



Dave Yost • Auditor of State





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

Southwest Council of Governments  
Cuyahoga County  
11 Berea Commons  
Berea, Ohio 44017

We have performed the procedures enumerated below, with which the Council members and the management of Southwest Council of Governments (the Council of Government) 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. We tested the mathematical accuracy of the December 31, 2015 and December 31, 2014 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2014 beginning fund balance recorded in the detailed annual reports to the December 31, 2013 balance in the prior year documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2015 beginning fund balance recorded in the detailed annual reports to the December 31, 2014 balance in the detailed annual reports. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2015 and 2014 fund cash balances reported in the annual reports. The amounts agreed.
4. We confirmed the December 31, 2015 bank account balance with the Council of Government's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2015 bank reconciliation without exception.
5. We selected all reconciling debits (such as outstanding checks) from the December 31, 2015 bank reconciliation:
  - a. We traced each debit to the subsequent January bank statement. We found no exceptions.
  - b. We traced the amounts and dates to the check register, to determine the debits were dated prior to December 31. We noted no exceptions.

**Member Contributions**

We haphazardly selected five member contribution cash receipts from the year ended December 31, 2015 and five member contribution cash receipts from the year ended 2014 and determined whether the:

- a. Receipt amount agreed to the amount recorded in the annual reports. The amounts agreed.
- b. Amount charged complied with rates in force during the period. We found no exceptions.
- c. Receipt was recorded in the proper year. We found no exceptions.

**Debt**

1. From the prior agreed-upon procedures documentation, we noted the following lease outstanding as of December 31, 2013. This amount agreed to the Council of Government's January 1, 2014 balance on the summary we used in step 3.

Issue	Principal outstanding as of December 31, 2013:
Rescue Response Vehicle-Lease Purchase Agreement	\$260,000.00

2. We inquired of management, and scanned the detailed annual reports for evidence of debt issued during 2015 or 2014 or debt payment activity during 2015 or 2014. All debt noted agreed to the summary we used in step 3. We noted no new debt issuances.
3. We obtained a summary of lease debt activity for 2015 and 2014 and agreed principal and interest payments from the related debt amortization schedule to debt service payments reported in the detailed annual reports. We also compared the date the debt service payments were due to the date the Council of Government made the payments. We found no exceptions.

**Payroll Cash Disbursements**

1. We selected all payroll checks for the only employee from 2015 and all payroll checks for the only employee from 2014 from the detailed annual reports and:
  - a. We compared the salary recorded in the detailed annual reports to supporting documentation (legislatively approved rate). We found no exceptions.
  - b. We determined whether the account codes to which the check was posted were reasonable based on the employees' duties as documented in the payroll folder. We also determined whether the payment was posted to the proper year. We found no exceptions.
2. 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 & Medicare	January 31, 2016	March 30, 2016	\$272.50	\$272.50
Local income tax	April 15, 2015	July 7, 2015	\$50.00	\$50.00
OPERS retirement	January 30, 2016	February 27, 2015	\$50.00	\$50.00

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

1. We haphazardly selected ten disbursements from the detailed annual reports for the year ended December 31, 2015 and ten from the year ended 2014 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 detailed annual reports and to the names and amounts on the supporting invoices. We found no exceptions.

### **Other Compliance**

1. 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 Council of Government filed their financial information within the allotted timeframe for the years ended December 31, 2015 and 2014. No exceptions noted for the 2015 financial information; however, the December 31, 2014 financial information was filed on October 26, 2016, which was not within the allotted timeframe.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the Council of Government'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 Council of Government, 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

December 9, 2016

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**SOUTHWEST COUNCIL OF GOVERNMENTS**

**CUYAHOGA 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  
DECEMBER 20, 2016**