



Dave Yost • Auditor of State





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

Northwest Ohio Juvenile Detention, Training and Rehabilitation District  
Williams County  
3389 County Road 2425  
Stryker, Ohio 43357

We have performed the procedures enumerated below, with which the Board of Trustees and the management of Northwest Ohio Juvenile Detention, Training and Rehabilitation District, Williams County, Ohio, (the District) agreed, solely to assist the Board in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2015 and 2014, 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. Fulton County is custodian for the District's deposits, and therefore the County's deposit and investment pool holds the District's assets. We compared the District's fund balances reported on its December 31, 2015 Cash Report to the balances reported in Fulton County's accounting records. The amounts agreed.
2. We agreed the January 1, 2014 beginning fund balances recorded in the Cash Report to the December 31, 2013 balances in documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2015 beginning fund balances recorded in the Cash Report to the December 31, 2014 balances in the Fund Ledger Report. We found no exceptions.

### Intergovernmental and Other Confirmable Cash Receipts

1. We selected five receipts from the State Distribution Transaction Lists (DTL) from 2015 and five from 2014.
  - a. We compared the amount from the above reports to the amount recorded in the Revenue 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.

2. We confirmed the amounts paid from the member counties to the District during 2015 and 2014 with the counties. We found no exceptions.
  - a. We determined whether these receipts were allocated to the proper fund. We found no exceptions.
  - b. We determined whether the receipts were recorded in the proper year. We found no exceptions.

### **Over-The-Counter Cash Receipts**

We haphazardly selected 10 over-the-counter cash receipts from the year ended December 31, 2015 and 10 over-the-counter cash receipts from the year ended December 31, 2014 recorded in the duplicate cash receipts book and determined whether the:

- a. Receipt amount agreed to the amount recorded in the Revenue Report. The amounts agreed.
- b. Amount charged complied with rates in force during the period. We found no exceptions.
- c. Receipt was posted to the proper fund, and was recorded in the proper year. We found no exceptions.

### **Debt.**

1. The prior agreed-upon procedures documentation disclosed no debt outstanding as of December 31, 2013.
2. We inquired of management, and scanned the Revenue Report and Account Transactions Ledger Report for evidence of debt issued during 2015 or 2014 or debt payment activity during 2015 or 2014. We noted no new debt issuances, nor any debt payment activity during 2015 or 2014.

### **Payroll Cash Disbursements**

1. We haphazardly selected one payroll check for five employees from 2015 and one payroll check for five employees from 2014 from the Account Transaction Ledger Report and:
  - a. We compared the hours and pay rate, or salary recorded in the Account Transaction Ledger Report to supporting documentation (timecard, legislatively approved rate or salary). We found no exceptions.
  - b. We recomputed gross and net pay and agreed it to the amount recorded in the payroll register. We found no exceptions.
  - c. We determined whether the fund and account codes to which the check was posted were reasonable based on the employees' duties as documented in the employees' personnel files. We also determined whether the payment was posted to the proper year. We found no exceptions.
2. For any new employees selected in step 1 we determined whether the following information in the employees' 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 and payroll withholding
  - e. Federal, State and Local income tax withholding authorization and 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 December 31, 2015 to determine whether remittances were timely paid, and if the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period of 2015. We noted the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes and Medicare	January 31, 2016	December 29, 2015	\$3,719.53	\$3,719.53
State income taxes	January 15, 2016	December 29, 2015	623.34	623.34
Local income tax	January 31, 2016	December 29, 2015	567.76	567.76
OPERS retirement	January 30, 2016	January 7, 2016	14,451.41	14,451.41
STRS retirement	January 31, 2016	December 29, 2015	853.31	853.31

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

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

### Non-Payroll Cash Disbursements

We haphazardly selected ten disbursements from the Account Transaction Ledger Report for the year ended December 31, 2015 and ten from the year ended December 31, 2014 and determined whether:

- The disbursements were for a proper public purpose. We found no exceptions.
- 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 Account Transaction Ledger Report and to the names and amounts on the supporting invoices. We found no exceptions.
- 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.
- The fiscal officer certified disbursements requiring certification or issued a *Then and Now Certificate*, as required by Ohio Rev. Code Section 5705.41(D). We found no exceptions.

### Compliance – Budgetary

1. We compared the total estimated receipts from the *Certificate of the Total Amount From All Sources Available For Expenditures and Balances* required by Ohio Rev. Code Section 5705.36(A)(1), to the amounts recorded in the Revenue Report for the General and Capital Projects funds for the years ended December 31, 2015 and 2014. The amounts on the *Certificate* agreed to the amount recorded in the accounting system, except for the General Fund in 2015. The Revenue Report recorded budgeted (i.e. certified) resources for the General fund of \$1,465,891 for 2015. However, the final *Amended Official Certificate of Estimated Resources*

reflected \$1,535,891. The fiscal officer should periodically compare amounts recorded in the Revenue Report to amounts recorded on the *Amended Official Certificate of Estimated Resources* to assure they agree. If the amounts do not agree, the Trustees may be using inaccurate information for budgeting and monitoring purposes.

2. We scanned the appropriation measures adopted for 2015 and 2014 to determine whether, for the General and Capital Projects funds, the Trustees appropriated separately for "each office, department, and division, and within each, the amount appropriated for personal services," as is required by Ohio Rev. Code Section 5705.38(C). We found no exceptions.
3. We compared total appropriations required by Ohio Rev. Code Sections 5705.38 and 5705.40, to the amounts recorded in the Expense Report for 2015 and 2014 for the following funds: General and Capital Projects Funds. The amounts on the appropriation resolutions agreed to the amounts recorded in the Expense Report, except for the General fund. The Expense Report recorded budgeted expenditures for the General fund of \$1,758,486 for 2015 and \$1,673,058 for 2014. However, the total amounts on the appropriation resolutions reflected \$1,737,307 for 2015 and \$1,654,636 for 2014. The fiscal officer should periodically compare amounts recorded in the Expense Report to amounts recorded on the appropriation resolutions to assure they agree. If the amounts do not agree, the Trustees may be using inaccurate information for budgeting and monitoring purposes.
4. Ohio Rev. Code Sections 5705.36(A)(5) and 5705.39 prohibits appropriations from exceeding the certified resources. We compared total appropriations to total certified resources for the General and Capital Projects funds for the years ended December 31, 2015 and 2014. We noted no funds for which appropriations exceeded certified resources.
5. Ohio Rev. Code Section 5705.41(B) prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total appropriations for the years ended December 31, 2015 and 2014 for the General and Capital Projects fund, as recorded in the Expense Report. We noted no funds for which expenditures exceeded appropriations.
6. Ohio Rev. Code Section 5705.09 requires establishing separate funds to segregate externally-restricted resources. We scanned the Account Ledger Report for evidence of new restricted receipts requiring a new fund during December 31, 2015 and 2014. We also inquired of management regarding whether the District received new restricted receipts. We noted no evidence of new restricted receipts for which Ohio Rev. Code Section 5705.09 would require the District to establish a new fund.
7. We scanned the 2015 and 2014 Account Transactions Ledger Report for evidence of interfund transfers exceeding \$10,000 which Ohio Rev. Code Sections 5705.14 - .16 restrict. We found no evidence of transfers these Sections prohibit, or for which Section 5705.16 would require approval by the Tax Commissioner and Court of Common Pleas.
8. We inquired of management and scanned the Expense Report to determine whether the District elected to establish reserve accounts permitted by Ohio Rev. Code Section 5705.13. We noted the District did not establish these reserves.
9. We scanned the Cash Summary by Fund Report for the years ended December 31, 2015 and 2016 for negative cash fund balances. Ohio Rev. Code Section 5705.10 (I) provides that money paid into a fund must be used for the purposes for which such fund is established. As a result, a negative fund cash balance indicates that money from one fund was used to cover the expenses of another. We noted no fund having a negative cash fund balance.

### **Other Compliance**

Ohio Rev. Code Section 117.38 requires entities to file their financial information in the HINKLE system formerly known as the Annual Financial Data Reporting System (AFDRS) within 60 days after the close of the fiscal year. We reviewed AFDRS to verify the Entity filed their financial information within the allotted timeframe for the years ended December 31, 2015 and 2014. No exceptions were noted.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the District'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, Board of Trustees and others within the District, and is not intended to be, and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping initial "D".

**Dave Yost**  
Auditor of State

Columbus, Ohio

July 15, 2016

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# Dave Yost • Auditor of State

## NORTHWEST OHIO JUVENILE DETENTION

### WILLIAMS 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  
AUGUST 11, 2016