



OHIO AUDITOR OF STATE
KEITH FABER





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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

The Cooperative Council of Governments, Inc.
Cuyahoga County
6001 Cochran Road, Suite 333
Solon, Ohio 44139

We have performed the procedures enumerated below, which were agreed to by the Council Board and the management of the Cooperative Council of Governments (the Council), on the receipts, disbursements and balances recorded in the Councils cash basis accounting records for the years ended December 31, 2018 and 2017 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the Council. The Council is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2018 and 2017 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Council. 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 recalculated the December 31, 2018 and December 31, 2017 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2017 beginning fund balances recorded in the Statement of Financial Position to the December 31, 2016 balances in the prior year Basic Audit working papers. We found no exceptions. We also agreed the January 1, 2018 beginning fund balances recorded in the Statement of Financial Position to the December 31, 2017 balances in the Statement of Financial Position. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2018 and 2017 fund cash balances reported in the Statements of Financial Position. The amounts agreed.
4. We observed the December 31, 2018 bank balance on the financial institution's website. The balance agreed. We also agreed the confirmed balances to the amounts appearing in the December 31, 2018 bank reconciliation without exception.

Supplier Fee Receipts

We selected a sample (agreed upon) of 10 over-the-counter cash receipts from the year ended December 31, 2018 and 10 over-the-counter cash receipts from the year ended December 31, 2017 recorded in the duplicate cash receipts book and:

- a. Agreed the receipt amount to the amount recorded in the Transaction Detail by Account Report. The amounts agreed.
- b. Confirmed the amounts charged complied with rates in force during the period. We found no exceptions.
- c. Inspected the Transaction Detail by Account Report to determine the receipt was posted to the proper fund, and was recorded in the proper year. We found no exceptions.

Debt

1. The prior engagement documentation disclosed no debt outstanding as of December 31, 2016.
2. We inquired of management, and inspected the Transaction Detail by Account Report for evidence of debt issued during 2018 or 2017 or debt payment activity during 2018 or 2017. No new debt issuances, nor any debt payment activity during 2018 or 2017 was found.

Non-Payroll Cash Disbursements

1. From the Transaction Detail by Account Report, we re-footed disbursements recorded as Voting Member Allocations and Professional Services for 2018. We found no exceptions.
2. We selected a sample (agreed upon) of 10 disbursements from the Transaction Detail by Account Report for the year ended December 31, 2018 and 10 from the year ended December 31, 2017 and determined whether:
 - 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 Transaction Detail by Account Report and to the names and amounts on the supporting invoices. We found no exceptions.
 - c. The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used. We found no exceptions.

Compliance

1. Ohio Rev. Code Section 117.38 requires councils to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. This statute also permits the Auditor of State to extend the deadline for filing a financial report and establish terms and conditions for any such extension. Auditor of State established policies regarding the filing of complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System. We confirmed the Council filed their complete financial statements, as defined by AOS Bulletin 2015-007 and Auditor of State established policy within the allotted timeframe for the years ended December 31, 2018 and 2017 in the Hinkle system. There were no exceptions.

Compliance (Continued)

2. For all credit card accounts we obtained:
 - Copies of existing internal control policies;
 - A list of authorized users; and
 - A list of all credit card account transactions.

We selected three credit card transactions for testing. For selected transactions we inspected documentation to determine that each transaction was supported with original invoices and for a proper public purpose. For two of the three transactions, no supporting documentation was maintained. We recommend the Council maintain supporting invoices for all credit card transactions in order to provide evidence they are for a proper public purpose. We did not test all credit disbursements, and therefore, this report provides no assurance regarding whether similar errors occurred.

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*. 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 Council of Government'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 to provide assistance in the evaluation of the Council's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2018 and 2017, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.



Keith Faber
Auditor of State

Columbus, Ohio

June 19, 2019

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OHIO AUDITOR OF STATE KEITH FABER



THE COOPERATIVE COUNCIL OF GOVERNMENTS, INC.

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
JULY 2, 2019**