



**Auditor of State
Betty Montgomery**



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Betty Montgomery**

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

Board of Commissioners
Central Services Building
220 W. Livingston Street
Room A201
Celina, Ohio 45822

We have performed the procedures enumerated below, which were agreed to by Mercer County Commissioners and the State of Ohio Office of the Auditor regarding the Homeland Security Department's grants and expenditures for the period from January 1, 2001 to June 30, 2004. This agreed upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the 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.

Our procedures performed and the related findings are included in the attached exhibit.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on management's assertion. Accordingly, we do not express such 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 the State of Ohio Office of the Auditor and management of Mercer County and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in cursive script that reads "Betty Montgomery".

Betty Montgomery
Auditor of State

September 16, 2004

EXHIBIT

Procedures Performed

Procedure I – Perform the following testing for Fiscal Year 2001 State Domestic Preparedness Equipment Grant, Fiscal Year 2002 State Domestic Preparedness Program, Fiscal Year 2003 State Homeland Security Grant Program – Equipment Funds, Fiscal Year 2003 State Homeland Security Grant Program – Equipment Funds (Part II), Fiscal Year 2003 State Homeland Security Grant Program – Planning and Admin Funds Part II and Fiscal Year 2004 State Homeland Security Program Grant:

- A. Confirm award amounts and remaining balances as of June 30, 2004 with the grantor, the Ohio Emergency Management Agency;
- B. Confirm grant deadlines with the grantor, the Ohio Emergency Management Agency;
- C. Vouch 100% of the expenditures. Agree expenditures to the grant budget and/or worksheets included with the approved grant agreements to determine allowability of the expenditures;
- D. Trace all expenditures to County Commissioner resolutions that approved the purchases;
- E. Read minutes of the Terrorism Task Force and agree their approval of the specified use of the Homeland Security grant funds to the worksheet included in the approved grant applications for the Fiscal Year 2003 and Fiscal Year 2004 grants noted above;
- F. Trace equipment purchases from the vouchers to the Homeland Security Department's inventory list. Randomly select two pieces of equipment purchased from each grants for physical observation.

Procedure II - Determine that the County Terrorism Advisory Team was created by resolution from the County Commissioners with the required composition as required by the Fiscal Year 2002 Planning Grant. The team must include a representative from the EMA, Sheriff, local Police, Fire, EMS, Public Works, Health Department, County Commissioners, Township Trustees, and Municipal Elected Officials. Others may be added at the County's discretion.

Procedure III – For all funds on the County's book under the control of the Homeland Security Department - EMA Fund, Special Emergency Planning Fund, Exercise Grant Fund, DOJ FY '01 Grant Fund, DOJ FY 02 Grant Fund, Mitigation Grant Fund, Planning Grant Fund, Flood Damage Grant Fund, Homeland Security – Part 1 Fund, Homeland Security Part 2 Fund and Equipment Grant Fund vouch 25 randomly selected expenditure transactions from January 1, 2003 to June 30, 2004 and perform the following:

- A. Agree applicable expenditures to the grant budget and/or worksheets included with the approved grant agreements to determine allowability of the expenditures;
- B. Trace all expenditures to County Commissioner resolutions that approved the purchases;
- C. Determine compliance with state laws regarding competitive bidding and prior certification as applicable;
- D. Determine compliance with the County's travel reimbursement policy as applicable;
- E. Agree canceled warrant payee and amount to the invoice payee and amount;
- F. Agree invoice amount to the County's Appropriation History for agreement of amount and posting to the correct fund.

Procedure IV – Agree approved salary for the Homeland Security Department Director per the Certificate of Appointment for 2003 to the W-2 and for 2004 to the Payroll Register.

Results of Procedures Performed

Procedure I A – The following grant award amounts and remaining balances at June 30, 2004 were confirmed with the Ohio Emergency Management Agency:

Grant	Award Amount	Amount Remaining at June 30, 2004
Fiscal Year 2004 Homeland Security Program Grant	\$170,590	\$170,590
Fiscal Year 2003 State Homeland Security Grant Program – Equipment Funds	\$ 78,000	\$ 35,267
Fiscal Year 2003 State Homeland Security Grant Equipment Funds – Part II	\$118,275	\$118,275
Fiscal Year 2003 State Homeland Security Grant Program – Planning and Admin Funds	\$ 9,000	\$ 7,650
Fiscal Year 2003 State Homeland Security Program – Planning and Admin Part II	\$ 20,369	\$ 20,369
Fiscal Year 2002 Domestic Preparedness Program	\$ 65,825	\$ 35,834
Fiscal Year 2001 State Domestic Preparedness Equipment Program	\$ 63,264	\$ 0

Procedure I B – The following grant deadlines were confirmed with the Ohio Emergency Management Agency:

Grant	Grant Deadline
Fiscal Year 2004 Homeland Security Program Grant	September 30, 2005
Fiscal Year 2003 State Homeland Security Grant Program – Equipment Funds	September 30, 2004 Grantor may extend deadline
Fiscal Year 2003 State Homeland Security Grant Equipment Funds – Part II	October 30, 2004 Grantor may extend deadline
Fiscal Year 2003 State Homeland Security Grant Program – Planning and Admin Funds	September 30, 2004 Grantor may extend deadline
Fiscal Year 2003 State Homeland Security Program – Planning and Admin Part II	October 30, 2004 Grantor may extend deadline
Fiscal Year 2002 Domestic Preparedness Program	September 30, 2004 Grantor may extend deadline
Fiscal Year 2001 State Domestic Preparedness Equipment Program	Grant is closed

Procedure I C – No exceptions noted.

Procedure I D – No exception noted.

Procedure I E – No exceptions noted.

Procedure I F – One instance was noted in which the equipment purchased was not included on the inventory list. The ID machine purchased under the Fiscal Year 2001 State Domestic Preparedness Equipment Program was not included on the Department’s inventory listing.

Procedure I I – No exceptions noted.

Procedure III A – No exceptions noted.

Procedure III B – No exceptions noted.

Procedure III C – Five of the twenty-five expenditures tested did not have prior certification of the fiscal officer.

Procedure III D – One instance was noted in which a travel reimbursement exceeded the policy's maximum tip amount of 15%. The tip paid was \$15.21, but should have been \$12.21.

Procedure III E – No exceptions noted.

Procedure III F – No exceptions noted.

Procedure IV – No exceptions noted.



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MERCER COUNTY EMERGENCY MANAGEMENT AGENCY

MERCER 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 4, 2004**