



Dave Yost • Auditor of State





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

Hamilton County Commissioners  
138 East Court Street, Room 603  
Cincinnati, Ohio 45202

We have performed the procedures enumerated below, with which the Board of Commissioners and the management of Hamilton County, Ohio (the County), agreed, solely to assist the Board in evaluating fund balances recorded in their accounting records for the year ended December 31, 2006, and receipts and disbursement transactions for 2004, 2005 and 2006, except for the Metropolitan Sewer District. Management is responsible for recording transactions. 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 \$10,000.

### ***Cash Fund Balances Procedures:***

1. We recomputed the accuracy the Treasurer's December 31, 2006 bank reconciliation. We found no exceptions.
2. We traced 60 haphazardly-selected outstanding check and debit items from the December 31, 2006 Treasurer's reconciliation to subsequent bank statements, cancelled checks and other documentation supporting that these transactions occurred by December 31 but were not recorded on the bank statements until after December 31, 2006. We found no exceptions.
3. We traced 60 haphazardly-selected deposits in transit and credit items from the December 31, 2006 Treasurer's reconciliation to subsequent bank statements, deposit slips and other documentation supporting that these transactions occurred by December 31 but were not recorded on the bank statements until after December 31, 2006. We found no exceptions.
4. We agreed material bank and investment account balances recorded on the Treasurer's December 31, 2006 reconciliation with amounts recorded by the related financial institutions. We found no exceptions.
5. We agreed fund balances on the Treasurer's December 31, 2006 reconciliation report to the fund balances on the Auditor's December 31, 2006 fund balance report. We found no exceptions.

6. We agreed the January 1, 2007 beginning cash balances recorded in the audited 2007 financial statements to the Auditor's December 31, 2006 fund balance report. We found no exceptions between the January 1, 2007 beginning cash balances recorded in the 2007 audited financial statements and the Auditor's December 31, 2006 fund balance report however, we did find that the Segregated Cash amounts the Clerk of Courts reported to the Auditor at December 31, 2006 were less than the supporting bank statements resulting in an understatement of \$2,311,576 in the Agency Fund Segregated Cash in the unaudited December 31, 2006 financial statements and the 2007 audited financial statements beginning balance. Ohio Administrative Code Section 117-2-02(A) states all local public offices shall maintain an accounting system and accounting records sufficient to enable the public office to identify, assemble, analyze, classify, record and report its transactions, maintain accountability for the related assets (and liabilities, if generally accepted accounting principles apply), document compliance with finance-related legal and contractual requirements and prepare financial statements required by rule [117-2-03](#) of the Administrative Code.

**Officials' Response:**

The Auditor's Office will work with the staff of the Clerk of Courts to ensure that all amounts held in bank accounts outside the County treasury will be properly recorded with segregated cash in the financial statements.

***Receipt and Disbursement Transactions Procedures:***

1. We haphazardly selected from the County Auditor's office *Performance* reports 60 receipts and 60 disbursements from each year 2004, 2005 and 2006 and compared the transactions to evidence supporting they were posted to a proper fund.

In 2004 the County posted a \$16,521 disbursement to the Baseball Fund (Fund 946-005) and based on the documentation provided the disbursement should have been posted to the Riverfront Development fund (Parking and Public Improvements Fund, Fund 946-006). Ohio Administrative Code Section 117-2-02(A) states all local public offices shall maintain an accounting system and accounting records sufficient to enable the public office to identify, assemble, analyze, classify, record and report its transactions, maintain accountability for the related assets (and liabilities, if generally accepted accounting principles apply), document compliance with finance-related legal and contractual requirements and prepare financial statements required by rule [117-2-03](#) of the Administrative Code. In accordance with the foregoing facts we hereby issue a Finding For Adjustment against the Riverfront Development Fund (Parking & Public Improvements 946-006) for \$16,521, in favor of the Baseball Fund (946-005). We found no other exceptions as a result of our testing.

**Officials' Response:**

We concur with and will record the proposed adjustment of \$16,521 between the Baseball and Riverfront Development funds.

2. We compared the exceptions noted above with correcting entries already identified and recorded by the County Auditor during compilation of the financial statements. No correcting entries were recorded for the exceptions noted in Step 6, Cash Fund Balances Procedures, and Step 1, Receipt and Disbursement Transactions Procedures.
3. We agreed the ending balances from the County Auditor's office *Performance* report to the December 31, 2006 Auditor's fund balance report. We found no exceptions.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the County's receipts, disbursements, balances. 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 County, 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

September 25, 2012

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## HAMILTON COUNTY FINANCIAL CONDITION AUP – CASH TRANSACTIONS

### HAMILTON 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  
DECEMBER 20, 2012