



OHIO AUDITOR OF STATE  
**KEITH FABER**





# OHIO AUDITOR OF STATE KEITH FABER



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

Northwest Ohio Waiver Administration Council  
Defiance County  
815 East Second Street, Suite B  
Defiance, Ohio 43512

We have performed the procedures enumerated below, which were agreed to by the Council Board and the management of the Northwest Ohio Waiver Administration Council, Defiance County, Ohio (the Council), on the receipts, disbursements and balances recorded in the Council's cash basis accounting records for the years ended June 30, 2018 and 2017 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the Council. The Council is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended June 30, 2018 and 2017 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Council. 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 and Investments

1. We recalculated the June 30, 2018 and June 30, 2017 bank reconciliations. We found no exceptions.
2. We agreed the July 1, 2016 beginning fund balances recorded in the General Ledger to the June 30, 2016 balances in the prior year audited statements. We found no exceptions. We also agreed the July 1, 2017 beginning fund balances recorded in the General Ledger to the June 30, 2017 balances in the General Ledger. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the June 30, 2018 and 2017 fund cash balances reported in the Fund Balance Report. The amounts agreed.
4. We confirmed the June 30, 2018 bank account balances with the Council's financial institutions. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the June 30, 2018 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the June 30, 2018 bank reconciliation:
  - 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. There were no exceptions.
6. Pursuant to Ohio Rev. Code Section 167.04 (B), the Council appointed a fiscal officer and prescribed allowable investments. We compared investments held at June 30, 2018 and June 30, 2017 to the investments the by-laws permit. We found no exceptions.

### **Intergovernmental Cash Receipts**

We haphazardly selected all four receipts from the State Distribution Transaction Lists (DTL) from 2018 and all four from 2017

- a. We compared the amount from the above report to the amount recorded in the General Ledger. The amounts agreed.
- b. We inspected the General Ledger to determine that these receipts were allocated to the proper funds. We found no exceptions.
- c. We inspected the General Ledger to confirm whether the receipts were recorded in the proper year. We found no exceptions.

### **Over-The-Counter Cash Receipts**

We haphazardly selected 10 over-the-counter cash receipts from the year ended June 30, 2018 and 10 over-the-counter cash receipts from the year ended June 30, 2017 recorded in the duplicate cash receipts book and:

- a. Agreed the receipt amount to the amount recorded in the General Ledger. The amounts agreed.
- b. Confirmed the amounts charged complied with rates in force during the period. We found no exceptions.
- c. Inspected the General Ledger to determine the receipt was posted to the proper funds, and was recorded in the proper year. We found no exceptions.

### **Debt**

1. The prior audit documentation disclosed no debt outstanding as of June 30, 2016.
2. We inquired of management, and inspected the General Ledger for evidence of debt issued during 2018 or 2017 or debt payment activity during 2018 or 2017. No new debt issuances, nor any debt payment activity during 2018 or 2017 was found.

### **Payroll Cash Disbursements**

1. We haphazardly selected one payroll check for five employees from 2018 and one payroll check for five employees from 2017 from the Biweekly Payroll Worksheet and:
  - a. We compared the hours and pay rate, or salary recorded in the Biweekly Payroll Worksheet to supporting documentation (timecard, legislatively approved rate or salary). We found no exceptions.
  - b. We inspected the General Ledger to determine whether the fund and account code to which the check was posted were reasonable based on the minute record. We also inspected the General Ledger to determine whether the payment was posted to the proper year. We found no exceptions.
2. For any new employees selected in procedure 1 we compared 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 and Local income tax withholding authorization and withholding
- f. Any other deduction authorizations (deferred compensation, etc.)

We found no exceptions related to procedures a. – f. above.

3. We inspected the last remittance of tax and retirement withholdings for the year ended June 30, 2018 to confirm 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 2018. We observed the following:

<b>Withholding (plus employer share, where applicable)</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Due</b>	<b>Amount Paid</b>
Federal income taxes and Medicare	July 31, 2018	July 5, 2018	\$1,692.93	\$1,692.93
State income taxes	July 31, 2018	July 31, 2018	2,369.27	2,369.27
Local income tax	July 31, 2018	July 31, 2018	1,300.27	1,300.27
OPERS retirement	July 31, 2018	July 2, 2018	7,421.23	7,421.23
School District Income Tax	July 31, 2018	July 16, 2018	175.47	175.47

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

We haphazardly selected ten disbursements from the General Ledger for the year ended June 30, 2018 and ten from the year ended June 30, 2017 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 General Ledger and to the names and amounts on the supporting invoices. We found no exceptions.
- c. 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 councils to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. This statute also permits the Auditor of State to extend the deadline for filing a financial report and establish terms and conditions for any such extension. Auditor of State established policies, in addition to filing extensions granted for extenuating circumstances, allow for refiling complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System for June 30, 2018 and 2017 fiscal year ends included in 2015-2016 or 2016-2017 agreed up on procedure engagements, subsequent to the Council's deadline where the initial filing was filed on time but incomplete. We confirmed the Council filed their complete financial statements, as defined by AOS Bulletin 2015-007 and Auditor of State established policy within the allotted timeframe for the years ended June 30, 2018 and 2017 in the Hinkle system. There were no exceptions.

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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*. We were not engaged to, and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Council of Government's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is to provide assistance in the evaluation of the Council's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended June 30, 2018 and 2017, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.

A handwritten signature in black ink that reads "Keith Faber". The signature is written in a cursive, flowing style.

Keith Faber  
Auditor of State  
Columbus, Ohio

January 18, 2019

# OHIO AUDITOR OF STATE KEITH FABER



**NORTHWEST OHIO WAIVER ADMINISTRATION COUNCIL**

**DEFIANCE 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 5, 2019**