

MULTI-COUNTY CORRECTIONAL CENTER

MARION COUNTY

**JANUARY 1, 2013 TO DECEMBER 31, 2014
AGREED UPON PROCEDURES**



Dave Yost • Auditor of State

Multi-County Correctional Center
1514 Victory Road
Marion, Ohio 43302

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Multi-County Correctional Center, Marion County, prepared by Holbrook & Manter, for the period January 1, 2013 through December 31, 2014. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Multi-County Correctional Center is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

October 29, 2015

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INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

Multi-County Correctional Center
Marion County
1514 Victory Road
Marion, Ohio 43302

We have performed the procedures enumerated below, with which the Board of Commissioners and the management of Multi-County Correctional Center (the Center) and the Auditor of State 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, 2014 and 2013, 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 and Investments

1. We tested the mathematical accuracy of the December 31, 2014 and December 31, 2013 bank reconciliations for all Fiduciary Fund accounts maintained by the Center.
 - We found no exceptions in the bond account reconciliations.
 - We found no exceptions in the trust account reconciliations.
 - We found no exceptions in the commissary account reconciliations.
 - We found no exceptions in the employee account reconciliations.

2. Marion County is custodian for other deposits not listed in step 1 above for the Center and therefore the County's deposit and investment pool holds a portion of the Center's assets. The Center maintains an accounting ledger provided by the fiscal agent and we compared the Center's fund balances report maintained by the County on its December 31, 2014 Combined Statement of Receipts, Disbursements and Changes in Fund balances to the balances reported in Marion County's accounting records.
 - The Center's accounting records agreed to the reports provided by the County at year end without exception.

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3. We agreed the January 1, 2013 beginning fund balances recorded in the account ledgers/cash journals to the December 31, 2012 balances in the documentation in the prior year Agreed-Upon Procedures working papers. We also agreed the January 1, 2014 beginning fund balances recorded in the account ledgers/cash journals to the December 31, 2013 balances in the account ledgers.
 - We found no exceptions in the Governmental Funds beginning fund balances for January 1, 2014 or January 1, 2013, which is maintained by the Fiscal Agent.
 - We found no exceptions in the Fiduciary Funds beginning fund balances for January 1, 2014 or January 1, 2013, which are maintained by the Center.
4. We agreed the totals per the bank reconciliations to the total of the December 31, 2014 and 2013 fund cash balances reported in the respective account ledgers.
 - The amounts agreed and we found no exceptions in the bond account cash balances.
 - The amounts agreed and we found no exceptions in the trust account cash balances.
 - The amounts agreed and we found no exceptions in the commissary account cash balances.
 - The amounts agreed and we found no exceptions in the employee account cash balances.
5. We confirmed the December 31, 2014 bank account balances with the Center's financial institution. We also agreed the confirmed balances to the amounts appearing in the December 31, 2014 bank reconciliations.
 - We found no exceptions in the bond account.
 - We found no exceptions in the trust account.
 - We found no exceptions in the commissary account.
 - We found no exceptions in the employee account.
6. We selected five reconciling debits (such as outstanding checks) from the December 31, 2014 bank reconciliations and traced each debit to the subsequent January bank statement and traced the amounts and dates to the check register, to determine the debits were dated prior to December 31.
 - We found no exceptions in the bond account reconciliation.
 - We found no exceptions in the trust account reconciliation.
 - We found no exceptions in the commissary account reconciliation.
 - We found no reconciling debits in the employee account reconciliation.

Intergovernmental and Other Confirmable Cash Receipts

1. We selected five receipts from the Hardin County Auditor's Distribution Transaction Lists (DTL) from 2014 and five from 2013 and compared the amount to the amount recorded in the Receipt Register. We also determined whether these receipts were allocated to the proper funds and whether the receipts were recorded in the proper year.

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- We found no exceptions when comparing the County Auditor's Distribution Transaction List (DTL) to the Receipt Register.
2. We selected five receipts from the Marion County Auditor's Distribution Transaction Lists (DTL) from 2014 and five from 2013 and compared the amount to the amount recorded in the Receipt Register. We also determined whether these receipts were allocated to the proper funds and whether the receipts were recorded in the proper year.
 - We found no exceptions when comparing the County Auditor's Distribution Transaction List (DTL) to the Receipt Register.
 3. We confirmed the amounts allocated from the Marion County General Fund to the Center during 2014 and 2013 with Marion County. We determined whether these receipts were allocated to the proper funds and whether the receipts were recorded in the proper year. We also viewed the annual budget approved by the Center's Board for operations to verify the amount allocated to the Center is the agreed upon amount and that it was being allocated to the Center's Fund within fiscal agents accounting ledger.
 - We found no exceptions when comparing the receipts from Marion County to the Receipt Register Report for 2014 and 2013.

Debt

1. The prior agreed-upon procedures documentation disclosed no debt outstanding as of December 31, 2012.
2. We inquired of management, and scanned the Receipt Ledger and Payment Register Detail for evidence of debt issued during 2014 or 2013 or debt payment activity during 2014 or 2013.
 - We noted no new debt issuances nor any debt revenue or payment activity during 2014 or 2013. All debt is maintained and paid by the fiscal agent.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2014 and one payroll check for five employees from 2013 from the Payroll Worksheet Report and compared the hours and pay rate, or salary recorded in the Payroll Worksheet Report to supporting documentation (timecards, legislatively or statutorily approved rate or salary). We also determined that the fund and account code(s) to which the check was posted were reasonable based on the employees' duties as documented in the employees' personnel files and whether it was posted to the proper year.
 - No exceptions were noted when testing individual payroll checks.

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2. For any new employees selected in step 1 we determined whether the following information in the employees' personnel files were consistent with the information used to compute gross and net pay related to this check:

- Name
- Authorized salary or pay rate
- Department and fund to which the check should be charged
- Retirement system participation and payroll withholding
- Federal, State and Local income tax withholding authorization and withholding
- Any other deduction authorizations (deferred compensation, etc.)

- We found no exceptions related to the steps above.

3. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2014 to determine whether remittances were timely charged by the fiscal agent Marion County, and if the amounts charged agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period of 2014. We noted the following:

Withholding (plus employer share where applicable)	Date Due	Date Paid	Amount Due	Amount Paid **
Federal income tax & Medicare (and social security, for employees not enrolled in pension system)	January 31, 2015	December 19, 2014	12,884	103,122
State income taxes	January 15, 2015	December 19, 2014	3,162	18,560
OPERS retirement	January 31, 2015	January 27, 2015	36,578	413,665
Marion city income tax	January 31, 2015	January 8, 2015	2,719	25,011
Delaware city income tax	January 31, 2015	January 8, 2015	89	2,480
Upper Sandusky income tax	January 31, 2015	January 8, 2015	69	501
Columbus city income tax	January 31, 2015	January 8, 2015	13	215
School district tax	January 31, 2015	January 8, 2015	515	2,576

**:- Amount Paid is the total amount paid by Marion County for all employees of Marion County including employees of the Multi County Correctional Center.

- No exceptions were noted during the testing of the withholdings and all payments tested were made timely.

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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 expense register:
 - Accumulated leave records
 - The employee's pay rate in effect as of the termination date
 - The Center's payout policy.
- The amount paid was consistent with the information recorded in the steps above.

Non-Payroll Cash Disbursements

1. From the payment register, we re-footed checks recorded within the Commissary Fund disbursements and verified the checks were recorded to the proper account code within the Fund for 2014.
 - We were unable to perform this procedure to verify the checks were recorded properly within the Commissary Fund for 2014 as the Center did not summarize their disbursements by account code. A cash journal is all that is provided and maintained for accounting purposes.
2. We haphazardly selected ten disbursements from the Payment Register Detail Report for the year ended December 31, 2014 and ten from the year ended December 31, 2013 to determine the following:
 - The disbursements are for a proper public purpose.
 - 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.
 - The disbursements are posted to a fund consistent with the restricted purpose for which the fund's cash can be used.
- We found no exceptions when testing disbursements.

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

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This report is intended solely for the information and use of management, those charged with governance, the Auditor of State, and others within the Center, and is not intended to be, and should not be used by anyone other than these specified parties.

Shulbrook & Mante

Certified Public Accountants

July 31, 2015



Dave Yost • Auditor of State

MULTI-COUNTY CORRECTIONAL CENTER

MARION 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
NOVEMBER 10, 2015**