

*Reports on Compliance and Internal Control*

**Commonwealth Ports Authority**

(A Component Unit of the Commonwealth of the Northern  
Mariana Islands)

*Year ended September 30, 2024*



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Commonwealth Ports Authority  
(A Component Unit of the Commonwealth of the Northern Mariana Islands)

Reports on Compliance and Internal Control

Year ended September 30, 2024

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

Management and the Board of Directors  
Commonwealth Ports Authority

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the Commonwealth Ports Authority (CPA), a component unit of the Commonwealth of the Northern Mariana Islands, which comprise the statements of net position as of September 30, 2024, and the related statements of revenues, expenses and change in net position, and cash flows for the year then ended, and the related notes (collectively referred to as the “financial statements”), and have issued our report thereon dated June 2, 2026

### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered CPA’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of CPA’s internal control. Accordingly, we do not express an opinion on the effectiveness of CPA’s internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

*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. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 2024-002 and 2024-003 to be material weaknesses.

*A significant deficiency* is a deficiency, or a 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. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs as item 2024-001 to be a significant deficiency.

## **Report on Compliance and Other Matters**

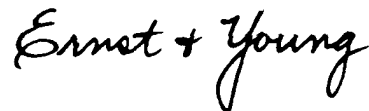
As part of obtaining reasonable assurance about whether CPA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and is described in the accompanying Schedule of Findings and Questioned Costs as item 2024-003.

### **CPA's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on CPA's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. CPA's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

The logo for Ernst & Young, featuring the company name in a stylized, cursive script font.

June 2, 2026



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## Report of Independent Auditors on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Management and the Board of Directors  
Commonwealth Ports Authority

### **Report of Independent Auditors on Compliance for the Major Federal Program**

#### ***Qualified Opinion***

We have audited the Commonwealth Ports Authority's (CPA's) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on CPA's major federal program for the year ended September 30, 2024. CPA's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

#### *Qualified Opinion on ALN 20.106 Airport Improvement Program*

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion section of our report, CPA complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on ALN 20.106 *Airport Improvement Program* for the year ended September 30, 2024.

#### ***Basis for Qualified Opinion***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of CPA and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on compliance for each major federal program. Our audit does not provide a legal determination of CPA's compliance with the compliance requirements referred to above.

## *Matters Giving Rise to Qualified Opinion on ALN 20.106 Airport Improvement Program*

As described in the accompanying Schedule of Findings and Questioned Costs, CPA did not comply with requirements regarding ALN 20.106 *Airport Improvement Program* as described in finding numbers 2024-004 for Equipment and Real Property Management and 2024-005 for Special Tests and Provisions – Revenue Diversion.

Compliance with such requirements is necessary, in our opinion, for CPA to comply with the requirements applicable to that program.

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to CPA's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on CPA's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about CPA's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding CPA's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of CPA's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of CPA's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Report on Internal Control Over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance, and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2024-004 and 2024-005 to be material weaknesses.

*A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

*Government Auditing Standards* requires the auditor to perform limited procedures on CPA's response to the internal control over compliance findings identified in our audit described in the accompanying Schedule of Findings and Questioned Costs. CPA's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

## **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of CPA as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise of CPA's basic financial statements. We have issued our report thereon dated June 2, 2026, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the financial statements as a whole.

*Ernst + Young*

June 2, 2026

Commonwealth Ports Authority  
(A Component Unit of the Commonwealth of the Northern Mariana Islands)

Schedule of Expenditures of Federal Awards

Year ended September 30, 2024

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Assistance Listing Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
U.S. Department of Transportation Direct Programs			
Airport Improvement Program	20.106		\$1,715,153
COVID-19 Airport Coronavirus Response Grant Program - Coronavirus Response and Relief Supplemental Appropriations Act	20.106		<u>1,881,775</u>
Total U.S. Department of Transportation			<u>3,596,928</u>
U.S. Department of Homeland Security Direct Programs			
Port Security Grant Program	97.056		<u>129,938</u>
U.S. Department of Homeland Security Pass-Through Program			
From CNMI Government:			
Hazard Mitigation Grant Program	97.039	HMGP-DR-4396-03R	11,501
Hazard Mitigation Grant Program	97.039	HMGP-DR-4396-01R	<u>39,267</u>
Total Hazard Mitigation Grant Program			<u>50,768</u>
Total U.S. Department of Homeland Security			<u>180,706</u>
U.S. Department of the Interior Pass-Through Program			
From Government of Guam:			
Economic, Social, and Political Development of the Territories	15.875	D23AP00098-00	<u>14,654</u>
Total U.S. Department of the Interior			<u>14,654</u>
Total Expenditures of Federal Awards			<u>\$3,792,288</u>

*See accompanying notes to the Schedule of Expenditures of Federal Awards.*

Commonwealth Ports Authority  
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Notes to the Schedule of Expenditures of Federal Awards

Year ended September 30, 2024

**1. Scope of Audit**

CPA was established as a public corporation by the CNMI by Public Law 2-48, effective November 8, 1981. All significant operations of CPA are included in the scope of the Single Audit. The U.S. Department of the Interior's Office of the Inspector General has been designated as CPA's cognizant agency for the Single Audit.

**2. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of CPA under programs of the federal government for the year ended September 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of CPA, it is not intended to and does not present the financial position, changes in net position or cash flows of CPA.

**3. Summary of Significant Accounting Policies**

*Matching Requirements*

In allocating project expenditures between the federal share and the local share, a percentage is used based upon local matching requirements, unless funds are specifically identified to a certain phase of the project.

*Basis of Accounting*

Expenditures reported on the Schedule are reported on the accrual basis of accounting. All expenses and capital outlays are reported as expenditures. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

**4. Indirect Cost Rate**

CPA does not elect to use the de minimis indirect cost rate allowed under Uniform Guidance.

Commonwealth Ports Authority  
(A Component Unit of the Commonwealth of the Northern Mariana Islands)

Schedule of Findings and Questioned Costs

Year ended September 30, 2024

**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?                      X   YES           NO

Significant deficiency(ies) identified?              X   YES           NONE REPORTED

Noncompliance material to financial statements noted?

  X   YES           NO

**Federal Awards**

Internal control over major federal programs:

Material weakness(es) identified?                      X   YES           NO

Significant deficiency(ies) identified?                   YES      X   NONE REPORTED

Type of auditor's report issued on compliance for major federal program ALN 20.106  
*Airport Improvement Program*

Qualified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

       YES      X   NO

Commonwealth Ports Authority  
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Schedule of Findings and Questioned Costs, continued

**Identification of major federal programs:**

Assistance Listing

Numbers                      Name of Federal Program

20.106	Airport Improvement Program
--------	-----------------------------

Dollar threshold used to distinguish between  
Type A and Type B Programs: \$750,000

Auditee qualified as low-risk auditee?      YES   X   NO

**Section II - Financial Statement Findings**

Reference Number	Findings
2024-001	Schedule of Expenditure of Federal Awards
2024-002	Intergovernmental Payables – Commonwealth Utilities Corporation
2024-003	Revenue Recognition – Rate Setting and True-up Adjustments

**Section III - Federal Award Findings and Questioned Costs**

Reference Number	ALN	Findings	Questioned Costs
2024-004	20.106	Equipment and Real Property Management	\$ --***
2024-005	20.106	Special Tests and Provisions – Revenue Diversion	-0-
		Total	\$ -0-

\*\*\*Questioned costs are undeterminable. See related finding for more information.

Commonwealth Ports Authority  
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Schedule of Findings and Questioned Costs, continued

**Finding No.: 2024-001**

Area: Schedule of Expenditures of Federal Awards (SEFA)

Criteria:

In accordance with 2 CFR §200.510 (b) and §200.302 (b)(1), the auditee shall prepare a SEFA for the period covered by the auditee's financial statements. At a minimum, the SEFA shall provide total Federal awards expended for each individual Federal program and the Assistance Listing Number (ALN) or other identifying number when the ALN information is not available.

Condition:

We were not able to test for completeness and accuracy and confirm if the equipment in the listing is correct as to its federal program. Moreover, the transaction account recorded for the asset does not indicate which federal program it belongs to. In addition, federal programs are identified only by project name or account description which gives the inability to define which expenditures were paid with specific grant funds.

Cause:

CPA's financial management system does not provide for the separate identification of expenditures for each federal program using its ALN or other identifying number due to their financial system's limited capacity to add on additional fields.

Effect or potential effect:

CPA is in noncompliance with federal SEFA and financial management requirements.

Identification as a Repeat Finding: Finding 2023-001.

Recommendation:

CPA should establish and implement procedures to develop or acquire an accounting system that provides for the separate identification of expenditures for each federal program by using its ALN or other identifying number.

Views of Responsible Officials:

Management states agreement with the finding. Refer to separate Corrective Action Plan.

Commonwealth Ports Authority  
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Schedule of Findings and Questioned Costs, continued

**Finding No.: 2024-002**

Area: Intergovernmental Payables – Commonwealth Utilities Corporation (CUC)

Criteria:

Under Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements—And Management's Discussion And Analysis—For State And Local Governments*, governments must report liabilities when they are both incurred and measurable. Intergovernmental balances should reflect the accurate amount owed to other government entities and should be supported by confirmations, reconciliations, and timely recognition of all charges, including penalties and interest, when applicable.

Further, internal controls must ensure that external statements or billings from other government agencies are promptly reviewed, validated, and recorded in the general ledger in the proper period.

These internal controls should align with the guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control–Integrated Framework” issued by the COSO.

Condition:

During our review of intergovernmental balances as of September 30, 2024, we noted a variance between the amount recorded in the general ledger and the balance confirmed by the Commonwealth Utilities Corporation (CUC).

Based on inquiry with the Accounting Manager, the variance is attributable to penalties and interest assessed by CUC, which were not recorded by CPA at the time of the confirmation.

Management represented that CPA intends to dispute certain portions of the penalties and interest assessed by CUC. CPA has already issued a formal inquiry letter to CUC and is currently in active negotiations regarding the disputed amounts.

Cause:

CPA does not have a consistent process for:

- Timely reviewing utility assessments from CUC,
- Identifying and reconciling penalties and interest included in the billings, and
- Ensuring that validated amounts are recorded in the GL in the applicable period.

Commonwealth Ports Authority  
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Schedule of Findings and Questioned Costs, continued

**Finding No.: 2024-002, continued**

Area: Intergovernmental Payables – CUC

Effect or potential effect:

This gap results in delayed recognition of liabilities and increases the risk of misstating intergovernmental balances.

Identification as a Repeat Finding: This is not a repeat finding.

Recommendation:

We recommend that CPA:

1. Implement procedures requiring timely review and reconciliation of all CUC billings, including penalties and interest.
2. Establish a formal control for documenting disputes with CUC and determining the portion of assessed amounts that should or should not be accrued at period-end.
3. Ensure all validated liabilities are recorded in the GL on a timely basis, consistent with GASB accrual requirements.
4. Maintain supporting schedules reconciling GL balances to confirmation responses from CUC.

Views of Responsible Officials:

Management states agreement with the finding. Refer to separate Corrective Action Plan.

Commonwealth Ports Authority  
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Schedule of Findings and Questioned Costs, continued

**Finding No.: 2024-003**

Area: Revenue Recognition – Rate Setting and True-up Adjustments

Criteria:

Under Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements—And Management's Discussion And Analysis—For State And Local Governments*, proprietary funds—such as CPA’s airport and seaport operations—must be reported using the economic resources measurement focus and the accrual basis of accounting, which require revenues to be recognized in the period in which they are earned and measurable. Financial reporting must reflect amounts based on properly supported and consistently applied rate-setting methodologies. When actual activity differs from amounts used to establish rates, adjustments must be recorded in the appropriate fiscal year to prevent any misstatement in the revenue and receivable accounts.

Condition:

CPA determines terminal rental rates and landing fees annually using budgeted cost allocations and projected levels of activity. An external consultant computes these rates, and CPA charges customers accordingly throughout the year. At yearend, CPA performs a reconciliation (“true-up”) comparing actual audited results to the original budget inputs to determine whether customers were overbilled or underbilled. True-up adjustments and any potential increase/decrease in the billed aviation fees are included in the contracts with customers.

Although CPA conducts annual rate setting and yearend true up reconciliations for terminal rental rates and landing fees, we noted that CPA did not record the required true up adjustments in the fiscal years to which they relate. Specifically, no true up adjustments from fiscal years 2017 through 2024 were recorded in the general ledger during those periods.

Instead, the cumulative true up amount of \$8,290,223 was recognized only during the fiscal year ended September 30, 2024. Because these adjustments were not recorded in the proper fiscal period, the timing of revenue recognition is a departure from applicable generally accepted accounting principles (GAAP), including GASB requirements for recognizing revenues when earned and measurable. Management also recorded a full allowance against this receivable due to uncertainty regarding collectability as of September 30, 2024.

Cause:

CPA has not established adequate internal controls or documented procedures to ensure that annual true up calculations are reviewed, approved, and recorded in the proper accounting period, consistent with applicable GAAP.

Commonwealth Ports Authority  
(A Component Unit of the Commonwealth of the Northern Mariana Islands)

Schedule of Findings and Questioned Costs, continued

**Finding No.: 2024-003, continued**

Area: Revenue Recognition – Rate Setting and True-up Adjustments

Effect or potential effect:

Failure to record true-up adjustments in the fiscal periods to which they relate resulted in a departure from GAAP, causing misstatements in operating revenues and receivables from operations across multiple fiscal years (2017–2024). Recording the cumulative adjustment in fiscal year 2024 materially misstated the current-year financial results and did not accurately reflect revenues earned in the applicable periods.

Identification as a Repeat Finding: This is not a repeat finding.

Recommendation:

We recommend that CPA:

1. Implement formal procedures requiring annual recognition of all rate setting and true-up adjustments that are consistent and compliant with applicable GASB requirements.
2. Centralize documentation supporting consultant calculations, assumptions, and CPA's reconciliation.
3. Perform documented management review of the true-up calculation each year before closing the books.
4. Strengthen internal controls to ensure that adjustments required by rate-setting policies are consistently recorded in the proper fiscal year.

Views of Responsible Officials:

Management states agreement with the finding. Refer to separate Corrective Action Plan.

Commonwealth Ports Authority  
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Schedule of Findings and Questioned Costs, continued

**Finding No.:** 2024-004

Federal Agency: U.S. Department of Transportation  
 AL Program: 20.106 Airport Improvement Program  
 Federal Award Nos.: All AIP Grants  
 Area: Equipment and Real Property Management  
 Questioned Costs: Undeterminable

Criteria:

In accordance with 2 CFR section 200.313(b), a State must use, manage and dispose of equipment acquired under a Federal award by the State in accordance with State laws and procedures.

SOP 216.1 and 216.6:

- A physical inventory of the property must be taken and the results reconciled with the property records annually.

SOP 215.1 and 215.2:

- Adequate maintenance procedures must be developed to keep the property in good condition.

Condition:

1. CPA does not maintain an equipment listing that designates which federal program the assets belong to.
2. Of twelve equipment tested, aggregating \$13,328,054 of a total population of \$13,952,859 as of September 30, 2024, we noted deficiencies, as follows:
  - a. One (or 8%) listed the item to be in fair condition in the physical count; however, the custodian represented that item is currently non-operational due to breakage and damage, which occurred in February 2024.

General Ledger Asset <u>Account No.</u>	System <u>No.</u>	<u>Description</u>	Acquisition <u>Date</u>	<u>Acquisition</u> <u>Cost</u>	<u>Net Book</u> <u>Value</u>
1530-211	000710	54"W ALUMINUM SCAFFOLD W/ STAIRWAY	10/01/05	\$7,624	\$ ---

- a. One (or 8%) was not recorded in the physical inventory count. CPA’s reconciliation, however, acknowledged for it to be corrected. Further, it was represented during field work that the item is in very poor condition and is currently inoperable since May 2023.

Commonwealth Ports Authority  
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Schedule of Findings and Questioned Costs, continued

**Finding No.:** 2024-004, continued

Federal Agency: U.S. Department of Transportation  
 AL Program: 20.106 Airport Improvement Program  
 Federal Award Nos.: All AIP Grants  
 Area: Equipment and Real Property Management  
 Questioned Costs: Undeterminable

Condition, continued:

General Ledger Asset <u>Account No.</u>	System <u>No.</u>	<u>Description</u>	Acquisition <u>Date</u>	Acquisition <u>Cost</u>	Net Book <u>Value</u>
1590-311	000663	TINIAN ARFF TRUCK	10/01/05	\$593,256	\$ ---

- c. One (or 8%) failed to show the item in blue color, indicating it is a federal asset as designated in its asset listing legend. Further, fields including purchase order, vendor, or serial number showed item was unknown. Moreover, item was not operational until December 2025.

General Ledger Asset <u>Account No.</u>	System <u>No.</u>	<u>Description</u>	Acquisition <u>Date</u>	Acquisition <u>Cost</u>	Net Book <u>Value</u>
1590-311	000518	CONTROL TOWER EQUIPMENT	10/01/98	\$1,462,180	\$ ---

- d. One (or 8%) did not submit log sheets or maintenance records to confirm that maintenance work was performed during FY2024. It was also represented that the asset was not in use since October 2025.

General Ledger Asset <u>Account No.</u>	System <u>No.</u>	<u>Description</u>	Acquisition <u>Date</u>	Acquisition <u>Cost</u>	Net Book <u>Value</u>
1590-111	000808	ARFF Truck	10/01/07	\$594,773	\$ ---

Cause:

CPA does not maintain an effective method of tracking U.S. Federally funded assets as the only method of tracking is through manually designating the asset in a different color within the listing generated from the fixed assets register for CPA as a whole. This manual process is subject to potential errors when produced on an annual basis as part of the audit process.

Commonwealth Ports Authority  
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Schedule of Findings and Questioned Costs, continued

<b>Finding No.:</b>	<b>2024-004, continued</b>
Federal Agency:	U.S. Department of Transportation
AL Program:	20.106 Airport Improvement Program
Federal Award Nos.:	All AIP Grants
Area:	Equipment and Real Property Management
Questioned Costs:	Undeterminable

Effect or potential effect:

The completeness and accuracy of the program assets could not be determined.

Identification as a Repeat Finding: Finding 2023-003.

Recommendation:

CPA should implement a formal asset tracking system or enhance its existing fixed asset register to clearly identify assets acquired with U.S. Federal grant funds (e.g., through dedicated fields or tagging within the system). This will eliminate reliance on manual color-coding and reduce the risk of errors. Additionally, CPA should establish standardized procedures for maintaining and periodically updating this information to ensure accuracy, completeness, and consistency in tracking federally funded assets.

Views of Responsible Officials:

Management states agreement with the findings. Refer to separate Corrective Action Plan.

Commonwealth Ports Authority  
(A Component Unit of the Commonwealth of the Northern Mariana Islands)

Schedule of Findings and Questioned Costs, continued

<b>Finding No.:</b>	<b>2024-005</b>
Federal Agency:	U.S. Department of Transportation
AL Program:	20.106 Airport Improvement Program
Federal Award Nos.:	All AIP Grants
Area:	Special Tests and Provisions – Revenue Diversion
Questioned Costs:	\$-0-

Criteria:

In accordance with 64 FR 7696, all revenues generated by a public airport must be expended for the capital or operating costs of the airport, the local airport system, or other local facilities that are owned or operated by the owner or operator of the airport and are directly and substantially related to the actual air transportation of passengers or property.

Condition:

CPA has two divisions – airport and seaport.

Certain costs are shared by both the airport and the seaport. The shared costs include management fees, salaries, legal fees, advertising, and administrative expenses.

The airport pays for shared costs that are attributed to the costs of the seaport operations.

The airport records the seaport’s allocation of the shared cost as ‘Due from seaport division’ and conversely, the seaport records ‘Due to airport division’.

The seaport division normally settles amounts due to the airport division within 90 days.

We observed that:

- The airport division paid \$615,140 of the seaport division’s shared costs during the fiscal year ended September 30, 2024.
- As of September 30, 2024, the airport division’s receivable from the seaport division amounted to \$120,582.

CPA management asserts that use of airport revenues to pay operating costs of the seaport division is acceptable as the seaport division normally reimburses the airport division within 90 days. As such, CPA management believes this does not constitute a diversion of airport revenues.

CPA did not provide documentation from the grantor agency to acknowledge that the grantor agency has approved the use of airport revenues to pay for the costs of the seaport operations.

Commonwealth Ports Authority  
(A Component Unit of the Commonwealth of the Northern Mariana Islands)

Schedule of Findings and Questioned Costs, continued

<b>Finding No.:</b>	<b>2024-005, continued</b>
Federal Agency:	U.S. Department of Transportation
AL Program:	20.106 Airport Improvement Program
Federal Award Nos.:	All AIP Grants
Area:	Special Tests and Provisions – Revenue Diversion
Questioned Costs:	\$-0-

Cause:

CPA did not effectively seek grantor guidance over compliance with Special Tests and Provisions on revenue diversion on shared costs between its airport and seaport divisions.

Effect or potential effect:

CPA is in noncompliance with Special Tests and Provisions – Revenue Diversion. No questioned costs are presented as we are unable to quantify the extent of noncompliance.

Identification as a Repeat Finding: Finding 2023-004

Recommendation:

CPA should seek approval from the grantor agency regarding use of the airport revenues to pay for operating cost of its seaport division.

Views of Responsible Officials:

Management disagrees with the finding. All costs incurred by the Seaport paid initially by the Airport are reimbursed in a timely manner. For purposes of efficiency, this method is used as to reduce the number of payments to vendors being made. The Airport Division has been fully reimbursed. CPA received grantor acceptance of the use of this method even though this practice of recordkeeping has been in place for more than 20 years.

Refer to separate Corrective Action Plan.

Auditor Response:

The Federal Aviation Administration (FAA) reviewed and approved the corrective action plan in response to the FY2023 revenue diversion finding. Under this plan, beginning in FY2026 (effective October 1, 2025), all seaport and airport costs, except for payroll, will be paid separately, with no more interdivision reimbursements allowed.

Commonwealth Ports Authority  
(A Component Unit of the Commonwealth of the Northern Mariana Islands)

Schedule of Findings and Questioned Costs, continued

<b>Finding No.:</b>	<b>2024-005, continued</b>
Federal Agency:	U.S. Department of Transportation
AL Program:	20.106 Airport Improvement Program
Federal Award Nos.:	All AIP Grants
Area:	Special Tests and Provisions – Revenue Diversion
Questioned Costs:	\$-0-

Auditor Response, continued:

For payroll costs, the Seaport’s calculated share is prepared beforehand and is transferred to the Airport before pay date, with the Airport issuing a receipt of funds the next day. This prepayment arrangement is to avoid any semblance of Airport funds being used to fund Seaport operations.

While the FAA has accepted CPA’s corrective action plan, its implementation does not take effect until October 1, 2025.

In the absence of documented grantor approval authorizing the arrangement to use airport revenues for seaport-related expenditures to be repaid within a 90 day period and given the continued occurrence of the condition in FY2024, the finding remains unresolved and is reported as a repeat finding.



# Commonwealth Ports Authority

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## **CORRECTIVE ACTION PLAN:**

### ***Finding No 2024-001 "Schedule of Expenditure of Federal Awards (SEFA)"***

Name of Contact Person(s): Sheryl Sizemore, Comptroller  
Ida S. De Brum, Accounting Manager  
Zack A. Diaz, Internal Auditor  
Joe I. Quitugua, IT Specialist

#### Corrective Action:

CPA agrees with this finding. CPA is in the process of upgrading its financial management system. The recent natural disaster has delayed the implementation of our IT infrastructure upgrade which in turn delayed our upgrade of our financial management system. We will work with the Software vendor to see where improvements in our account structuring can be enhanced to align with recommended actions.

*Proposed Completion Date: September 30, 2026*

### ***Finding No 2024-002 "Intergovernmental Payables – Commonwealth Utilities Corporation (CUC) "***

Name of Contact Person(s): Sheryl Sizemore, Comptroller  
Ida S. De Brum, Accounting Manager  
Zack A. Diaz, Internal Auditor  
Ling Camacho, Accounts Payable Accountant

#### Corrective Action:

CPA agrees with this finding.

CPA will implement the following corrective action regarding intergovernmental transactions regarding the Commonwealth Utilities Corporation (CUC):

- 1) When an invoice is received, estimated billings will be recorded as is (inclusive of any interest and penalties assessed) into the general ledger. Any disputes for penalties and interest assessed will be formally disputed at the CUC customer service center in a timely manner.
- 2) Invoice will be checked for computational accuracy as well as completeness by comparing previous billings usage to current. Any discrepancies will be immediately communicated to appropriate personnel at CUC. Once discrepancies are reconciled, any adjustments will be reviewed by the Accounting Manager and approved by the Comptroller.

- 3) When CPA receives its monthly account reconciliation from CUC based on actual usage, the Accounts Payable (AP) accountant will review for accuracy and completeness. Any differences between the reconciliation and CPA accounting records will be clarified with appropriate CUC personnel. Once final amounts are determined and agreed upon between both parties, AP accountant will make the appropriate adjustment in the general ledger to be reviewed by the Accounting Manager and approved by the Comptroller.

*Proposed Completion Date: June 30, 2026*

***Finding No 2024-003 "Revenue Recognition – Rate Setting and True-up Adjustments "***

Name of Contact Person(s): Sheryl Sizemore, Comptroller  
Ida S. De Brum, Accounting Manager  
Zack A. Diaz, Internal Auditor

Corrective Action:

CPA agrees with the finding.

Reconciliations are performed in a timely manner. CPA failed to record the amounts due to questions about collectability and impact on a fragile tourism industry due to the impacts of natural disasters and the COVID-19 pandemic. A management decision was ultimately made to record the transactions. CPA will record the true-up settlement amounts when they are determined moving forward in a timely manner.

*Proposed Completion Date: June 30, 2026*

***Finding No 2024-004 "ALN #20.106 Equipment and Real Property Management"***

Name of Contact Person(s): Sheryl Sizemore, Comptroller  
Ida S. De Brum, Accounting Manager  
Zack A. Diaz, Internal Auditor  
Alex Tudela, Procurement Officer

Condition 1: CPA agrees with the finding. Although CPA does not maintain an equipment listing that designates which federal program (ALN number) the assets belong to, we are able to trace it through the account number, grant number, U.S. Department designation, and other specific identifying details.

Condition 2a: CPA agrees with this finding. The "Fair" condition recorded during the FY24 inventory list was an error. While the asset was physically sighted, it was inoperable in February 2024. Due to funding uncertainty and higher airport priorities, repairs were not made. Current Status: This asset was officially decommissioned in March 2026.

Condition 2b: CPA agrees with this finding. It has been inoperable since May 2023. This asset was not on the FY24 inventory list. The reconciliation did not include this asset and it is unclear how the oversight occurred as the inventory listing and fixed asset system records matched at the time. Current Status: This asset is on the FY25 and FY26 inventory list. However, it is still pending decommission.

Condition 2c: CPA agrees with this finding. This asset was not listed in blue and data fields (PO, Vendor, Serial No.) are missing because of historical records. We have not been able to properly identify this asset and need more information. Current Status: Wendi (CIP Administrator) has sent an email to the FAA for their help in determining if there are some equipment at the Tower that's still operational.

Condition 2d: CPA agrees with this finding. Log sheets and maintenance records for this asset were not submitted. This was due to the ARFF Truck undergoing radiator repairs prior to being taken out of service in October 2025. Current Status: We are currently awaiting the final assessment report and/or the completed decommission form from ARFF Mechanic.

CPA has developed the following corrective action plan related to Equipment Management findings:

1. Established Standard Operating Procedures (SOP) for Equipment Management

CPA has established Equipment Management SOPs that were implemented and effective on June 30, 2022. The SOPs detail the equipment management requirements, details, and responsibilities. In addition, the SOPs include an annual mandatory schedule for inventory, disposals, and reconciliation.

The Department Heads are reviewing their equipment listings to verify the accuracy of equipment details, provide additional identifying information and confirm existence of all assets listed. The Department Heads will be providing monthly updates to the Procurement Department for entry into the Equipment Management System.

2. Implemented Standard Equipment Management Forms

Standard procurement forms have been developed to establish additional controls and reviews for all equipment. These standard forms include requirements such as identifying details for all fixed assets.

3. Developed a Training Plan for Equipment Management Procedures

CPA developed an Equipment Management training plan that was implemented on June 17, 2022. The training plan includes annual requirements for training on equipment management and compliance requirements. The training is based on the established SOPs and best practices and is mandatory for all staff involved in equipment management.

#### 4. Internal Auditor Position

An internal auditor position was created on May 16, 2022 and hired on August 29, 2022. Part of the internal auditor's responsibilities include reviewing inventory records and equipment management files for compliance. The internal auditor reports directly to the CPA Board of Director and provides monthly reports. The internal auditor monthly reports are used as a tool to identify areas of equipment management non-compliance for immediate correction.

Although equipment SOPs were implemented in 2022, certain issues have continued to occur. These controls, nonetheless, have enabled CPA to identify, address, and correct errors on an ongoing basis, improving accuracy and compliance moving forward.

*Proposed Completion Date: June 30, 2026*

#### ***Finding No 2024-005 "ALN #20.106 Special Tests and Provisions – Revenue Diversion"***

Name of Contact Person(s): Sheryl Sizemore, Comptroller  
Ida S. De Brum, Accounting Manager  
Zack A. Diaz, Internal Auditor

#### Corrective Action:

CPA disagrees with this finding.

All costs incurred by the Seaport paid initially by the Airport are reimbursed in a timely manner. For purposes of efficiency, this method is used as to reduce the number of payments to vendors being made. The Airport Division has been fully reimbursed. CPA received grantor acceptance of for the use of this method even though this practice of recordkeeping has been in place for more than 20 years. (See attachment) CPA believes that the costs incurred pertain to the operational costs of the airport. Per the Federal Register / Vol. 64, No. 30, "*Operating costs for an airport may be both direct and indirect and may include all of the expenses and costs that are recognized under the generally accepted accounting principles and practices that apply to the airport enterprise funds of state and local government entities.*"

*Proposed Completion Date: Not Applicable*



**COMMONWEALTH PORTS AUTHORITY**  
**SUMMARY OF PRIOR AUDIT FINDINGS: FINDINGS AND QUESTIONED COSTS (QC)**  
**SEPTEMBER 30, 2024**

Reference No.	Assistance Listing No.	Finding	QC	Status	Corrective Action Plan	Contact Person	QC Resolved	Amount (\$) Bal Carry Forward
<b>Fiscal Year 2023</b>								
2023-001	N/A	Schedule of Expenditure of Federal Awards	\$ -	Partially Corrected	Upgrade of accounting system is forthcoming.	Sheryl Sizemore, Comptroller Ida S. De Brum, Accounting Manager	\$ -	-
2023-002	N/A	Capital Assets	\$ -	Fully Corrected	Donated assets have been recorded at their correct costs, in the correct accounting period, and with the proper depreciation for assets that have proper documentation.	Sheryl Sizemore, Comptroller Ida S. De Brum, Accounting Manager Zack A. Diaz, Internal Auditor	\$ -	-
2023-003	20.106	Equipment and Real Property Management	\$ -	Partially Corrected	<p>CPA has implemented Equipment Management Standard Operating Procedures (SOPs) in June 2022 and trained staff involved in Equipment Management in August 2022. Because trainings on the newly developed SOPs were first conducted in August 2022, CPA noted and FAA acknowledged that repeat findings may be found in this audit report. CPA emphasizes that SOP trainings are continuing and mandatory for all of CPA Management, and CPA expects that the SOPs and related training will resolve this issue moving forward. Equipment SOP trainings occur twice per year and will continue indefinitely.</p> <p>In July 2023, CPA issued the inventory and property records to all CPA Department Heads to review, verify and confirm details of each fixed asset and provide additional identifying information for entry. These updates will be submitted to the Procurement Division in August 2023 for verification and entry into the Equipment Management System.</p> <p><b>Condition 1:</b> CPA will ensure that count sheets are dated to reflect timing of the approval of fixed asset inventory performed. CPA has developed a more organized and legible system to conduct, and document physical inventory. Although the FY 2024 sheets do not have a date line included, it will be incorporated in the next fiscal year's count sheets. Please see attachment A,B,C for inventory count cover sheets. The actual inventory sheets are not included due to the high number of pages..</p> <p><b>Condition 2:</b> The fixed asset schedule provided to the auditors included a column that listed all contributed fixed assets as funded by the Federal Aviation Administration (FAA). The FAA column was mistakenly entered into the schedule. CPA Accounting verified that the details of all assets that were identified as non- FAA assets indicate funding through other federal or local programs. The fixed asset schedule will go through verification by the Accounting Manager and Comptroller to ensure that only the program assets requested are listed.</p> <p><b>Condition 3a:</b> CPA will write off the asset from its fixed asset system.</p> <p><b>Condition 3b:</b> CPA will write off assets 000015, 000040, 000047 as they have been already replaced with an existing asset. For assets 000091, 000589, and 000791: we will create maintenance logs for these assets as well as all assets that require maintenance in the fixed asset system.</p> <p><b>Condition 3c:</b> CPA will write off the asset from its fixed asset system.</p> <p><b>Condition 3d:</b> CPA will write off the asset from its fixed asset system and adjust and reclassify for any remaining depreciation still left on the books.</p> <p>CPA has developed the following corrective action plan for this finding:</p> <p><b>1. Establish Standard Operating Procedures (SOP) for Equipment Management</b>            CPA has established Equipment Management SOPs that were implemented and effective on June 30, 2022. The SOPs detail the equipment management requirements, details, and responsibilities. In addition, the SOPs include an annual mandatory schedule for inventory, disposals, and reconciliation. The Department Heads are reviewing their equipment listings to verify the accuracy of equipment details, provide additional identifying information and confirm existence of all assets listed. The Department Heads will be providing monthly updates to the Procurement Department for entry into the Equipment Management System.</p> <p><b>2. Implement Standard Equipment Management Forms</b>            Standard procurement forms have been developed to establish additional controls and reviews for all equipment. These standard forms include requirements such as identifying details for all fixed assets.</p> <p><b>3. Develop a Training Plan for Equipment Management Procedures</b>            CPA developed an Equipment Management training plan that was implemented on June 17, 2022. The training plan includes annual requirements for training on equipment management and compliance requirements. The training is based on the established SOPs and best practices and is mandatory for all staff involved in equipment management.</p> <p><b>4. Internal Auditor Position</b>            An internal auditor position was created on May 16, 2022 and hired on August 29, 2022. Part of the internal compliance. The internal auditor reports directly to the CPA Board of Director and provides monthly reports. The internal auditor monthly reports are used as a tool to identify areas of equipment management noncompliance for immediate correction.</p>	Sheryl Sizemore, Comptroller Ida S. De Brum, Accounting Manager Zack A. Diaz, Internal Auditor Alex Tudela, Procurement Officer	\$ -	-



COMMONWEALTH PORTS AUTHORITY  
 SUMMARY OF PRIOR AUDIT FINDINGS: FINDINGS AND QUESTIONED COSTS (QC)  
 SEPTEMBER 30, 2024

Reference No.	Assistance Listing No.	Finding	QC	Status	Corrective Action Plan	Contact Person	Amount (\$)	
							QC Resolved	Bal Carry Forward
<b>Fiscal Year 2023</b>								
2023-004	20.106	Special Tests and Provisions - Revenue Diversion	\$ -	Not Corrected	<p>CPA disagrees with this finding.</p> <p>Although CPA has used this method of record-keeping for more than 20 years, management is exploring procedures to distinctly separate the accounting of airports and seaports. Starting with FY 2026 (October 1, 2025), all seaport and airport costs will be paid separately, with no more inter-division reimbursements allowed. Some background information that may help shed light on Finding 2023-004 Condition 1: The Commonwealth Ports Authority (CPA) consists of two divisions- Airport and Seaport. These divisions share certain fees and costs such as administration, accounting, and Board of Directors fees. To account for these shared fees and costs, the Airport charges Seaport a cost share of the salary and benefits for staff performing duties for the Seaport, and board meeting attendance fees. It is not financially feasible for CPA to have two separate administration and accounting departments. Prior to FY26, the practice was for the Airport to charge these cost shares to an inter-divisional account, and offset at later dates. Starting with FY26, any Seaport fees and costs, other than payroll, will be paid separately. For example, the \$50.00 board attendance fee will be paid with two \$25.00 dollar checks- one from Airport account and one from Seaport account. For payroll, it would be impractical and burdensome to prepare two payroll processes for each employee with shared costs. For FY26, the calculated cost share is prepared beforehand and is transferred before pay date, with the Airport issuing a receipt of funds the next day.</p> <p>Step 1- Calculate Cost Share Airport Distribution            Step 2- Calculate Cost Share Seaport Distribution            Step 3- Day before pay date- Transfer funds from Seaport account to Airport account            Step 4- Receipt funds same day as pay date</p> <p>The intention and design of these steps and the pre-payment nature of shared costs is to avoid any semblance of Airport funds being used to fund Seaport operations. A copy of official memorandum and email sent to the CPA Accounting and Payroll staff, and a copy of the cost share transaction was provided to FAA.</p> <p><b><u>Condition 2: revenue diversion; employee welfare costs</u></b></p> <p>CPA disagrees with this finding.</p> <p>Employee welfare is a justifiable operational cost because it supports employee productivity, improves retention and enhances workplace morale. The \$1,745.00 was payment to a catering company for food that was served at a CPA Christmas Party. The event was to enhance morale, encourage interaction and foster staff appreciation.</p>	Sheryl Sizemore, Comptroller Ida S. De Brum, Accounting Manager Zack A. Diaz, Internal Auditor	\$ -	-



COMMONWEALTH PORTS AUTHORITY  
SUMMARY OF PRIOR AUDIT FINDINGS: FINDINGS AND QUESTIONED COSTS (QC)  
SEPTEMBER 30, 2024

Reference No.	Assistance Listing No.	Finding	QC	Status	Corrective Action Plan	Contact Person	Amount (\$)	
							QC Resolved	Bal Carry Forward
<b>Fiscal Year 2023</b>								
2023-005	21.027	Reporting	\$ -	Fully Corrected	CPA corrected the discrepancy and updated and submitted the revised report.	Sheryl Sizemore, Comptroller Ida S. De Brum, Accounting Manager	\$ -	-
							\$ -	\$ -
<b>Fiscal Year 2022</b>								
2022-001	N/A	Work-In-Progress	-	Fully Corrected	Corrective action was taken.	Sheryl Sizemore, Comptroller Wendi Prater, CIP Administrator Zack Diaz, Internal Auditor	\$ -	\$ -
2022-002	N/A	Local Noncompliance - Procurement	-	Fully Corrected	Corrective action was taken.	Sheryl Sizemore, Comptroller Zack Diaz, Internal Auditor	\$ -	\$ -
2022-003	20.106	Equipment and Real Property Management	-	Partially Corrected	See corrective action plan for Finding No. 2023-003	Sheryl Sizemore, Comptroller Zack Diaz, Internal Auditor	\$ -	\$ -
2022-004	21.027	Activities Allowed or Unallowed	\$20,000	Not Corrected	CPA has reached out to the CNMI Department of Finance to provide the point of contact for a program determination on the finding and questioned costs. CPA will provide its justification for premium pay in compliance with the Treasury Final Rule.	Esther S. Ada, Executive Director	\$ -	\$ 20,000
2022-005	21.027	Reporting	-	Fully Corrected	Corrective action was taken.	Sheryl Sizemore, Comptroller Zack Diaz, Internal Auditor	\$ -	\$ -
							\$ 20,000	\$ 20,000
<b>Fiscal Year 2021</b>								
2021-001	N/A	Local Noncompliance - Procurement	-	Fully Corrected	Corrective action was taken.	Sheryl Sizemore, Comptroller Zack Diaz, Internal Auditor	-	-
2021-002	N/A	Capital Assets	-	Partially Corrected	See corrective action plan for Finding No. 2023-003	Sheryl Sizemore, Comptroller Zack Diaz, Internal Auditor	-	-
2021-002	20.106	Equipment and Real Property Management	-	Partially Corrected	See corrective action plan for Finding No. 2023-003	Sheryl Sizemore, Comptroller Zack Diaz, Internal Auditor	-	-
							\$ -	\$ -
<b>Fiscal Year 2020</b>								
2020-002	N/A	Local Noncompliance - Procurement	\$ -	Fully Corrected	Corrective action was taken.	Sheryl Sizemore, Comptroller Zack Diaz, Internal Auditor	-	-
2020-003	N/A	Equipment and Real Property Management	-	Partially Corrected	See corrective action plan for Finding No. 2023-003	Sheryl Sizemore, Comptroller Zack Diaz, Internal Auditor	-	-
2020-003	20.106	Equipment and Real Property Management	-	Partially Corrected	See corrective action plan for Finding No. 2023-003	Sheryl Sizemore, Comptroller Zack Diaz, Internal Auditor	-	-
2020-004	20.106	Reporting	-	Fully Corrected	The SF-425 reports were amended to include the grant amendment amount and to reflect the closeout recipient share.	Sheryl Sizemore, Comptroller Zack Diaz, Internal Auditor	-	-
							\$ -	\$ -



**COMMONWEALTH PORTS AUTHORITY**  
**SUMMARY OF PRIOR AUDIT FINDINGS: FINDINGS AND QUESTIONED COSTS (QC)**  
**SEPTEMBER 30, 2024**

Reference No.	Assistance Listing No.	Finding	QC	Status	Corrective Action Plan	Contact Person	Amount (\$)		
							QC Resolved	Bal Carry Forward	
<b>Fiscal Year 2023</b>									
<b>Fiscal Year 2019</b>									
2019-001	N/A	Local Noncompliance - Procurement	\$ -	Partially Corrected	See corrective action plan for Finding No. 2022-002	Sheryl Sizemore, Comptroller Zack Diaz, Internal Auditor	\$ -	\$ -	
2019-002	N/A	Equipment and Real Property Management	-	Partially Corrected	See corrective action plan for Finding No. 2023-003	Sheryl Sizemore, Comptroller Zack Diaz, Internal Auditor	-	-	
2019-002	20.106	Equipment and Real Property Management	-	Partially Corrected	See corrective action plan for Finding No. 2023-003	Sheryl Sizemore, Comptroller Zack Diaz, Internal Auditor	-	-	
							<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Fiscal Year 2018</b>									
2018-002	N/A	Equipment and Real Property Management	-	Partially Corrected	See corrective action plan for Finding No. 2023-003	Sheryl Sizemore, Comptroller Zack Diaz, Internal Auditor	-	-	
2018-002	20.106	Equipment and Real Property Management	-	Partially Corrected	See corrective action plan for Finding No. 2023-003	Sheryl Sizemore, Comptroller Zack Diaz, Internal Auditor	-	-	
							<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Fiscal Year 2017</b>									
2017-001	N/A	Equipment and Real Property Management	-	Partially Corrected	See corrective action plan for Finding No. 2023-003	Sheryl Sizemore, Comptroller Zack Diaz, Internal Auditor	-	-	
2017-001	20.106	Equipment and Real Property Management	-	Partially Corrected	See corrective action plan for Finding No. 2023-003	Sheryl Sizemore, Comptroller Zack Diaz, Internal Auditor	-	-	
							<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Fiscal Year 2016</b>									
2016-001	20.106	Equipment and Real Property Management	-	Partially Corrected	See corrective action plan for Finding No. 2023-003	Sheryl Sizemore, Comptroller Zack Diaz, Internal Auditor	-	-	
							<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Fiscal Year 2015</b>									
2015-001	20.106	Equipment and Real Property Management	-	Partially Corrected	See corrective action plan for Finding No. 2023-003	Sheryl Sizemore, Comptroller Zack Diaz, Internal Auditor	-	-	
							<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



**COMMONWEALTH PORTS AUTHORITY**  
**SUMMARY OF PRIOR AUDIT FINDINGS: FINDINGS AND QUESTIONED COSTS (QC)**  
**SEPTEMBER 30, 2024**

Reference No.	Assistance Listing No.	Finding	QC	Status	Corrective Action Plan	Contact Person	Amount (\$)		
							QC Resolved	Bal Carry Forward	
<b>Fiscal Year 2023</b>									
<b>Fiscal Year 2014</b>									
2014-002	20.106	Equipment and Real Property Management	-	Partially Corrected	See corrective action plan for Finding No. 2023-003	Sheryl Sizemore, Comptroller Zack Diaz, Internal Auditor	-	-	
							\$ -	\$ -	
<b>Fiscal Year 2013</b>									
2013-001	20.106	Equipment and Real Property Management	-	Partially Corrected	See corrective action plan for Finding No. 2023-003	Sheryl Sizemore, Comptroller Zack Diaz, Internal Auditor	-	-	
							\$ -	\$ -	
<b>Fiscal Year 2012</b>									
2012-001	20.106	Equipment and Real Property Management	-	Partially Corrected	See corrective action plan for Finding No. 2023-003	Sheryl Sizemore, Comptroller Zack Diaz, Internal Auditor	-	-	
							\$ -	\$ -	
<b>Fiscal Year 2011</b>									
2011-002	20.106	Equipment and Real Property Management	-	Partially Corrected	See corrective action plan for Finding No. 2023-003	Sheryl Sizemore, Comptroller Zack Diaz, Internal Auditor	-	-	
							\$ -	\$ -	
<b>Fiscal Year 2010</b>									
2010-002	20.106	Equipment and Real Property Management	-	Partially Corrected	See corrective action plan for Finding No. 2023-003	Sheryl Sizemore, Comptroller Zack Diaz, Internal Auditor	-	-	
							\$ -	\$ -	
<b>Fiscal Year 2009</b>									
2009-003	20.106	Equipment and Real Property Management	-	Partially Corrected	See corrective action plan for Finding No. 2023-003	Sheryl Sizemore, Comptroller Zack Diaz, Internal Auditor	-	-	
							\$ -	\$ -	
<b>Fiscal Year 2008</b>									
2008-006	20.106	Equipment and Real Property Management	-	Partially Corrected	See corrective action plan for Finding No. 2023-003	Sheryl Sizemore, Comptroller Zack Diaz, Internal Auditor	-	-	
							\$ -	\$ -	
<b>Summary for FY08 through FY23</b>			<u>\$ 20,000.00</u>					<u>\$ -</u>	<u>\$ 20,000.00</u>