



Dave Yost • Auditor of State





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

Clark County Soil and Water Conservation District  
Clark County  
3130 E. Main Street  
Springfield, Ohio 45505

We have performed the procedures enumerated below, with which the Board of Supervisors (the Board) and the management of the Clark County Soil and Water Conservation District (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, 2012 through 2016, 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 followed 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.

### Depository Balances, Investments and Fund Balances

We applied the following procedures to each *Cash Basis Annual Financial Report* (the Reports) for the fiscal years ending December 31, 2012 through December 31, 2015:

1. We footed and cross-footed the amounts on pages 3A and 3B of the Reports, and compared the *Fund Cash Balances, December 31* to the *Fund Balances* on page 2. We found no exceptions and the amounts agreed.
2. We compared the *Disbursements* plus *Other Financing Uses* for the Special Fund on pages 3A and 3B of the Reports to the Disbursements reported on page 4. The amounts agreed except for fiscal year ending December 31, 2014 as the District did not complete page 4.
3. We compared the *Receipts* plus *Other Financing Sources* for the Special Fund on pages 3A and 3B of the Reports to the Actual Receipts reported on page 5. The amounts agreed for fiscal year ending December 31, 2015, but the amounts did not agree for fiscal year ending December 31, 2012, 2013 or 2014 as the District did not complete page 5 for those years.
4. We tested the mathematical accuracy of the reconciliation on page 2. We found no exceptions.

### **Depository Balances, Investments and Fund Balances (Continued)**

5. We agreed the January 1 and December 31 fund cash balances reported in the District's General Ledger Report to the corresponding *Fund Cash Balances* on page 3B of the Reports. The amounts agreed except for fiscal year ending December 31, 2014. The January 1 fund cash balance on the General Ledger Report was \$71,372.21 and the fund cash balance on page 3b was \$71,422.21. The December 31 fund cash balance on the General Ledger Report was \$80,342.91 and the fund cash balance on page 3B was \$80,392.91. The \$50 variance was due to the District's change fund.

We also applied the following procedures to the *Combined Statement of Receipts, Disbursements and Changes in Fund Balances* in the *Cash Basis Annual Financial Report* filed in the Hinkle System (the Report) at December 31, 2016:

6. We footed and cross-footed the amounts on the *Combined Statement of Receipts, Disbursements and Changes in Fund Balances*. We found no exceptions.
7. We compared the *Disbursements plus Other Financing Uses* for the Special Fund on the *Combined Statement of Receipts, Disbursements and Changes in Fund Balances* to the Budgetary Expenditures in the Special Fund Budgetary Activity footnote. The amounts agreed.
8. We compared the *Receipts plus Other Financing Sources* for the Special Fund on the *Combined Statement of Receipts, Disbursements and Changes in Fund Balances* to the Actual Receipts in the Special Fund Budgetary Activity footnote. The amounts agreed.
9. We agreed the January 1 and December 31 fund cash balances reported in the District's General Ledger Report to the corresponding *Fund Cash Balances* on the *Combined Statement of Receipts, Disbursements and Changes in Fund Balances*. The amounts agreed.
10. We confirmed the December 31, 2016 bank account depository balance for the District Fund with the District's financial institution. The balances agreed.
11. We compared the December 31, 2016 Special Fund depository balance from the *Report* to the amount reported in the Ohio Cash Basis Report for Clark County. We found no exceptions.

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

We applied the following procedures for the years ended December 31, 2012 through December 31, 2016:

- We agreed the total of the receipts from the State Distribution Transaction Lists (DTL) and the total of the receipts from the County Auditor's Detailed Expense Report (2012-2014) or Revenue and Expenditure Report for Clark County (2015-2016) to the total amounts recorded in the respective receipt classification in the Special Fund in the Deposit Detail Ledger. The amounts agreed.

### **All Other Cash Receipts**

We haphazardly selected 10 other cash receipts from the year ended December 31, 2016 and five other cash receipts from each of the years ended 2012 through 2015 recorded in the duplicate cash receipts book and determined whether the:

### All Other Cash Receipts (Continued)

1. Receipt amount agreed to the amount recorded in the Deposit Detail Report. The amounts agreed.
2. Amount charged complied with rates in force during the period, if applicable. We found 4, 2, and 1 exception(s) in 2012, 2013, and 2015, respectively. It could not be determined that the proper rate was charged as an order form was not completed.
3. Receipt was posted to the proper fund(s), and was recorded in the proper year. We found no exceptions.

### Payroll Cash Disbursements

1. We haphazardly selected one payroll check for all three employees from 2016 and one payroll check for two employees for each of the years ended December 31, 2012 through 2015 from the Special Fund Check Detail Report and:
  - a. We compared the hours and pay rate, or salary recorded in the Clark County SWCD Personnel File to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
  - b. We determined whether salaries and benefits were paid only from the *Special Fund*, as required by the SWCD Administrative Handbook Chapter 5. We noted no exceptions.
  - c. We determined whether the check was classified as *salaries*. We also determined whether the payment was posted to the proper year. We found no exceptions.
2. For the three employees tested in step 1 from 2016, we determined whether the following information in the employees' personnel files, minute record, or other sources was consistent with the information used to compute gross and net pay related to the check:
  - a. Name
  - b. Authorized salary or pay rate
  - c. Retirement system participation and payroll withholding
  - d. Federal, State & Local income tax withholding authorization and withholding
  - e. Any other deduction authorizations (deferred compensation, etc.)

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

### Non-Payroll Cash Disbursements

1. From the Check Detail Report, we re-footed checks recorded as *District Fund* disbursements for *annual meetings and repairs* for 2016. We found no exceptions.
2. We haphazardly selected five disbursements from the *Special Fund* and five disbursements from the *District Fund* from the Check Detail Report for the year ended December 31, 2016 and two from the *Special Fund* and three from the *District Fund* for each of the years ended 2012 through 2015 and determined whether:
  - a. The disbursements were for a proper public purpose. We found no exceptions.
  - b. For *District Fund* disbursements, we determined whether:
    - i. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the similar data recorded in the Check Detail Report and to the names and amounts on the supporting invoices. We found 2 instances in 2014, 1 instance in 2015 and 2 instances in 2016 where the date on the canceled check did not match the date that was included in the Check Detail Report.
    - ii. The payment was posted to a fund consistent with the purpose for which the fund's cash can be used. We found no exceptions.

### Non-Payroll Cash Disbursements (Continued)

- c. For *Special Fund* disbursements, we determined whether:
  - i. The payee name and amount recorded on the voucher or invoice submitted to the County Auditor agreed to the payee name and amount recorded in the Check Detail Report and County Detailed Expense Report (2012-2014) or County Revenue and Expenditure Report (2015-2016). We found no exceptions.
  - ii. The names and amounts on the voucher agreed to supporting invoices. We found no exceptions.
  - iii. The voucher or invoice was signed by the fiscal officer and approved by a majority of the Board of Supervisors. We found no exceptions.

### 2016 Special Fund Budgetary Compliance

1. We read the District's Special Fund Budget Request submitted to the County Commissioners. We noted the request included the Special Fund's *Needs, Income* and *Balances* anticipated for carry over from the current year, as required by the SWCD Administrative Handbook, Chapter 5.
2. We compared the total estimated receipts reported on the Special Fund Budgetary Activity footnote of the Cash Basis Annual Financial Report to the 2016 Proposed Budget, required by Ohio Rev. Code Section 5705.36(A)(1), and to the amounts recorded in the Revenue and Expenditures Report for Clark County for the Special Fund. The amounts agreed from the Footnote compared to the Revenue and Expenditures Report for Clark County but did not agree between the 2016 proposed budget and the budgeted receipts in the footnote. The Footnote had budgeted receipts of \$256,200 and the 2016 proposed budget had estimated receipts of \$254,359, a variance of \$1,841.
3. We scanned the appropriation measures to determine whether the Supervisors appropriated separate amounts within the Special Fund 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.
4. We compared total appropriations required by Ohio Rev. Code Sections 5705.38 and 5705.40, to the amounts recorded in the Revenue and Expenditures Report for Clark County for the Special Fund, and to the appropriations reported on the Special Fund Budgetary Activity footnote of the Cash Basis Annual Financial Report. The amounts agreed between the 2016 Proposed Budget and the footnote. The amount in the Revenue and Expenditures Report for Clark County was \$401,801.40 and the amount in the 2016 proposed budget was \$391,560.21. A variance of \$10,241.19 was noted. The Board should approve all changes to the budget.
5. Ohio Rev. Code Sections 5705.36(A)(5) and 5705.28(B)(2)(C) prohibit appropriations from exceeding estimated revenue. We compared total appropriations to total estimated revenue for the Special Fund for the year ended December 31, 2016. We noted appropriations did not exceed estimated revenues for the Special Fund.
6. Ohio Rev. Code Section 5705.41(B) prohibits expenditures (disbursements plus year-end certified commitments (i.e. encumbrances)) from exceeding appropriations. We compared total disbursements plus outstanding year-end encumbrances to total appropriations for the year ended December 31, 2016 for the Special Fund, as recorded in the Annual Cash Basis Financial Report. We noted expenditures did not exceed appropriations for the Special Fund.
7. We determined that interfund transfers-in equaled transfers-out and were approved by the Board of Supervisors. We found no evidence of transfers.

### **2016 Special Fund Budgetary Compliance (Continued)**

8. We scanned the Annual Cash Basis Financial Report for the year ended December 31, 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 funds having a negative cash fund balance.

### **2016 Compliance – Contracts & Expenditures**

We inquired of management and scanned the Check Detail Report for the year ended December 31, 2016 to determine if the District purchased equipment and services allowed by ORC 1515.09 or purchased goods or services allowed by ORC 1515.08(H)(1) whose cost, other than personal service compensation or office space rent, exceeded \$50,000. We noted no purchases exceeding \$50,000.

### **2016 Other Compliance**

Ohio Rev. Code Section 117.38 requires Districts to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. We reviewed the HINKLE system and noted the District filed their financial information within the allotted timeframe for the year ended December 31, 2016.

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, those charged with governance, and others within the District, 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

April 24, 2017

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# Dave Yost • Auditor of State

**CLARK COUNTY SOIL AND WATER CONSERVATION DISTRICT**

**CLARK 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  
MAY 9, 2017**