



Dave Yost • Auditor of State

**SOUTHEAST AREA LAW ENFORCEMENT NETWORK
CUYAHOGA COUNTY**

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Southeast Area Law Enforcement Network
Cuyahoga County
165 Center Road
Bedford, Ohio 44146

We have performed the procedures enumerated below, with which the Council members and the management of the Southeast Area Law Enforcement Network (the Network) 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, 2010 and 2009, 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. We tested the mathematical accuracy of the December 31, 2010 and December 31, 2009 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2009 beginning fund balances recorded in the Fund Status Report to the December 31, 2008 balances in the prior year audited statements. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2010 and 2009 fund cash balances reported in the Fund Status Reports. The amounts agreed.
4. We confirmed the December 31, 2010 and December 31, 2009 bank account balances with the Network's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2010 and December 31, 2009 bank reconciliations without exception.
5. We selected all five reconciling debits (such as outstanding checks) listed from the December 31, 2010 bank reconciliation and all four reconciling debits (such as outstanding checks) from the December 31, 2009 bank reconciliation and performed the following:
 - a. We traced each debit to the subsequent January and February bank statements. We found no exceptions.
 - b. We traced the amounts and dates written to the check register, to determine the debits were dated prior to December 31. We found no exceptions.

Member Contributions

We haphazardly selected five member contribution cash receipts from the year ended December 31, 2010 and five member contribution cash receipts from the year ended 2009 recorded in the duplicate cash receipts book and determined whether the:

- a. Receipt amount agreed to the amount recorded in the Receipt Register Report. The amounts agreed.
- b. Amount charged complied with rates in force during the period. We found no exceptions.
- c. Receipt was posted to the proper fund, and was recorded in the proper year. We found no exceptions.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for both of the Network's employees from 2010 and one payroll check from both of the Network's employees from 2009 from the check register and:

- a. We compared the salary to supporting documentation (legislatively approved rate).

We noted the salaries of the fiscal officer and secretary was for the same amounts as the previous years. However, there was no formal authorization of their salaries by the Network. We recommend the Network formally establish the salaries of its employees in the minutes on an annual basis.

- b. We determined whether the fund and account code to which the check was posted were reasonable based on the employees' duties as documented in the employees' personnel files and record. We also determined whether the payment was posted to the proper year. We found no exceptions.
2. We inquired as to the remittance of taxes and retirement withholdings for the year ended December 31, 2010 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 December 31, 2010.

As of the date of this report, the Network has not paid OPERS the amount due as required by Ohio Rev. Code Sections 145.47 and 145.48 by January 31, 2011. The Auditor of State will notify OPERS of this matter. Both of the Network's employees received 1099 forms instead being classified as employees and having taxes and retirement withheld. We recommend the Network withhold taxes and retirement from its employees and comply with the applicable federal, state and local legal requirements.

Non-Payroll Cash Disbursements

1. From the Payment Register Detail Report, we re-footed checks recorded as General Fund disbursements for *purchased services*, and checks recorded as *equipment* in the General Fund for 2010. We found no exceptions.

2. We haphazardly selected ten disbursements from the Payment Register Detail Report for the year ended December 31, 2010 and ten from the year ended 2009 and determined:
 - 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 Payment Register Detail Report and to the names and amounts on the supporting invoices. We found no exceptions.
 - c. The payment was posted to the fund consistent with the restricted purpose for which the fund's cash can be used. We found no exceptions.

Compliance – Contracts & Expenditures

We inquired of management and scanned the Payment Register Detail report for the years ended December 31, 2010 and December 31, 2009 for projects requiring the contractor to pay prevailing wages to their employees as required by Ohio Rev. Code Sections 4115.04 and 4115.05. We identified no projects subject to the aforementioned prevailing wage requirements.

Official's Response

The matter will be corrected in the future.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the Network'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 is not intended to be, and should not be used by anyone other than these specified parties.



Dave Yost
Auditor of State

December 2, 2011

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SOUTHEAST AREA LAW ENFORCEMENT NETWORK

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
DECEMBER 20, 2011**