

# Auditor's Summary

## Single Audit of Federal Financial Assistance Programs of the Department of Transportation, Airports Division

Financial Statements, Fiscal Year Ended June 30, 2023



PHOTO: HAWAII DOT AIRPORTS DIVISION

**THE PRIMARY PURPOSE** of the Department of Transportation, Airports Division, Single Audit for the fiscal year ended June 30, 2023, was to comply 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), which established audit requirements for state and local governmental units that receive federal awards. The audit was conducted by Plante & Moran, PLLC.

### About the Division

The Department of Transportation, Airports Division (DOT–Airports), operates and maintains 15 airports at various locations within the State of Hawai‘i as a single integrated system for management and financial purposes. Daniel K. Inouye International Airport is the principal airport in the airports system, providing facilities for interisland flights, domestic overseas flights, and international flights to destinations in the Pacific Rim. DOT–Airports is authorized to impose and collect rates and charges for the airports system services and properties to generate revenues to fund operating expenses. The Capital Improvements Program is primarily funded by airports system revenue bonds and lease revenue certificates of participation issued by DOT–Airports, federal grants, passenger facility charges, customer facility charges, and DOT–Airports revenues.

### About the Report

**SINGLE AUDITS** provide assurance to the federal government that state agencies and programs receiving federal funds are expending those funds properly. This report includes the total federal expenditures and findings related to the DOT–Airports’ Federal Financial Assistance Programs for the fiscal year ended June 30, 2023.

### Auditors’ Opinion

**DOT-AIRPORTS RECEIVED AN UNMODIFIED OPINION** on its compliance with major federal programs in accordance with the *Uniform Guidance*.

### Findings

**THERE WAS A MATERIAL WEAKNESS** in internal control over financial reporting that was required to be reported under *Government Auditing Standards*. 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

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not be prevented or detected and corrected on a timely basis. The material weakness is described on page 11 of the single audit report.

There was a material weakness in internal control over compliance that was required to be reported in accordance with the *Uniform Guidance*. 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 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. The material weakness is described on page 12 of the single audit report.



Link to the complete reports:

**Single Audit**

[https://files.hawaii.gov/auditor/Reports/2023\\_Audit/DOT\\_Airports\\_Single\\_Audit\\_2023.pdf](https://files.hawaii.gov/auditor/Reports/2023_Audit/DOT_Airports_Single_Audit_2023.pdf)



**Financial Audit**

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