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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Judicial Advisory and Facility Governing Board
Lucas County Correctional Treatment Facility
Lucas County
1100 Jefferson Avenue
Toledo, Ohio 43604

We have performed the procedures enumerated below, with which the Judicial Advisory and Facility Governing Board and the management of Lucas County Correctional Treatment Facility, Lucas County, Ohio (the Facility) agreed, solely to assist the Board in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the fiscal years ended June 30, 2016 and 2015, 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. Lucas County Treasurer is custodian for the Facility's deposits and therefore the County's deposit and investment pool holds the Facility assets. We compared the Facility's fund balances reported on its June 30, 2016 and 2015 Combining Trial Balance to the balances reported in Lucas County's accounting records. The amounts agreed. The Facility holds offenders' cash in demand deposit accounts. We tested the mathematical accuracy of the June 30, 2016 and June 30, 2015 Residents Commissary Fund and Residents Program Fund bank reconciliations. We found no exceptions.
2. We agreed the July 1, 2014 beginning fund balances recorded in the Combining Trial Balance to the June 30, 2014 balances in the prior year audited statements. We found no exceptions. We also agreed the July 1, 2015 beginning fund balances recorded in the Combining Trial Balance to the June 30, 2015 balances in the Combining Trial Balance. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the June 30, 2016 and 2015 fund cash balances reported in the Combining Trial Balance. The amounts agreed.
4. We observed the year-end bank balances on the financial institution's website. The balances agreed. We also agreed the confirmed balances to the amounts appearing in the June 30, 2016 bank reconciliations without exception.

5. We selected five reconciling debits (such as outstanding checks) haphazardly from the June 30, 2016 bank reconciliations:
 - a. We traced each debit to the subsequent July 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 June 30. We noted no exceptions.

Intergovernmental Confirmable Cash Receipts

We selected five receipts from the State Distribution Transaction Lists (DTL) from fiscal year 2016 and five from fiscal year 2015.

- 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 funds. We found no exceptions.
- c. We determined whether the receipts were recorded in the proper fiscal year. We found no exceptions.

Debt

1. The prior audit documentation disclosed no debt outstanding as of June 30, 2014.
2. We inquired of management, and scanned the Revenue Report and Expense Budget Report for evidence of debt issued during fiscal year 2016 or fiscal year 2015 or debt payment activity during fiscal year 2016 or fiscal year 2015. We noted no new debt issuances or any debt payment activity during fiscal year 2016 or fiscal year 2015.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from fiscal year 2016 and one payroll check for five employees from fiscal year 2015 from the Payroll Register and:
 - a. We compared the hours and pay rate, or salary recorded in the Payroll Register to supporting documentation (timecard, approved rate). We found no exceptions.
 - b. We determined whether the fund and account code to which the check was posted was 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 & Local income tax withholding authorization and withholding
 - f. Any other deduction authorizations (deferred compensation, etc.)

3. We scanned the last remittance of tax and retirement withholdings for the year ended June 30, 2016 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 fiscal year 2016. We noted the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare	June 29, 2016	June 24, 2016	\$12,565.28	\$12,565.28
State income taxes	June 27, 2016	June 24, 2016	2,006.21	2,006.21
City of Toledo income tax	June 30, 2016	June 24, 2016	2,340.79	2,340.79
OPERS retirement	July 30, 2016	July 26, 2016	52,056.56	52,056.56

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 Register:
- Accumulated leave records
 - The employee's pay rate in effect as of the termination date
 - The Facility'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 Accounts Payable Expense Listing for the fiscal year ended June 30, 2016 and ten from the fiscal year ended June 30, 2015 and determined whether:
- The disbursements were for a proper public purpose. We found no exceptions.
 - The warrant number, date, payee name and amount recorded on the returned, canceled warrant agreed to the warrant number, date, payee name and amount recorded in the Accounts Payable Expense Listing 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.

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 HINKLE system to verify the Facility filed their financial information within the allotted timeframe for the fiscal years ended June 30, 2016 and 2015. Financial information was filed on December 27, 2016 and February 9, 2016, respectively, which was not within the allotted timeframe.

We recommend the Facility file their financial information in the HINKLE system within 60 days of its fiscal year end.

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.

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

Dave Yost
Auditor of State

Columbus, Ohio

January 13, 2017



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LUCAS COUNTY CORRECTIONAL TREATMENT FACILITY

LUCAS 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
JANUARY 31, 2017**