



Dave Yost • Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Ohio Turnpike and Infrastructure Commission
Cuyahoga County
682 Prospect Street
Berea, Ohio 44017

We have performed the procedures enumerated below, with which those charged with governance and the management of the Ohio Turnpike and Infrastructure Commission (the Commission) agreed, solely to assist the Commission in evaluating certain items in their accounting records for the year ended December 31, 2016, and certain compliance requirements related to these items. Management is responsible for recording transactions and balances; and management and those charged with governance 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.

Debt

1. We obtained a summary of bonded debt activity for 2016 from Commission management and agreed principal and interest payments from the related debt amortization schedules to debt service payments reported in the General Ledger Detail Report. We compared the date the debt service payments were due to the date the Commission made the payments. We noted no exceptions.
2. We inquired of Commission management, and scanned the Cash Receipts Report and General Ledger Detail Report for evidence of debt issued during 2016 and debt payment activity during 2016 to determine the completeness of the summary received in step 1. We noted no exceptions.
3. Obtain the prior audit financial statement footnote debt schedule of revenue bonds outstanding as of December 31, 2015. Agree these amounts to the January 1, 2016 balances on the summary received in step 1.

Issue	Principal outstanding as of December 31, 2015 (in thousands):
Senior Lien Debt	
1998 Series A – Serial Bonds	\$132,630
1998 Series A – Term Bonds	130,395
2009 Series A – Serial Bonds	87,930
2010 Series A – Serial Bonds	93,920
2010 Series A – Term Bonds	37,370
2013 Series A – Term Bonds	73,495
Junior Lien Debt	
2013 Series A – Serial Bonds	\$256,195
2013 Series A – Term Bonds due 2039	113,075
2013 Series A – Term Bonds due 2048	340,000
2013 Series A – CAB	162,478
2013 Series A – Convertible CAB	165,865

We noted no exceptions.

Personnel and Payroll

4. We obtained an understanding and documented the Commission's process utilized during 2016 for identifying and hiring new employees from notice to personnel file documentation in the working papers.
5. We haphazardly selected a sample of ten new employees hired during 2016 and ascertained that their hiring and personnel file information/documentation adhered to the process documented in step 4. We noted no exceptions.
6. We haphazardly selected one payroll check for twenty employees from 2016 from the Employee Detail Adjustment Report and:
 - a. Compared the hours and pay rate recorded in the Employee Detail Adjustment Report to supporting documentation (timecard, legislatively approved rate or salary schedule).
 - b. Determined whether the account codes to which the check was posted were reasonable based on the employees' duties as documented in the employees' personnel files. Also determined whether the payment was posted to the proper year.

We noted no exceptions.

7. We haphazardly selected and recalculated three termination payments (unused vacation, sick leave etc.) using the following information, and agreed the computation to the amount paid as recorded in the Employee Detail Adjustment Report:
 - a. Accumulated leave records
 - b. The employee's pay rate in effect as of the termination date
 - c. The Commission's payout policy.

We noted no exceptions.

State Infrastructure Projects

8. We obtained an understanding and documented the Commission's process utilized during 2016 to evaluate and select projects as allowable for the use of Commission resources in the working papers.
9. We obtained a listing of project applications reviewed by the Commission during 2016. We selected all five projects from this listing and ascertained the process documented in step 8 above was adhered to in the selection and, if applicable, approval. We noted no exceptions.
10. We haphazardly selected a sample of ten payments made to the Ohio Department of Transportation (ODOT) for Infrastructure Projects and determined whether:
 - a. The reimbursement related to a project approved by the Commission Board.
 - b. The reimbursement did not exceed the amount expended by ODOT for that project(s).
 - c. The amount of the reimbursement was supported by documentation submitted by ODOT.

We noted no exceptions.

11. We haphazardly selected a sample of ten expenditures made to construction vendors from the listing of projects obtained in step 9 and determined whether:
 - a. The expenditure was supported by documentation submitted by the vendor.
 - b. The expenditure was within the contract amount
 - c. The expenditure was properly approved by the Commission Board or Management.

We noted no exceptions.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the Commission's transactions and balances and compliance with certain requirements. 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 the Commission's management and those charged with governance 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

January 26, 2017

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OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION

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
JUNE 6, 2017**