



Dave Yost • Auditor of State

PERRY AREA RECREATION BOARD
LAKE COUNTY

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Perry Area Recreation Board
Lake County
3740 Center Road
PO Box 491
Perry, Ohio 44081

We have performed the procedures enumerated below, with which the Board of Trustees and the management of Perry Area Recreation Board (the Board) 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, 2012 and 2011, 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

1. We tested the mathematical accuracy of the December 31, 2012 and December 31, 2011 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2011 beginning fund balances recorded in the Fund Activity Report to the December 31, 2010 balances in the documentation in the prior year Agreed-Upon Procedures working paper. We found no exceptions. We also agreed the January 1, 2012 beginning fund balances recorded in the Fund Activity Report to the December 31, 2011 balances in the Fund Activity Report. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2012 and 2011 fund cash balances reported in the Fund Activity Reports. The amounts agreed.
4. We confirmed two of the December 31, 2012 bank account balances with the District's financial institution. We found no exceptions. Also, we observed one of the year-end bank balances on the financial institution's website. The balance agreed. We also agreed the confirmed balances to the amounts appearing in the December 31, 2012 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2012 bank reconciliation:

- a. We traced each debit to the subsequent January bank statement. We found no exceptions.
- b. We traced the amounts and dates to the check register, to determine the debits were dated prior to December 31. We noted no exceptions.

Intergovernmental and Other Confirmable Cash Receipts

1. We confirmed the amounts paid from the Lake County Auditor, Perry Local School District, Perry Village, North Perry Village and Perry Township to the Board during 2012 and 2011 with the entities. 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.

Fees

1. We haphazardly selected 10 Fees from the year ended December 31, 2012 and 10 fees from the year ended 2011 recorded in the duplicate cash receipts book and determined whether the:
 - a. Receipt amount agreed to the amount recorded in the Transaction Detail Report. The amounts agreed.
 - b. Amount charged complied with rates in force during the audit period. We found no exceptions.
 - c. Receipt was posted to the proper fund, and was recorded in the proper year. We found no exceptions.

Debt

1. From the prior Agreed-Upon Procedures documentation, we noted the following Promissory Note outstanding as of December 31, 2010. This amount agreed to the Board's January 1, 2011 balances on the summary we used in step 3.

Issue	Principal outstanding as of December 31, 2010:
Promissory Note	\$100,848

2. We inquired of management, and scanned the Transaction Detail Report for evidence of debt issued during 2012 or 2011 or debt payment activity during 2012 or 2011. We noted no new debt issuances and debt payment activity agreed to the summary we used in step 3.
3. We obtained a summary of note activity for 2012 and 2011 and agreed principal payments from the related Promissory Note Schedule to the General Fund payments reported in the Transaction Detail Report. We also compared the date the Promissory Note payments were due to the date the Board made the payments. We found no exceptions.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2012 and one payroll check for five employees from 2011 from the Payroll Detail Report and:
 - a. We compared the hours and pay rate, or salary recorded in the Transaction Detail Report to supporting documentation (timecard, or legislatively approved rate or salary). We found no exceptions.

- b. We recomputed gross and net pay and agreed it to the amount recorded in the payroll register. We found no exceptions.
 - c. We determined whether the fund and account code to which the check was posted were reasonable based on the employees' duties as documented in the employees' personnel file. We also determined whether the payment was posted to the proper year. We found no exceptions.
2. For the two new employees selected in step 1 we determined whether the following information in the employees' personnel file as consistent with the information used to compute gross and net pay related to this check:
- a. Name
 - b. Authorized salary or pay rate
 - c. Departments 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

3. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2012 to determine whether remittances were timely paid, and if the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period of 2012. We noted the following:

Withholding	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare	January 31, 2013	January 7, 2013	\$2,867.76	\$2,867.76
State income taxes	January 15, 2013	January 3, 2013	611.59	611.59
Local income tax	January 31, 2013	January 3, 2013	479.82	479.82
OPERS retirement (withholding plus employee share)	January 30, 2013	January 7, 2013	4,443.15	4,443.15

Non-Payroll Cash Disbursements

1. We haphazardly selected ten disbursements from the Transaction Detail Report for the year ended December 31, 2012 and ten from the year ended 2011 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 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 Sections 5705.28(B)(2) and 5705.41(D). 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 Board'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, those charged with governance, and others within the Board, 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, flowing style.

Dave Yost
Auditor of State

July 23, 2013



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PERRY AREA RECREATION BOARD

LAKE 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
AUGUST 13, 2013**