



Dave Yost • Auditor of State

**COLUMBIANA COUNTY DRUG TASK FORCE
COLUMBIANA COUNTY**

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Columbiana County Drug Task Force
Columbiana County
PO Box 68
Lisbon, Ohio 44432

To the Board of Control:

Report on the Financial Statements

We have audited the accompanying financial statements of the cash balances, receipts and disbursements by fund and related notes of Columbiana County Drug Task Force, Columbiana County, (the Task Force), as of and for the years ended December 31, 2015, 2014 and 2013.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Task Force's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Task Force's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statements, the Task Force prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements.

Although the effects on the financial statements of the variances between the regulatory accounting basis and GAAP are not reasonably determinable, we presume they are material.

Though the Task Force does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Our opinion on this accounting basis is in the *Opinion on Regulatory Basis of Accounting* paragraph below.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Task Force as of December 31, 2015, 2014 and 2013, or changes in financial position thereof for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of Columbiana County Drug Task Force, Columbiana County as of December 31, 2015, 2014 and 2013, and its cash receipts and disbursements for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 1.

Emphasis of Matter

As discussed in Note 4 to the financial statements, the Task Force restated their December 31, 2012 fund cash balances to include the two funds held by Columbiana County (T65 – The DTF Ohio Drug Law Enforcement Fund and T66 – The Byrne Justice Grant Fund). We did not modify our opinion regarding this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2016, on our consideration of the Task Force's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Task Force's internal control over financial reporting and compliance.



Dave Yost
Auditor of State
Columbus, Ohio

December 13, 2016

**COLUMBIANA COUNTY DRUG TASK FORCE
COLUMBIANA COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (CASH BASIS)
ALL SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Law Enforcement Trust	Mandatory Drug Fines	Confidential Informant Funds	Restitution	Supplies and Equipment	Justice Department	Evidence	T65 - DTF Ohio Drug Law Enforcement	T66 Byrne Justice Grant	Totals (Memorandum Only)
Cash Receipts										
Confiscation, Forfeiture and Restitutions	\$15,458			\$945			\$49,258			\$65,661
Intergovernmental					\$625			\$199,251	\$11,813	211,689
Miscellaneous					17,950					17,950
<i>Total Cash Receipts</i>	<u>15,458</u>	<u>\$0</u>	<u>\$0</u>	<u>\$945</u>	<u>\$18,575</u>	<u>\$0</u>	<u>49,258</u>	<u>199,251</u>	<u>11,813</u>	<u>295,300</u>
Cash Disbursements										
Current:										
General Government								38,272		38,272
Supplies, Equipment	3,661			264	21,734			22,654	11,813	60,126
Other, Misc	7,792		26,225	446	2,482		28,558	46,746		112,249
<i>Total Cash Disbursements</i>	<u>11,453</u>	<u>0</u>	<u>26,225</u>	<u>710</u>	<u>24,216</u>	<u>0</u>	<u>28,558</u>	<u>107,672</u>	<u>11,813</u>	<u>210,647</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>4,005</u>	<u>0</u>	<u>(26,225)</u>	<u>235</u>	<u>(5,641)</u>	<u>0</u>	<u>20,700</u>	<u>91,579</u>	<u>0</u>	<u>84,653</u>
Other Financing Receipts (Disbursements)										
Other Financing Sources	8,224		21,332		6,800				5,188	41,544
Other Financing Uses	(12,988)							(43,368)	(5,188)	(61,544)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(4,764)</u>	<u>0</u>	<u>21,332</u>	<u>0</u>	<u>6,800</u>	<u>0</u>	<u>0</u>	<u>(43,368)</u>	<u>0</u>	<u>(20,000)</u>
<i>Net Change in Fund Cash Balances</i>	<u>(759)</u>	<u>0</u>	<u>(4,893)</u>	<u>235</u>	<u>1,159</u>	<u>0</u>	<u>20,700</u>	<u>48,211</u>		<u>64,653</u>
<i>Fund Cash Balances, January 1</i>	<u>7,970</u>	<u>711</u>	<u>22,099</u>	<u>288</u>	<u>523</u>	<u>467</u>	<u>85,296</u>	<u>27,650</u>	<u>0</u>	<u>145,004</u>
Fund Cash Balances, December 31										
Restricted	7,211	711	17,206	523	1,682	467	105,996	75,861	0	209,657
<i>Fund Cash Balances, December 31</i>	<u>\$7,211</u>	<u>\$711</u>	<u>\$17,206</u>	<u>\$523</u>	<u>\$1,682</u>	<u>\$467</u>	<u>\$105,996</u>	<u>\$75,861</u>	<u>\$0</u>	<u>\$209,657</u>

The notes to the financial statements are an integral part of this statement.

**COLUMBIANA COUNTY DRUG TASK FORCE
COLUMBIANA COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (CASH BASIS)
ALL SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Law Enforcement Trust	Mandatory Drug Fines	Confidential Informant Funds	Restitution	Supplies and Equipment	Justice Department	Evidence	T65 - DTF Ohio Drug Law Enforcement	T66 Byrne Justice Grant	Totals (Memorandum Only)
Cash Receipts										
Confiscation, Forfeiture and Restitutions	\$27,301			\$1,108			\$37,038			\$65,447
Intergovernmental					\$300			\$119,183	\$24,077	143,560
Patrons, Fines and Fees		\$4,250								4,250
Contributions, Donations					5					5
Earnings on Investment	18	18		35	18	\$18				107
Miscellaneous					120			640		760
<i>Total Cash Receipts</i>	<u>27,319</u>	<u>4,268</u>	<u>\$0</u>	<u>1,143</u>	<u>443</u>	<u>18</u>	<u>37,038</u>	<u>119,823</u>	<u>24,077</u>	<u>214,129</u>
Cash Disbursements										
Current:										
General Government								37,358		37,358
Supplies, Equipment	5,571	4,083		502	8,022	1,186		3,500	12,200	35,064
Other, Misc	898	567	33,826	1,061	1,317		41,509	58,097	4,200	141,475
Interest and Fiscal Charges	13	13		13	13	13				65
<i>Total Cash Disbursements</i>	<u>6,482</u>	<u>4,663</u>	<u>33,826</u>	<u>1,576</u>	<u>9,352</u>	<u>1,199</u>	<u>41,509</u>	<u>98,955</u>	<u>16,400</u>	<u>213,962</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>20,837</u>	<u>(395)</u>	<u>(33,826)</u>	<u>(433)</u>	<u>(8,910)</u>	<u>(1,181)</u>	<u>(4,471)</u>	<u>20,868</u>	<u>7,677</u>	<u>167</u>
Other Financing Receipts (Disbursements)										
Other Financing Sources			42,608		6,895			14,800		64,303
Other Financing Uses	(16,395)	(1,300)				(4,000)		(34,931)	(7,677)	(64,303)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(16,395)</u>	<u>(1,300)</u>	<u>42,608</u>	<u>0</u>	<u>6,895</u>	<u>(4,000)</u>	<u>0</u>	<u>(20,131)</u>	<u>(7,677)</u>	<u>0</u>
<i>Net Change in Fund Cash Balances</i>	<u>4,442</u>	<u>(1,695)</u>	<u>8,782</u>	<u>(433)</u>	<u>(2,015)</u>	<u>(5,181)</u>	<u>(4,471)</u>	<u>737</u>	<u>0</u>	<u>167</u>
<i>Fund Cash Balances, January 1</i>	<u>3,528</u>	<u>2,406</u>	<u>13,317</u>	<u>721</u>	<u>2,537</u>	<u>5,648</u>	<u>89,767</u>	<u>26,913</u>	<u>0</u>	<u>144,837</u>
Fund Cash Balances, December 31										
Restricted	7,970	711	22,099	288	523	467	85,296	27,650	0	145,004
<i>Fund Cash Balances, December 31</i>	<u>\$7,970</u>	<u>\$711</u>	<u>\$22,099</u>	<u>\$288</u>	<u>\$523</u>	<u>\$467</u>	<u>\$85,296</u>	<u>\$27,650</u>	<u>\$0</u>	<u>\$145,004</u>

The notes to the financial statements are an integral part of this statement.

**COLUMBIANA COUNTY DRUG TASK FORCE
COLUMBIANA COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (CASH BASIS)
ALL SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

	Law Enforcement Trust	Mandatory Drug Fines	Confidential Informant Funds	Restitution	Supplies and Equipment	Justice Department	Evidence	T65 - DTF Ohio Drug Law Enforcement	T66 Byrne Justice Grant	Totals (Memorandum Only)
Cash Receipts										
Confiscation, Forfeiture and Restitution	\$2,314			\$2,462		\$964	\$89,767			\$95,507
Intergovernmental								\$126,834	\$3,163	129,997
Miscellaneous				50	\$207			111		368
<i>Total Cash Receipts</i>	<u>2,314</u>	<u>\$0</u>	<u>\$0</u>	<u>2,512</u>	<u>207</u>	<u>964</u>	<u>89,767</u>	<u>126,945</u>	<u>3,163</u>	<u>225,872</u>
Cash Disbursements										
Current:										
General Government								41,148		41,148
Supplies, Equipment	2,110	377		3,612	8,842	740	27,051			42,732
Other, Misc			24,486	2,359	153		29,516		1,392	57,906
<i>Total Cash Disbursements</i>	<u>2,110</u>	<u>377</u>	<u>24,486</u>	<u>5,971</u>	<u>8,995</u>	<u>740</u>	<u>0</u>	<u>97,715</u>	<u>1,392</u>	<u>141,786</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>204</u>	<u>(377)</u>	<u>(24,486)</u>	<u>(3,459)</u>	<u>(8,788)</u>	<u>224</u>	<u>89,767</u>	<u>29,230</u>	<u>1,771</u>	<u>84,086</u>
Other Financing Receipts (Disbursements)										
Other Financing Sources			20,000	277	12,171			9,000		41,448
Other Financing Uses	(4,000)				(5,000)			(29,277)	(3,171)	(41,448)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(4,000)</u>	<u>0</u>	<u>20,000</u>	<u>277</u>	<u>7,171</u>	<u>0</u>	<u>0</u>	<u>(20,277)</u>	<u>(3,171)</u>	<u>0</u>
<i>Net Change in Fund Cash Balances</i>	<u>(3,796)</u>	<u>(377)</u>	<u>(4,486)</u>	<u>(3,182)</u>	<u>(1,617)</u>	<u>224</u>	<u>89,767</u>	<u>8,953</u>	<u>(1,400)</u>	<u>84,086</u>
<i>Fund Cash Balances, January 1 (restated)</i>	<u>7,324</u>	<u>2,783</u>	<u>17,803</u>	<u>3,903</u>	<u>4,154</u>	<u>5,424</u>	<u>0</u>	<u>17,960</u>	<u>1,400</u>	<u>60,751</u>
Fund Cash Balances, December 31										
Restricted	3,528	2,406	13,317	721	2,537	5,648	89,767	26,913	0	144,837
<i>Fund Cash Balances, December 31</i>	<u>\$3,528</u>	<u>\$2,406</u>	<u>\$13,317</u>	<u>\$721</u>	<u>\$2,537</u>	<u>\$5,648</u>	<u>\$89,767</u>	<u>\$26,913</u>	<u>\$0</u>	<u>\$144,837</u>

The notes to the financial statements are an integral part of this statement.

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**COLUMBIANA COUNTY DRUG TASK FORCE
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015, 2014 AND 2013**

1. Summary of Significant Accounting Policies

A. Description of the Entity

The Columbiana County Drug Task Force, Columbiana County, (the Task Force) is a multi-jurisdictional drug task force for the sharing of police service and equipment to undertake joint operations to stop the trafficking of illegal drugs. The Task Force was created by the authority of Ohio Revised Code Sections 737.04 and 737.041. Member agencies included the Columbiana County Sheriff, Columbiana County Prosecutor, Village of Lisbon, Village of Leetonia, Village of Salineville, City of Columbiana, City of East Liverpool, City of East Palestine and the City of Salem.

Member agencies provide their own personnel to operate the Task Force. The individual agencies pay for salaries and benefits from their respected budgets.

The Task Force's management believes these financial statements present all activities for which the Task Force is financially accountable.

B. Accounting Basis

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D). This basis is similar to the cash receipts and disbursements accounting basis. The Task Force recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred.

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

C. Deposits and Investments

The Task Force's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

The Task Force maintains seven checking accounts, none of which are interest bearing accounts. Columbiana County serves as fiscal agent for two funds used for Task Force operations and are part of the County's pool of deposits and investments.

D. Fund Accounting

The Task Force uses fund accounting to segregate cash and investments that are restricted as to use. The Task Force classifies its funds into the following types:

1. Special Revenue Funds

These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Task Force had the following significant Special Revenue Fund:

DTF Ohio Drug Law Enforcement Fund - This fund accounts for Ohio Drug Law Enforcement monies received from the State of Ohio.

**COLUMBIANA COUNTY DRUG TASK FORCE
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015, 2014 AND 2013
(Continued)**

1. Summary of Significant Accounting Policies – (Continued)

E. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Task Force must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

1. Nonspendable

The Task Force classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

2. Restricted

Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

3. Committed

The Board of Control can *commit* amounts via formal action (resolution). The Task Force must adhere to these commitments unless the Board amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

4. Assigned

Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by Task Force Board of Control or a Task Force official delegated that authority by resolution, or by State Statute.

5. Unassigned

Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Task Force applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**COLUMBIANA COUNTY DRUG TASK FORCE
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015, 2014 AND 2013
(Continued)**

1. Summary of Significant Accounting Policies – (Continued)

F. Property, Plant, and Equipment

The Task Force records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

2. Equity in Pooled Deposits and Investments

The Task Force maintains seven bank accounts directly controlled by the Task Force. Additionally, The County Treasurer is custodian for the Task Force's two funds (T65 and T66) maintained by the County. The County's deposit and investment pool holds these assets valued at the Treasurer's reported carrying amount. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits and investments at December 31 was as follows:

	2015	2014	2013
Demand deposits	\$130,999	\$108,332	\$115,075
Cash on Hand	2,797	9,022	2,849
Assets held in County pool	75,861	27,650	26,913
Total	\$209,657	\$145,004	\$144,837

Deposits: Deposits are insured by the Federal Depository Insurance Corporation.

3. Risk Management

The Task Force's vehicles and equipment are insured by Columbiana County. The County is a member of the County Risk Sharing Authority, Inc. (CORSA) which is a shared risk pool among multiple counties in Ohio.

4. Restatement of Fund Cash Balances

The Task Force has restated the financial statements as December 31, 2012 to include the two funds held by Columbiana County which had previously been omitted from the Task Force financials statements. These funds (T65 – The DTF Ohio Drug Law Enforcement Fund and T66 - The Byrne Justice Grant Fund) help maintain the operations of the Task Force. The inclusion of these funds had the following impact as of December 31, 2012:

	T65 – The DTF Ohio Drug Law Enforcement Fund	T66 – Byrne Justice Grant Fund	Task Force – Total (Memorandum Only)
Fund Cash Balance as previously reported at December 31, 2012	\$ 0	\$ 0	\$ 41,391
Addition of Fund Cash Balance	17,960	1,400	19,360
Fund Cash Balance Restated as of January 1, 2013	\$ 17,960	\$1,400	\$ 60,751

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Columbiana County Drug Task Force
Columbiana County
PO Box 68
Lisbon, Ohio 44432

To the Board of Control:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the cash balances, receipts and disbursements by fund of the Columbiana County Drug Task Force, Columbiana County, (the Task Force) as of and for the years ended December 31, 2015, 2014 and 2013, and the related notes to the financial statements and have issued our report thereon dated December 13, 2016 wherein we noted the Task Force followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. We also noted the Task Force restated its January 1, 2013 fund cash balances to include funds previously omitted.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Task Force's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the Task Force's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Task Force's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings that we consider a material weakness. We consider finding 2015-002 to be a material weakness.

Compliance and Other Matters

As part of reasonably assuring whether the Task Force's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance or other matters we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2015-001.

Entity's Response to Findings

The Task Force's response to the findings identified in our audit are described in the accompanying schedule of findings. We did not audit the Task Force's responses and, accordingly, we express no opinion on them.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Task Force's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Task Force's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Dave Yost
Auditor of State
Columbus, Ohio

December 13, 2016

**COLUMBIANA COUNTY DRUG TASK FORCE
COLUMBIANA COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2015, 2014 AND 2013**

1. Timely Termination of Employee Pay – Finding For Recovery

<i>Finding Number</i>	2015-001
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NONCOMPLIANCE

On November 26, 2012 the Columbiana County Drug Task Force Board of Control suspended Director Dan Downard without pay. Minutes of meetings held subsequent to this date do not indicate this action was reversed or modified by the Board of Control. Mr. Downard received salary payments of \$3,000 and employer paid pension contributions of \$543, totaling \$3,543 subsequent to his suspension.

In accordance with the forgoing facts and pursuant to Ohio Revised Code section 117.28, a finding for recovery for public money illegally expended is hereby issued against Daniel Downard, former Columbiana County Drug Task Force Director, and the Western Surety Company, his bonding company, jointly and severally, in the amount of \$3,543 in favor of the Columbiana County Drug Task Force, Ohio Drug Law Enforcement Fund.

2. Ohio Administrative Code Section 117-2-02(A)

<i>Finding Number</i>	2015-002
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MATERIAL WEAKNESS

Ohio Administrative Code Section 117-2-02(A) provides that all local public offices shall maintain an accounting system and accounting records sufficient to enable the public office to identify, assemble, analyze, classify, record and report its transactions, maintain accountability for the related assets (and liabilities, if generally accepted accounting principles apply), document compliance with finance-related legal and contractual requirements and prepare financial statements required by rule 117-2-03 of the Administrative Code.

Management is responsible for implementing and maintaining a system of controls designed to enable management to determine the accuracy of financial transactions of the Task Force. Also, management is responsible for developing and maintaining complete and accurate financial records.

We noted the following errors and irregularities related to the accounting records that required adjustment to the accompanying financial statements:

- To account for the net change in the Confidential Informant Fund Cash on hand between years the following adjustments were recorded. Cash disbursements were increased by \$6,225 in 2015 and \$7,486 in 2013. Cash disbursements were decreased by \$6,174 in 2014. Additionally, the remaining cash on hand at the end of each year was added to the financial statements as follows: January 1, 2013 - \$10,355; December 31, 2013 - \$2,849; December 31, 2014 - \$9,022; December 31, 2015 - \$2,797.
- Fund cash balances were restated as of January 1, 2013 to include funds T65 – The DTF Ohio Drug Law Enforcement Fund (\$17,960) and T66 – The Byrne Justice Grant Fund (\$1,400) which had previously been omitted from the Task Force’s financial statements.

**Finding Number- 2015-002
(Continued)**

We noted the additional following errors and irregularities related to the accounting records that did not require adjustment to the accompanying financial statements:

- Check dates recorded in the fund ledgers did not agree to the date the check was written in 4 instances in 2013, 4 instances in 2014 and 5 instances in 2015;
- The amount reported as revenue in the Evidence fund on the 2014 financial statements does not agree to the amount reported in the fund ledger. The variance is \$40. In addition, the evidence fund reported on the financial statements filed with the auditor of state was not properly calculated.

Failure to maintain accurate and complete records to support the financial statements impedes management's ability to make informed decisions as well as provide for the integrity of the Task Force's financial statements and related assets.

The Task Force lacked procedures to help ensure accounting records and financial reports are accurate and complete.

The Task Force should institute policies and procedures to help ensure accounting records are complete and accurate in accordance with Ohio Administrative Code Section 117-2-02(A).

Official's Response:

The former Director of the Columbiana County Drug Task Force has been prosecuted for the findings in previous audit. The Board of Control of Columbiana County Drug Task Force has taken appropriate steps to conform with the audit findings. Efforts will be made by the Prosecuting Attorney Robert Herron to recover the findings made by the Auditor of the State. The current Director's bond is in place and has been since January 2016.

**COLUMBIANA COUNTY DRUG TASK FORCE
COLUMBIANA COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2015, 2014 AND 2013**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2012-001	Ohio Administrative Code Section 117-2-02(A) – Errors and irregularities in Financial Statements	No	Repeated in current audit – Finding 2015-002
2012-002	Bank Reconciliations not performed	Yes	Fully Corrected
2012-003	Noncompliance Finding For Recovery – Failure to Account for Funds	Yes	Corrected – Finding repaid by bonding company

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Dave Yost • Auditor of State

COLUMBIANA COUNTY DRUG TASK FORCE

COLUMBIANA 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
FEBRUARY 28, 2017**