



# OC Board of Supervisors' Internal Audit Department

O R A N G E C O U N T Y

## AUDIT HIGHLIGHT

July 24, 2008

INTERNAL AUDITOR'S REPORT TO THE BOARD OF SUPERVISORS

## REVIEW OF LICENSE REVENUE FOR GAT AIRLINE GROUND SUPPORT, Audit No. 2734

### WHAT WE FOUND?

GAT Airline Ground Support (GAT) paid fees of approximately \$140,000 to the County. Additional fees are owed to the County with the final amount yet to be determined. Currently, amounts owed are calculated to be at least \$73,107 and could increase by as much as another \$75,000.

### WHY WE DID THIS AUDIT?

We performed this audit to ensure the County is receiving the proper fees as defined by the license agreement.

### WHY IS THIS AUDIT IMPORTANT?

Fees are paid to the County based on a percentage of gross receipts. We audit the underlying books and records to ensure gross receipts are complete. During the 12-month audit period ending July 31, 2007, GAT generated approximately \$1.4 million in gross receipts and paid the County approximately \$140,000 in fees.

### BACKGROUND INFORMATION (SEE COMPLETE AUDIT REPORT FOR DETAIL)

The County entered into a license agreement with GAT dated August 19, 2004, as amended and assigned, to conduct and operate commercial aviation ramp services, in-flight food catering, wash and wax operations, interior aircraft cleaning, and other contract ground services at John Wayne Airport.

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