



Dave Yost • Auditor of State



VINTON SOIL AND WATER CONSERVATION DISTRICT  
VINTON COUNTY

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

Vinton Soil and Water Conservation District  
Vinton County  
31935 St Rt. 93  
McArthur, Ohio 45651

We have performed the procedures enumerated below, with which the Board of Supervisors (the Board) and the management of the Vinton Soil and Water Conservation District, Vinton County, Ohio (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 2016, 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. 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. We noted the following exceptions:
  - 2015 Actual Receipts on page 5 were \$3,922 more than the total of Receipts plus Other Financing Sources on page 3a and 3b
  - 2012 Actual Receipts on page 5 were \$16,569 more than the total of Receipts plus Other Financing Sources on page 3a and 3b
4. We recalculated the mathematical accuracy of the reconciliation on page 2. We noted the following exception:
  - For 2012, there was a \$93.35 variance between the December 31, 2012 reconciled bank balance and the Total Fund Balance.
5. We agreed the January 1 and December 31 fund cash balances reported in the District's District Fund Report to the corresponding *Fund Cash Balances* on page 3B of the Reports. The amounts agreed.

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

We also applied the following procedures to the *Combined Statement of Receipts, Disbursements and Changes in Fund balances in the Cash Basis Annual Financial Report* filed in the Hinkle System (the Report) at December 31, 2016.

6. We footed and cross-footed the amounts on the *Combined Statement of Receipts, Disbursements and changes in Fund Balances*. We found no exceptions.
7. We compared the *Disbursements plus Other Financing Sources* for the Special Fund on the *Combined Statement of Receipts, Disbursements and Changes in Fund Balances* to the Actual Expenditures in the Special Fund Budgetary activity footnote. The amounts agreed.
8. We Compared the *Receipts plus Other Financing Sources* for the Special Fund on the *Combined Statement of Receipts, Disbursements and Changes in Fund Balances* to the Actual Receipts in the Special Fund Budgetary Activity footnote. The amounts agreed.
9. We agreed the January 1 and December 31 fund cash balances reported in the District's District Fund Report, the County Budget Report, and the bank confirmation to the corresponding Fund Cash Balances on the *Combined Statement of Receipts, Disbursements and Changes in Fund Balances*. We noted the following exception:
  - Beginning January 1 balances of the District Fund of \$72,971, Special Fund of \$13,352 and CD Fund of \$328 were included in the Cash Receipts section of the *Combined Statement of Receipts, Disbursements, and Changes in Fund Balances* in the All Other Revenue row instead of in the Fund Cash Balances, January 1 row.
10. We confirmed the December 31, 2016 bank account depository balance for the District Fund and the CD Fund with the District's financial institution. The balances agreed.
11. We compared the December 31, 2016 Special Fund depository balance from the *Report* to amount reported in the County Budget Report. We found no exceptions.
12. We inspected investments held at December 31, 2016 to determine that they:
  - a. Were of a type authorized by Ohio Rev. Code §§ 135.13, 135.14, or 135.44. We found no exceptions.
  - b. Mature within the prescribed time limits noted in the Ohio Rev. Code §§ 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, 2016:

1. 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 Batch Listing Reports to the total amounts recorded in the respective receipt classification in the Special Fund in the Transaction History Report. We found the following exceptions:
  - For 2011, two receipts on the DTL, in the amounts of \$805 and \$750, were not included on the Transaction History Report. The \$750 was dated November 10, 2011 and was deposited in the District Fund instead of the Special Fund. The \$805 was dated September 30, 2011 and was not on the Transaction History Report or in the District Fund. In addition, there were two receipts for \$1,002 and \$1,016 on the Transaction History Report that were not on the DTL.

### **Intergovernmental and Other Confirmable Cash Receipts (Continued)**

- For 2012, three receipts on the DTL, in the amounts of \$750, \$750, and \$1,500, were not included on the Transaction History Report. The \$750 dated June 13, 2012 and the \$1,500 dated September 4, 2012 were deposited in the District Fund instead of the Special Fund. The \$750 dated December 5, 2012 was not on the Transaction History Report or in the District Fund.
  - For 2013, three receipts on the DTL, in the amounts of \$2,500, \$750, and \$750, were not included on the Transaction History Report. All three amounts dated April 8, 2013, June 4, 2013, and December 6, 2013, respectively, were deposited in the district fund and not the Special Fund.
  - For 2014, one receipt on the DTL, in the amount of \$300, was not included on the Transaction History Report. It was dated January 2, 2014 and was deposited in the District Fund instead of the Special Fund. In addition, there was a receipt for \$59 on the Transaction History Report that was not on the DTL.
  - For 2015, one receipt on the DTL, in the amount of \$325, was not included on the Transaction History Report. It was dated July 29, 2015 and was deposited in the District Fund instead of the Special Fund. In addition, there was a receipt for \$2,800 on the Transaction History Report that was not on the DTL.
  - For 2016, there was a receipt for \$3,033 on the Transaction History Report that was not on the DTL.
2. We haphazardly selected five other confirmable receipts from the year ended December 31, 2016 and three other confirmable receipts from each of the years ended December 31, 2014, 2013, 2012 in the District Fund Report from funds other than the Special Fund such as receipts from the Ohio Department of Agriculture.
- a. We agreed to supporting documentation the amounts paid from the Ohio Department of Agriculture to the District. We found no exceptions.
  - b. We inspected the District Fund Report to determine whether these receipts were allocated to the proper fund. We found no exceptions.

### **All Other Cash Receipts**

We haphazardly selected 10 other cash receipts from the year ended December 31, 2016 and five other cash receipts from each of the years ended 2011 through 2015 recorded in the duplicate cash receipts book and:

1. Agreed the receipt amount to the amount recorded in the District Fund Report. The amounts agreed.
2. Agreed the amount charged complied with rates in force during the period, if applicable. We found no exceptions.
3. Inspected the District Fund Report to determine the 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 the two employees from 2016 and one payroll check for the one employee for each of the years ended December 31, 2011 through 2015 from the Year to Date Payroll Register and:
  - a. We compared the hours and pay rate, or salary recorded in the Year to Date Payroll Register to the timesheet and the statutorily-approved rate. We found no exceptions.
  - b. We inspected the Year to Date Payroll Register to determine whether salaries and benefits were paid only from the *Special Fund*, as required by the SWCD Administrative Handbook Chapter 5. We found no exceptions.

### Payroll Cash Disbursements (Continued)

- c. We inspected the Year to Date Payroll Register to determine whether the check was classified as *salaries and* was posted to the proper year. We found no exceptions.
2. For the two employees tested in step 1 from 2016, we inspected the following information in the employees' personnel files to determine it 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 District Fund Report, we re-footed checks recorded as District Fund disbursements for expenses for 2016. 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 District Fund Report for the year ended December 31, 2016 and two from the Special Fund and three from the District Fund and other funds for each of the year ended 2011 through 2015 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 District Fund 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.
  - c. For *Special Fund* disbursements, we determined whether:
    - i. The payee name and amount recorded on the voucher submitted to the County Auditor agreed to the payee name and amount recorded in the District Fund Report and County Transaction History Report. We found no exceptions.
    - ii. The names and amounts on the voucher agreed to supporting invoices. We found no exceptions.
    - iii. The voucher was signed by the fiscal officer and approved by a majority of the Board of Supervisors. We found no exceptions.

### 2016 Special Fund Budgetary Compliance

1. We inspected the District's Special Fund Budget Request submitted to the County Commissioners. 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 Special Fund Budgetary Activity footnote of the Cash Basis Annual Financial Report. The amounts agreed.



### **2016 Special Fund Budgetary Compliance (Continued)**

2. We compared the total estimated receipts reported on the Special Fund Budgetary Activity footnote of the Cash Basis Annual Financial Report to the *Certificate of the Total Amount From all Sources Available for Expenditures and Balances*, required by Ohio Rev. Code § 5705.36(A)(1), and to the amounts recorded in the Budget Report for the Special Fund. The Certificate agreed to the Budget Report but the Special Fund Budgetary Activity footnote of the Cash Basis Annual Financial Report was \$86,893, or \$10,000 more than the Certificate which was \$76,893. The Fiscal Officer should ensure the estimated receipts reported in the Special Fund Activity Footnote agree to the Certificate.
3. We inspected 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 § 5705.38(C). We found no exceptions.
4. We compared total appropriations required by Ohio Rev. Code §§ 5705.38 and 5705.40, to the amounts recorded in the County Auditor Budget Report for the Special Fund, and to the appropriations reported on the Special Fund Budgetary Activity footnote of the Cash Basis Annual Financial Report. The Budget Report provided by the County indicated an amount of \$79,513 which is \$2,620 more than the \$76,893 that is reported on the Special Fund Budgetary Activity footnote. The departmental budget shows appropriations of \$76,893.
5. Ohio Rev. Code §§ 5705.36(A)(5) and 5705.28(B)(2)(C) prohibit appropriations from exceeding estimated resources. We compared total appropriations to total estimated resources for the Special Fund for the year ended December 31, 2016. Appropriations did not exceed estimated resources for the Special Fund.
6. Ohio Rev. Code § 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, 2016 for the “Special” Fund, as recorded in the Annual Cash Basis Financial Report. Expenditures did not exceed appropriations for the Special Fund.
7. We inspected the Annual Cash Basis Financial Report for the year ended December 31, 2016 for negative cash fund balances. Ohio Rev. Code § 5705.10(l) 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. No funds had negative cash fund balances.

### **2016 Compliance – Contracts & Expenditures**

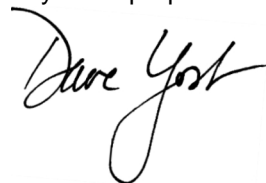
We inquired of management and inspected the District Fund Report for the year ended December 31, 2016 to determine if the District purchased equipment and services allowed by Ohio Rev. Code § 1515.09 or purchased goods or services allowed by Ohio Rev. Code § 1515.08(H)(1) whose cost, other than personal service compensation or office space rent, exceeded \$50,000. There were no purchases exceeding \$50,000.

### **2016 Other Compliance**

Ohio Rev. Code § 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 on April 19, 2017 which was not within 60 days of year end.

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*. 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 District'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 for the use of the District to assist in evaluating its receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2011 through 2016, 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 "Dave Yost". The signature is written in a cursive style with a large, looping initial "D".

**Dave Yost**  
Auditor of State  
Columbus, Ohio

June 1, 2017



# Dave Yost • Auditor of State

VINTON COUNTY SOIL AND WATER CONSERVATION DISTRICT

JACKSON 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 20, 2017