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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Matthew Cleland, Treasurer
Toledo City School District
Board of Education
420 East Manhattan Blvd
Toledo, Ohio 43608-1294

We have performed the procedures enumerated below as of September 29, 2011, which you agreed to on October 22, 2012 related to the cash and investments in the custody of the Treasurer's Office. We followed the American Institute of Certified Public Accountants' attestation standards for agreed-upon procedures engagements 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 District. 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. Our procedures were as follows:

Cash and Investments Reconciliation

1. We recomputed the mathematical accuracy of the reconciliations. For one of the reconciliations the District did not include the final adjusted bank balance on the reconciliation.
2. We agreed bank balances and investment balances on the reconciliations with confirmations received from those financial institutions. Ten out of fifteen accounts that were confirmed with the bank did not match the bank reconciliations provided for the given account.

The following discrepancies were identified with the bank reconciliations:

- Bank balances were determined from the bank statement and backing out checks and deposits that the District thought were cleared on the 30th of September. However, per review of the bank balances confirmed by the financial institutions the bank balances on the reconciliations were different from the confirmation balance for ten out of fifteen of the District accounts.
- There were other adjusting factors noted on the bank reconciliations such as outstanding checks and deposits in transit. Ten out of fifteen accounts confirmed did not match the bank reconciliations provided for the given account. We did not test these items due to this variance.

In the future, if the District requests a review of bank reconciliations, the District should perform the reconciliations as of the date requested (September 29, 2011), as opposed to performing reconciliations on one date (September 30, 2011) and attempting to back into both bank and book balances of another date, (September 29, 2011).

3. We noted differences in the amounts or description on the reconciliations versus the statements. Ten out of fifteen accounts confirmed did not match the bank reconciliations provided for the given account.

4. We agreed reconciling items appearing on the reconciliations to canceled checks, deposit slips or to other documentation. For ten out of fifteen accounts that were confirmed with the bank, the balance did not match the District's bank reconciliation provided for the given account. We did not test these reconciling items due to this variance.
5. We confirmed authorized signatories directly with the banks. All signatories were confirmed with the bank as of September 29, 2011. However, Matthew Cleland was not the signatory on all of the accounts we confirmed. Banks did confirm Matthew Cleland was an authorized signatory by October 3, 2011.
6. At the request of the District's Treasurer we performed additional procedures due to the results of the procedures in steps two through four above. These procedures were to re-send confirmations to the banks where the bank balance per the confirmation did not agree with what the District recorded on their reconciliation. These additional procedures resulted in two accounts wherein the bank confirmation did not match the District's recorded bank balance on their reconciliation at September 29, 2011.

We were not engaged to and did not audit cash and investments, the objective of which would be the expression of an opinion on cash and investments. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that we would have reported to you.

This report is intended solely for the information and use of the addressees listed above and is not intended to be and should not be used by anyone else.



Dave Yost
Auditor of State

May 24, 2013



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TOLEDO CITY SCHOOL DISTRICT

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
JUNE 4, 2013