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MUSKINGUM VALLEY PARK DISTRICT
MUSKINGUM COUNTY

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Muskingum Valley Park District
Muskingum County
1720 Euclid Avenue
Zanesville, Ohio 43701

We have performed the procedures enumerated below, with which the Board of Trustees and the management of the Muskingum Valley Park District, Muskingum 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, 2010 and 2009, 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. With the exception of STAROhio, the District's funds at December 31, 2010 and December 31, 2009 are part of Muskingum County's cash management pool. Muskingum County has an annual financial audit in which bank reconciliation testing is performed. Refer to step four below for testing of STAROhio.
2. We agreed the January 1, 2009 beginning fund balances recorded in the Muskingum County Summary Fund Report, plus amounts deposited in a STAROhio account by the Park District, to the December 31, 2008 balances in the prior year audited statements. We found no exceptions.
3. We agreed the totals per the 2010 and 2009 Summary Fund Report to the 2010 and 2009 Cash Basis Annual Financial Report. The amounts agreed.
4. We confirmed the December 31, 2010 STAROhio account balance with STAR Ohio. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2010 Cash Basis Annual Financial Report without exception.
5. The District does not maintain a checking account as Muskingum County makes payments on behalf of the Park District. Muskingum County has an annual financial audit in which testing of outstanding checks is performed.

Cash and Investments (Continued)

6. The District's money is deposited with Muskingum County. Muskingum County has an annual financial audit in which testing of deposits in transit is performed.
7. We tested investments held at December 31, 2010 and December 31, 2009 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

1. We selected the one receipt from the State Distribution Transaction List (DTL) from 2009. We also selected local government funding receipts for five months from each year from the Muskingum County Local Government Schedule obtained from the Muskingum County Auditor's Office. In addition, we selected all receipts from the Muskingum County Vendor Ledger Display for each year.
 - a. We compared the amount from the above reports to the amount recorded in the Detail Revenue Report. The amounts agreed.
 - b. We determined whether these receipts were allocated to the proper funds. We found no exceptions.
 - c. We determined whether the receipts were recorded in the proper year. We found no exceptions.
2. We confirmed the amounts paid from the Ohio Public Works Commission to the District during 2010 with the Commission. We found no exceptions.
 - a. We determined whether these receipts were allocated to the proper fund. We found no exceptions.
 - b. We determined whether the receipts were recorded in the proper year. We found no exceptions.

Debt

1. The prior audit report disclosed no debt outstanding as of December 31, 2008.
2. We inquired of management, and scanned the Detail Revenue Report and Summary Expense Report for evidence of bonded or note debt issued during 2010 or 2009 or outstanding as of December 31, 2010 or 2009. We noted no new debt issuances, nor any debt payment activity during 2010 or 2009.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for two employees from 2010 and one payroll check for two employees from 2009 from the Payroll Warrant Register for 2010 and the Employee History Report for 2009 and determined whether the following information in the employees' personnel files was consistent with the information used to compute gross and net pay related to this check:
 - a. Name
 - b. Authorized salary or pay rate

Payroll Cash Disbursements (Continued)

- c. Department and fund to which the check should be charged
- d. Retirement system participation and payroll withholding
- e. Federal, State & Local income tax withholding authorization and withholding
- f. Any other deduction authorizations (deferred compensation, etc.)

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

2. We tested the checks we selected in step 1, as follows:
 - a. We compared the hours and pay rate, or salary amount used in computing gross pay to supporting documentation (timecard, or legislatively approved rate or salary). We found no exceptions.
 - b. We determined whether the fund and account code to which the check was posted was reasonable based on the employees' duties as documented in the employees' personnel files. We also determined whether the payment was posted to the proper year. We found no exceptions.
3. Muskingum County, the District's fiscal agent, processes payroll of the District. Muskingum County has an annual financial audit in which tests of withholdings and remittances are performed.

Non-Payroll Cash Disbursements

1. We haphazardly selected ten disbursements from the Detail Expense Report for the year ended December 31, 2010 and ten from the year ended 2009 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 Detail Expense 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.
 - d. The fiscal officer certified disbursements requiring certification or issued a *Then and Now Certificate*, as required by Ohio Rev. Code 5705.41(D) and 5705.28(B)(2). We found no exceptions.

Compliance – Budgetary

1. We compared the total from the *Amended Official Certificate of Estimated Resources* required by Ohio Rev. Code Section 5705.36(A)(1) and 5705.28(B)(2), to the amounts recorded in the Summary Revenue Report for the General and WHIP Funds for the years ended December 31, 2010 and 2009. The amounts agreed.
2. We scanned the appropriation measures adopted for 2010 and 2009 to determine whether, for the General and the WHIP funds, the Trustees appropriated separately 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) and 5705.28(B)(2). We found no exceptions.

Compliance – Budgetary (Continued)

3. We compared total appropriations required by Ohio Rev. Code Sections 5705.38, 5705.40, and 5705.28(B)(2), to the amounts recorded in the Summary Expense Report for 2010 and 2009 for the following funds: General and WHIP. The amounts on the appropriation resolutions agreed to the amounts recorded in the Summary Expense Report.
4. Ohio Rev. Code Section 5705.28(B)(2)(c) prohibits appropriations from exceeding the estimated revenue available for expenditure (receipts plus beginning unencumbered cash). We compared total appropriations to total estimated revenue for the General and WHIP funds for the years ended December 31, 2010 and 2009. We noted no funds for which appropriations exceeded estimated revenue.
5. Ohio Rev. Code Section 5705.41(B) and 5705.28(B)(2) prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total appropriations for the years ended December 31, 2010 and 2009 for the General and WHIP funds, as recorded in the Summary Expense Report. We noted no funds for which expenditures exceeded appropriations.

Compliance – Contracts & Expenditures

1. We inquired of management and scanned the Detail Expense Report for the years ended December 31, 2010 and 2009 for procurements requiring competitive bidding under Section XII of the Districts Bylaws, adopted pursuant to Ohio Rev. Code Section 1545.09(A), which states:

No contract or agreement for professional, technical, consulting, or other special services shall be authorized or approved by the Board unless and until:

- Evidence is submitted to the Board that the proposed charges for such service does not exceed the prevailing rate for services of comparable kind and quality in the State of Ohio. If the service to be performed is to be based on an hourly or other time-related rate, evidence shall also be submitted estimating the time it will take to complete desired service;
- The Board is satisfied that such evidence is reasonably reliable and is a reasonable representative of charges for similar services in the State of Ohio;
- The person who is to perform such service represents, in writing, that such proposed charge does not exceed said prevailing rate.

The Board may invite proposals for the performance of such service contracts from two or more persons and may consider such proposals as evidence of such prevailing rate. However, the Board shall not be required to invite or accept such proposals, but may rely, in whole or in part, on other evidence which it deems to be reasonably reliable and reasonably representative in making its determination.

The Board, at its discretion, may waive compliance with the above procedure, in whole or in part, when the estimated cost of the service contract is less than \$5,000.

We identified no purchases subject to the aforementioned bidding requirements.

Compliance – Contracts & Expenditures (Continued)

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 and those charged with governance 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, looping "D" and "Y".

Dave Yost
Auditor of State

April 5, 2011

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MUSKINGUM VALLEY PARK DISTRICT

MUSKINGUM 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
MAY 5, 2011**