



Dave Yost • Auditor of State





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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Facility Governing Board  
Northeast Ohio Community Alternative Program  
Trumbull County  
411 Pine Avenue SE  
Warren, OH 44483

We have performed the procedures enumerated below, with which the Facility Governing Board and the management of Northeast Ohio Community Alternative Program (the Facility) agreed, solely to assist the Board in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended June 30, 2014 and 2013, and certain compliance requirements related to these transactions and balances. Management is responsible for recording transactions; and management and the Board are responsible for complying with the compliance requirements. This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. The sufficiency of the procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

This report only describes exceptions exceeding \$10.

### Cash

1. We tested the mathematical accuracy of the June 30, 2014 Offender Personal Funds, Vending/Telephone Commissions, and Health Insurance Fund bank reconciliations and the June 30, 2013 Offender Personal Funds and Vending/Telephone Commissions bank reconciliations. We found no exceptions.
2. We agreed the totals per the bank reconciliations to the total of the June 30, 2014 Offender Personal Funds, Vending/Telephone Commissions, and Health Insurance Fund cash balances and 2013 Offender Personal Funds and Vending/Telephone Commissions fund cash balances reported in the Profit and Loss Statement. The amounts agreed.
3. We confirmed the June 30, 2014 Offender Personal Funds, Vending/Telephone Commissions, and Health Insurance Fund bank account balances with the Facility's financial institutions. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the June 30, 2014 bank reconciliation without exception.

### **Cash (Continued)**

4. We selected five reconciling debits (such as outstanding checks) haphazardly from the June 30, 2014 bank reconciliations:
  - a. We traced each debit to the subsequent July. We found no exceptions.
  - b. We traced the amounts and dates to the check register, to determine the debits were dated prior to June 30. We noted no exceptions.
5. Trumbull County is custodian for the Facility's ODRC State monies, Federal RSAT grants, and Construction Project fund deposits and therefore the County's deposit and investment pool holds these Facility assets. We compared the Facility's fund balances reported on its June 30, 2014 Profit and Loss Statement to the Auditor Monthly Financial Statement to Commissioners balances reported in Trumbull County's accounting records. The amounts agree.
6. We agreed the July 1, 2013 beginning fund balances recorded in the Profit and Loss Statement to the June 30, 2012 balances in the prior year audited statements. We also agreed the July 1, 2013 beginning fund balances recorded in the Profit and Loss Statement to the June 30, 2013 balances in the Profit and Loss Statement. We found no exceptions.

### **Intergovernmental and Other Confirmable Cash Receipts**

1. We selected five receipts from the State Distribution Transaction Lists (DTL) from 2014 and all from 2013.
  - a. We compared the amount from the above report to the amount recorded in the Transaction Detail by Account Report. The amounts agreed.
  - b. We determined whether these receipts were allocated to the proper fund. We found no exceptions.
  - c. We determined whether the receipts were recorded in the proper year. We found no exceptions.

### **Debt**

1. The prior audit documentation disclosed no debt outstanding as of June 30, 2012.
2. We inquired of management, and scanned the Transaction Detail by Account Report and Income Vs. Expense Report for evidence of debt issued during 2014 or 2013 or debt payment activity during 2014 or 2013. We noted no new debt issuances, nor any debt payment activity during 2014 or 2013.

### **Payroll Cash Disbursements**

1. We haphazardly selected one payroll check for five employees from 2014 and one payroll check for five employees from 2013 from the Trumbull County Check Copy Report and:
  - a. We compared the hours and pay rate, or salary recorded in the County's Payroll Earnings Report to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
  - b. We determined whether the fund and account code to which the check was posted were reasonable based on the employees' duties as documented in the Salary listing. We also determined whether the payment was posted to the proper year. We found no exceptions.

**Payroll Cash Disbursements (Continued)**

2. For any new employees selected in step 1 we determined whether the following information in the County's personnel files was consistent with the information used to compute gross and net pay related to this check:
  - a. Name
  - b. Authorized salary or pay rate
  - c. Department and fund to which the check should be charged
  - d. Retirement system participation
  - e. Federal, State & Local income tax withholding

We found no exceptions related to steps a. – e. above.

3. We scanned the last remittance of tax and retirement withholdings for the year ended June 30, 2014 to determine whether remittances were timely charged by Trumbull County, fiscal agent, and if the amounts charged agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding, period of 2014. We noted the following:

<b>Withholding (plus employer share, where applicable)</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Due</b>	<b>Amount Paid</b>
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	June 30, 2014	June 27, 2014	\$311,741.90	\$311,741
State income taxes	July 31, 2014	June 27, 2014	\$55,912.21	\$55,912
Local income tax	July 31, 2014	July 16, 2014	\$37,228.91	\$37,228
OPERS retirement	July 31, 2014	July 25, 2014	\$1,099,866.73	\$1,099,866

4. We haphazardly selected and recomputed one termination payment (unused vacation, etc.) using the following information, and agreed the computation to the amount paid as recorded in the Payroll Earnings Report:
  - a. Accumulated leave records
  - b. The employee's pay rate in effect as of the termination date
  - c. The Facility's payout policy.

The amount paid was consistent with the information recorded in a. through c. above.

### **Non-Payroll Cash Disbursements**

1. We haphazardly selected ten disbursements from the Quickbooks Payment Register Report for the year ended June 30, 2014 and ten from the year ended 2013 and determined whether:
  - a. The disbursements were for a proper public purpose. We found no exceptions.
  - b. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the Quickbooks Payment Register Report and to the names and amounts on the supporting invoices. We found no exceptions.
  - c. The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used. We found no exceptions.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the Facility's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management, those charged with governance, and others within the Facility, and is not intended to be, and should not be used by anyone other than these specified parties.



**Dave Yost**  
Auditor of State

Columbus, Ohio

January 26, 2015



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## NORTHEAST OHIO COMMUNITY ALTERNATIVE PROGRAM

### TRUMBULL COUNTY

#### CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

*Susan Babbitt*

CLERK OF THE BUREAU

CERTIFIED  
MARCH 3, 2015