



Dave Yost • Auditor of State





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

Champaign County Soil and Water Conservation District  
Champaign County  
1512 South US Highway 68, Suite E-100  
Urbana, OH 43078

We have performed the procedures enumerated below, with which the Board of Supervisors (the Board) and the management of the Champaign County Soil and Water Conservation District (the District) 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, 2011 through 2015, 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 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.

This report only describes exceptions exceeding \$10.

### Depository Balances, Investments and Fund Balances

We applied the following procedures to each Cash Basis Annual Financial Report (the Reports) for the fiscal years ending December 31, 2011 through December 31, 2015:

1. We footed and cross-footed the amounts on pages 3A and 3B of the Reports, and compared the Fund Cash Balances, December 31 to the Fund Balances on page 2. The amounts agreed.
2. We compared the Disbursements plus Other Financing Uses for the Special Fund on pages 3A and 3B of the Reports to the Disbursements reported on page 4. The amounts agreed.
3. We compared the Receipts plus Other Financing Sources for the Special Fund on pages 3A and 3B of the Reports to the Actual Receipts reported on page 5. The amounts agreed except for 2015 in which the amount on page 5 of the report was \$407 lower than the amount of the receipts on Page 3A. The District should implement procedures to ensure all receipts are properly carried over to corresponding pages of the report.
4. We tested the mathematical accuracy of the reconciliation on page 2. We found no exceptions.
5. We agreed the January 1 and December 31 fund cash balances reported in the District's General Ledger Account Summary to the corresponding Fund Cash Balances on page 3B of the Reports. The amounts agreed except for the January 1 balances reported on page 3B of the reports for years 2012 and 2013. The rows on those reports were left blank. The District should implement procedures to ensure all reports include balances and properly calculate.

### **Depository Balances, Investments and Fund Balances (Continued)**

We also applied the following procedures to the Subtotals and Totals reported on page 2 of the December 31, 2015 Report:

6. We confirmed the December 31 bank account depository balances for the District Fund and other funds held in banks with the District's financial institutions. The balances agreed.
7. We compared the December 31 Special Fund depository balance from the Report to the amount reported in the County's Transaction History Listing report. We found no exceptions.
8. For the checks comprising the Outstanding Checks, we applied the following procedures:
  - a. We footed the supporting outstanding check list and compared it to the Totals on the Report. We found no exceptions.
  - b. We could not trace each check to the subsequent bank statement as the District's two outstanding checks for December 31, 2015 were still outstanding as of the end of September 2016. The checks were dated 2013 and are therefore considered stale-dated. The District should implement procedures to void long-outstanding checks or post them to unclaimed funds to help prevent reconciling issues.
  - c. We traced the amounts and dates of each check to the check register, to determine the check was recorded for the same amount and dated and recorded prior to December 31. We noted no exceptions.
9. We tested investments held at December 31 to determine that they:
  - a. Were of a type authorized by Ohio Rev. Code Sections 135.13, 135.14 or 135.144. We found no exceptions
  - b. Mature within the prescribed time limits noted in Ohio Rev. Code Section 135.13 or 135.14. We noted no exceptions.

### **Intergovernmental and Other Confirmable Cash Receipts**

We applied the following procedures for the years ended December 31, 2011 through December 31, 2015:

- We agreed the total of the receipts from the State Distribution Transaction Lists (DTL) and the total of the receipts from the County Auditor's Detailed Account History Report to the total amounts recorded in the respective receipt classification in the Special Fund in the General ledger. The amounts agreed except the amount recorded in 2011. The General ledger amount was \$7,958 more than the amount on the State DTL. The December 2010 payment from the State to the District was \$7,958; however it was not recorded until 2011. The District should implement procedures to ensure timely posting of revenues.

### **All Other Cash Receipts**

We haphazardly selected 10 other cash receipts from the year ended December 31, 2015 and five other cash receipts from each of the years ended 2011 through 2014 recorded in the duplicate cash receipts book and determined whether the:

1. Receipt amount agreed to the amount recorded in the General Ledger/Account Register. The amounts agreed.

### **All Other Cash Receipts (Continued)**

2. Amount charged complied with rates in force during the period, if applicable. We found three exceptions. In two cases the District did not have a supporting Tree Seedling and Ground Cover Order form and in one case the District had a form but the price per packet was reduced with no supporting approval of the Board or bulk pricing schedule. The District should approve rate schedules and/or get Board approval for changes when necessary to ensure the proper rates are charged.
3. Receipt was posted to the proper fund(s), and was recorded in the proper year. We found no exceptions.

### **Payroll Cash Disbursements**

1. We haphazardly selected one payroll check for all two employees from 2015 and one payroll check for two employees for each of the years ended December 31, 2011 through 2014 from the County Payroll Transmittal Report and:
  - a. We compared the hours and pay rate, or salary recorded in the County Payroll Transmittal Report to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
  - b. We determined whether salaries and benefits were paid only from the Special Fund, as required by the SWCD Administrative Handbook Chapter 5. We noted no exceptions.
  - c. We determined whether the check was classified as salaries. We also determined whether the payment was posted to the proper year. We found no exceptions.
2. For the five employees tested in step 1 from 2015, we determined whether the following information in the employees' personnel files was consistent with the information used to compute gross and net pay related to the check:
  - a. Name
  - b. Authorized salary or pay rate
  - c. Retirement system participation and payroll withholding
  - d. Federal, State & Local income tax withholding authorization and withholding
  - e. Any other deduction authorizations (deferred compensation, etc.)

We found no exceptions related to steps a. – e. above.

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

1. From the Account Register Report, we re-footed checks recorded as District Fund disbursements for contract services and supplies for 2015. We found no exceptions.
2. We haphazardly selected five disbursements from the Special Fund and five disbursements from the District Fund and other funds from the Account Register Report for the year ended December 31, 2015 and two from the Special Fund and three from the District Fund and other funds for each of the years ended 2011 through 2014 and determined whether:
  - a. The disbursements were for a proper public purpose. We found no exceptions.
  - b. For District Fund and other funds disbursements, we determined whether:
    - i. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the similar data recorded in the Account Register Report and to the names and amounts on the supporting invoices. We found no exceptions.
    - ii. The payment was posted to a fund consistent with the purpose for which the fund's cash can be used. We found no exceptions.

### **Non-Payroll Cash Disbursements (Continued)**

- c. For Special Fund disbursements, we determined whether:
  - i. The payee name and amount recorded on the voucher or invoice submitted to the County Auditor agreed to the payee name and amount recorded in the Account Register Report and County Detail Expense Report. We found no exceptions.
  - ii. The names and amounts on the voucher agreed to supporting invoices. We found no exceptions.
  - iii. The voucher or invoice was signed by the fiscal officer and approved by a majority of the Board of Supervisors in the minutes. We found no exceptions.

### **2015 Special Fund Budgetary Compliance**

1. We read the District's Special Fund Budget Request submitted to the County Commissioners. We noted the request included the Special Fund's Needs, Income and Balances anticipated for carry over from the current year, as required by the SWCD Administrative Handbook, Chapter 5. We also compared the budget amounts to the budgetary schedules on pages 4 and 5 of the Cash Basis Annual Financial Report. The amounts agreed.
2. We compared the total estimated receipts reported on Page 5 of the Report to the Amended Certificate of Estimated Resources, required by Ohio Rev. Code Section 5705.36(A)(1), and to the amounts recorded in the Expense Account Report for the Special Fund. The amounts agreed.
3. We scanned the appropriation measures to determine whether the Supervisors appropriated separate amounts within the Special Fund for "each office, department, and division, and within each, the amount appropriated for personal services," as is required by Ohio Rev. Code Section 5705.38(C). We found no exceptions.
4. We compared total appropriations required by Ohio Rev. Code Sections 5705.38 and 5705.40, to the amounts recorded in the Expense Account Report for the Special Fund, and to the appropriations reported on Page 4 of the Report. The amounts agreed.
5. Ohio Rev. Code Sections 5705.36(A)(5) and 5705.28(B)(2)(C) prohibit appropriations from exceeding estimated revenue. We compared total appropriations to total estimated resources for the Special Fund for the year ended December 31, 2015. We noted appropriations did not exceed estimated resources for the Special Fund.
6. Ohio Rev. Code Section 5705.41(B) prohibits expenditures (disbursements plus year-end certified commitments (i.e. encumbrances)) from exceeding appropriations. We compared total disbursements plus outstanding year-end encumbrances to total appropriations for the year ended December 31, 2015 for the "Special" Fund, as recorded in the Annual Cash Basis Financial Report. We noted expenditures did not exceed appropriations for the Special Fund.
7. We scanned the Annual Cash Basis Financial Report for the year ended December 31, 2015 for negative cash fund balances. Ohio Rev. Code Section 5705.10 (I) provides that money paid into a fund must be used for the purposes for which such fund is established. As a result, a negative fund cash balance indicates that money from one fund was used to cover the expenses of another. We noted no funds having a negative cash fund balance.

### **2015 Compliance – Contracts & Expenditures**

We inquired of management and scanned the Account Register Report for the year ended December 31, 2015 to determine if the District purchased equipment and services allowed by ORC 1515.09 or purchased goods or services allowed by ORC 1515.08(H)(1) whose cost, other than personal service compensation or office space rent, exceeded \$50,000. We noted no purchases exceeding \$50,000.

### **2015 Other Compliance**

Ohio Rev. Code Section 117.38 requires Districts to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. We reviewed the HINKLE system and noted the District filed their financial information within the allotted timeframe for the year ended December 31, 2015.

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

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looped "D" and "Y".

**Dave Yost**  
Auditor of State

Columbus, Ohio

October 18, 2016

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# Dave Yost • Auditor of State

CHAMPAIGN COUNTY SOIL AND WATER CONSERVANCY DISTRICT

CHAMPAIGN 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, 2016