

**MEMORANDUM REPORT ON REVIEW OF THE  
GOLDEN TRIANGLE REGIONAL AIRPORT AUTHORITY**

**RADIO COMMUNICATIONS SYSTEM**

**ARC Grant No.: MS-13628-302-00**

**March 10, 2000 through February 28, 2001**

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**Report Number: 02-3 (H)**

**Date: October 26, 2001**

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**March 10, 2000 through February 28, 2001**

**Prepared By:**

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TO: Appalachian Regional Commission (ARC)  
Office of Inspector General (OIG)

FROM: Tichenor & Associates, LLP  
Louisville, Kentucky

REPORT FOR: The Federal Co-Chairman  
ARC Executive Director  
OIG Report No. 02-3 (H)

SUBJECT TO: Memorandum Review Report on the Golden Triangle Regional Airport  
Authority Radio Communications System Grant No: MS-13628-302-00

PURPOSE: The purpose of our review was to determine if (a) the total funds claimed for reimbursement by the Golden Triangle Regional Airport Authority for its Radio Communications System Grant were expended in accordance with the ARC approved grant budget and did not violate any restrictions imposed by the terms and conditions of the grant; (b) the accounting, reporting and internal control systems provided for disclosure of pertinent financial and operating information; and (c) the objectives of the grant had been met.

BACKGROUND: ARC awarded Grant Number MS-13628-302-00 to the Golden Triangle Regional Airport Authority for the period from March 10, 2000 through February 28, 2001. The purpose of the grant was to provide funds to the Golden Triangle Regional Airport Authority to install a radio communications 800-Network System at the Golden Triangle Regional Airport. The system will consist of portable radios, vehicular radios, pagers, equipment to allow the radios to interconnect and a building to house the equipment.

The ARC grant funding for MS-13628-302-00 was for \$127,750 or 73% of actual, reasonable and eligible project cost. The Grantee was to provide state and local matching funds totaling \$47,250 or 27%, in cash, contributed services or in-kind contributions.

The specific tasks were:

To install a radio communications 800-Network System that will allow the Golden Triangle Regional Airport Authority to interphase with other disaster and emergency response units in the area in the event of an emergency.

SCOPE: We performed a program review of the grant as described in the Purpose, above. Our review was based on the terms of the grant agreement and on the application of certain review procedures in accordance with the ARC, OIG Review Program. Specifically, we determined if the tasks listed above had been performed, if the accountability over ARC funds was sufficient as required by the applicable Office of Management and Budget (OMB) Circulars, and if the Golden Triangle Regional Airport Authority complied with the requirements of the grant agreement. In addition, we discussed the program objectives and performance with the Golden Triangle Regional Airport's personnel. Our results and recommendations are based on those procedures and were conducted in accordance with applicable Government Auditing Standards.

RESULTS: The following results were based on our review performed at the Golden Triangle Regional Airport Authority in Columbus, Mississippi on October 3, 2001 and October 4, 2001.

**A. Incurred Costs**

The Golden Triangle Regional Airport Authority paid out program costs of \$155,209 for grant MS-13628-302-00, of which they claimed direct reimbursable costs of \$108,374 from ARC and matching costs of \$46,835. We reviewed the direct and matching costs incurred and determined that the funds had been expended as reported.

**B. Internal Controls**

We did identify one internal control weaknesses that could have affected the accountability of costs or compliance with the terms of the grant agreement.

1. The grant was not completed within the period of performance

During the review we noted that the Radio Communications systems project was not completed until June 2001.

Grant Agreement Number MS-13628-302-00 between ARC and Golden Triangle Regional Airport Authority Period of Performance states:

“The grant period of performance shall be March 10, 2000 through February 28, 2001.”

RECOMMENDATION:

We recommend that ARC require the grantee for any future grants they may receive to file for a time extension when the grant cannot be completed within the grant performance period.

C. Program Results

Our review of the Golden Triangle Regional Airport Authority Radio Communications Systems Grant indicated that the objectives of the grant had been met.

*Tichenor & Associates, LLP*

TICHENOR & ASSOCIATES, LLP

Louisville, Kentucky

October 4, 2001