – Total Column**

The total column on the financial statements is captioned “memorandum only” to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**3. Restricted Net Assets**

The bond indentures for the Health Department Revenue bonds provide that certain reserve accounts be established. The reserve accounts, as of June 30, 2011, are comprised of restricted net assets as follows:

|                                    |           |                |  |
|------------------------------------|-----------|----------------|--|
| Fiscal Agent                       | \$        | 0              |  |
| Reserve Account                    |           | 100,157        |  |
| Revenue                            |           | 97,608         |  |
| Interest                           |           | 21             |  |
|                                    |           | 21             |  |
| <b>Total Restricted Net Assets</b> | <b>\$</b> | <b>197,786</b> |  |

The bond indenture requires all lease payments received by the Authority from the Health Department be deposited in the trustee bank into a Revenue fund. The trustee is required to transfer one-sixth of the interest payable on the next ensuing interest payment and one-sixth of the principal maturing on the next maturity date to a principal account and an interest account.

Interest earned on investments of the Revenue account is transferred monthly to the interest account.

A debt service reserve account has been capitalized in an amount equal to one-half the average annual debt service requirement. Interest earned on investments of the debt reserve account is transferred monthly to the Interest account.

The construction account was established to account for the bond proceeds applicable to construction of the Health facility.

The fiscal agent makes debt service payments on behalf of the Authority. Cash is transferred to the agent before the principal and interest payments are due. Amounts are in accordance with a mandatory redemption schedule set forth in the bond indenture.

**4. Cash and Investments**

**Credit Risk**

Governmental Accounting Standards Board Statement No. 3 requires that deposits and investment be classified by credit risk.

Classifications of deposits and investments by credit risk are as follows:

**Deposits:**

1. Insured or collateralized with securities held by the Authority or its agent in the Authority's name.
2. Collateralized with securities held by the pledging financial institution's trust department or agent in the Authority's name.
3. Deposits which are uninsured and uncollateralized.

**BRYAN COUNTY PUBLIC FACILITIES AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011**

**Cash and Investments (continued)**

Investments:

1. Insured or registered or securities held by the Authority or its agent in the Authority's name.
2. Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent, but not in the Authority's name.
3. Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent, but not in the Authority's name.

Investments Not Subject to Categorization

GASB No. 3 does not require categorization of guaranteed investments contracts because they are direct contractual investments and are not securities. All such investments are not required to be categorized under interpretive guidelines issued by the GASB.

Deposits and investments were categorized as follows at June 30, 2011:

|             |    | <u>1</u> |    | <u>2</u> |    | <u>3</u> |    | <u>Not<br/>Required to<br/>be<br/>Categorized</u> |    | <u>Market<br/>Value</u> |
|-------------|----|----------|----|----------|----|----------|----|---|----|-------------------------|
| Deposits    | \$ | 0        | \$ | 0        | \$ | 0        | \$ | 0   | \$ | 0                       |
| Investments |    | 0        |    | 0        |    | 0        |    | 197,786   |    | 197,786                 |

At June 30, 2011, the Authority had no category 2 or 3 deposits or investments.

**5. Series 2003 County Health Department Bonds**

In November 2003, the Authority issued \$2,575,000.00 in revenue bonds to provide funds for the construction of a building to be leased to the Bryan County Health Department. The bonds are limited and special revenue obligations of the Authority payable from a pledge of certain lease rental payments. The debt service requirements to retire these bonds are as follows:

| Year ending<br>June 30, | <u>Principal</u>    | <u>Interest</u>     | <u>Total</u>        |
|-------------------------|---------------------|---------------------|---------------------|
| 2012                    | -                   | 114,815             | 114,815             |
| 2013                    | -                   | 109,940             | 109,940             |
| 2014                    | -                   | 104,815             | 104,815             |
| 2015                    | 500,000             | 99,440              | 599,440             |
| 2016-2020               | 635,000             | 401,235             | 1,036,235           |
| 2021-2025               | -                   | 191,700             | 191,700             |
| 2026                    | 1,040,000           | 6,000               | 1,046,000           |
| <b>Total</b>            | <b>\$ 2,175,000</b> | <b>\$ 1,027,945</b> | <b>\$ 3,202,945</b> |

**BRYAN COUNTY PUBLIC FACILITIES AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011**

**Series 2003 County Health Department Bonds (continued)**

The bonds, which mature November 1, 2014, are subject to mandatory redemption. The bonds maturing November 1, 2019, and November 1, 2025, are subject to redemption at the option of the Authority by lot within a mature date on or after November 1, 2014, at redemption prices (expressed as percentage of principal) set forth below; plus, accrued interest to the date fixed for redemption.

|   |      |
|---|------|
| Bonds redeemed November 1, 2014, to October 31, 2019, | 101% |
| Bonds redeemed thereafter prior to maturity           | 100% |

**Mandatory Sinking Fund Redemption**

| Year ending<br>June 30, | Principal           |
|-------------------------|---------------------|
| 2012                    | 95,000              |
| 2013                    | 100,000             |
| 2014                    | 105,000             |
| 2015                    | 110,000             |
| 2016-2020               | 635,000             |
| 2021-2025               | 840,000             |
| 2026                    | 200,000             |
| <b>Total</b>            | <b>\$ 2,085,000</b> |

A brief summary of debt outstanding on June 30, 2011, follows:

|  | Debt<br>Outstanding |
|--|---------------------|
| Bryan Co. Public Facilities Auth., Revenue Bonds,<br>Series 2003, original issue<br>\$2,575,000.00, average interest rate of 5.13%,<br>Installments due in 2014, 2019, and 2025 of \$500,000.00,<br>\$635,000.00, and \$1,040,000.00 respectively. | \$ <u>2,175,000</u> |
| Total Notes and Bonds Outstanding June 30, 2011  | \$ <u>2,175,000</u> |

**6. Qualified Mortgage Certificate**

In 2003, the Authority authorized the issuance of \$25,000,000. in aggregate principal amount of Qualified Mortgage Revenue Bonds and then elected against their issuance in favor of Qualified Mortgage Credit Certificates allocated from the Private Activity State Ceiling Allocation from the State Board Advisor as required by the Oklahoma Private Activity Bond Allocation Act. In August 2005, the Bryan County Public Facilities Authority received \$1,600,000. In January 2006, the Authority received \$1,600,000.

In November 2006, the Authority received \$960,000 and in April 2007 received \$1,600,000. The certificates do not constitute a debt or pledge of the faith and credit of the Authority, and accordingly, have not been reported in the accompanying financial statements.

**BRYAN COUNTY PUBLIC FACILITIES AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011**

**7. Lease Agreement / Lease Revenue**

In November 2003, the Authority entered into a lease agreement with the Board of County Commissioners of Bryan County on behalf of the County Health Department providing funds in the aggregate amount not to exceed \$2,575,000 to pay costs of acquiring, constructing, and equipping a building and related improvements on the real property for the purpose of supplying administrative space and facilities for the Bryan County Health Department and leasing the facility to the Bryan County Health Department. The lease term began on November 1, 2003, and ends on June 30, 2004, with the option to extend the lease term beyond June 30, 2004, for an unlimited number of successive one-year terms coinciding with the health department's fiscal year.

Lease Revenue to be provided from the lease is paid monthly and approximates \$17,000 per month. The lease revenue is expected to end in May 2025.

**8. Fixed Assets**

Capital assets are recorded at actual cost. Capitalization thresholds are as follows:

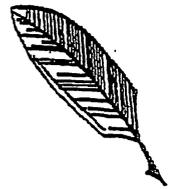
|                           |          |
|---------------------------|----------|
| Building and Improvements | \$25,000 |
| Equipment                 | \$ 5,000 |

Capital asset balances and activity for the year ended June 30, 2011, were as follows:

|                      | <u>Beginning<br/>Balance</u> | <u>Additions</u> | <u>Retirements</u> | <u>Ending Balance</u> |
|----------------------|------------------------------|------------------|--------------------|-----------------------|
| Building             | \$ <u>2,575,000</u>          | \$ <u>-</u>      | \$ <u>-</u>        | \$ <u>2,575,000</u>   |
| Total Capital Assets | \$ <u>2,575,000</u>          | \$ <u>-</u>      | \$ <u>-</u>        | \$ <u>2,575,000</u>   |

# KERRY JOHN PATTEN, C.P.A.

2101 N. Willow Ave.  
Broken Arrow, OK 74012  
Phone Number (918) 250-8838  
FAX Number (918) 250-9853



---

---

## Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards

The Board of Trustees  
The Bryan County Public Facilities Authority  
Durant, Oklahoma

I have audited the financial statements of the Bryan County Public Facilities Authority (the "Authority"), as for the year ended June 30, 2011, and have issued my report thereon dated January 27, 2011. I conducted an audit in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Internal Control over Financial Reporting

In planning and performing my audit, I considered the Authority's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Authority's internal control over financial reporting.

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 and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as described above. However, I identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questions costs that I consider to be significant deficiencies in internal control over financial reporting in the Schedule of Audit Results and Findings, item 11-01. A significant deficiency is a deficiency or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

### Compliance and Other Matters

As part of obtaining the reasonable assurance about whether the Authority's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not the objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the governing body, management and others within the Authority and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Kerry John Patten".

Kerry John Patten, C.P.A.  
March 27, 2011

**BRYAN COUNTY PUBLIC FACILITIES AUTHORITY  
SCHEDULE OF AUDIT RESULTS AND FINDINGS  
JUNE 30, 2011**

11-01 - Lack of Segregation of Duties

The inherent limitations resulting from one person performing functions that would normally be divided among employees were a larger number available to prevent a proper segregation of accounting functions, which is necessary in order to assure adequate internal accounting records.