



Dave Yost • Auditor of State



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Lawrence-Scioto County Solid Waste Management District
Lawrence County
109 North 3rd Street
Ironton, OH 45638

We have performed the procedures enumerated below, with which the Board of Directors and the management of the Lawrence-Scioto County Solid Waste Management District, Lawrence 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 year ended December 31, 2013, 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. Scioto County is custodian for the District's deposits, and therefore the County's deposit and investment pool holds the District's assets. We compared the District's fund balance reported on its December 31, 2013 Financial Statement to the balance reported in Scioto County's accounting records, Cash Accounts Transaction Ledger Report. The amounts agreed.
2. We agreed the January 1, 2013 beginning fund balance recorded in the Cash Accounts Transaction Ledger Report to the December 31, 2012 balance in the prior year audit report. We found no exceptions.

Other Confirmable Cash Receipts (e.g. Charges for Services)

1. We confirmed the amounts paid from Lawrence and Scioto Counties to the District during 2013 with the Lawrence and Scioto County Auditors Vendor Audit Trail Reports. 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.

Payroll Cash Disbursements

1. We haphazardly selected two payroll checks for one employee and one payroll check for each of the remaining three employees from the 2013 Distribution Reports and:
 - a. We compared the hours and pay rate, or salary amount recorded in the Distribution Reports to supporting documentation (timecards). We found no exceptions.
 - b. We determined whether the fund and account code(s) to which the check was posted were reasonable based on the employees' duties as documented in the Employees Listing Report. We also determined whether the payment was posted to the proper year. We found no exceptions.

2. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2013 to determine whether remittances were timely charged by the fiscal agent (Scioto County), and if the amounts charged agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding, period of 2013. We noted the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes (and social security, for employees not enrolled in pension system)	January 31, 2014	December 16, 2013 and December 30, 2013	\$999	\$999
Medicare	January 31, 2014	December 16, 2013 and December 30, 2013	\$327	\$327
State Income Tax	January 15, 2014	December 30, 2013	\$123	\$123
OPERS Retirement	January 30, 2014	January 13, 2014	\$2,941	\$2,941
Ironton City Tax	January 31, 2014	December 27, 2013	\$123	\$123

Non-Payroll Cash Disbursements

1. We haphazardly selected ten disbursements from the Expense Audit Trail Reports for the year ended December 31, 2013 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 Expense Audit Trail Reports 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 three instances where disbursements requiring certification were not certified and three instances where the certification date was after the vendor invoice date, and there was also no evidence that a *Then and Now Certificate* was issued. Ohio Rev. Code Sections 5705.28(B)(2) and 5705.41(D) require certifying at the time of a commitment, which should be on or before the invoice date, unless a *Then and Now Certificate* is used. Because we did not test all disbursements requiring certification, our report provides no assurance whether or not additional similar errors occurred.
- e. The disbursement was allowable under Ohio Rev. Code Section 3734.57(G), and the Districts policies and procedures. We found no exceptions.

Compliance – Budgetary

1. We compared the total estimated receipts from the Amended Official Certificate of Estimated Resources required by Ohio Rev. Code Sections 5705.28(B)(2) and 5705.36(A)(1), to the amounts recorded in the Cash Accounts Transaction Ledger Reports for the General Fund for the year ended December 31, 2013. The amounts on the *Certificate* did not agree to the amount recorded in the accounting system. The Cash Accounts Transaction Ledger Report recorded budgeted (i.e. certified) resources for the General fund of \$937,953 for 2013. However, the final *Amended Official Certificate of Estimated Resources* reflected \$937,921. The District Coordinator should periodically compare amounts recorded in the Cash Accounts Transaction Ledger Reports to amounts recorded on the *Amended Official Certificate of Estimated Resources* to assure they agree. If the amounts do not agree, the Directors may be using inaccurate information for budgeting and monitoring purposes.
2. We scanned the appropriation measure adopted for 2013 to determine whether, for the General Fund, the Directors appropriated separately for “each office, department, and division, and within each, the amount appropriated for personal services,” as is required by Ohio Rev. Code Sections 5705.28(B)(2) and 5705.38(C). We found no exceptions.
3. We compared total appropriations required by Ohio Rev. Code Sections 5705.28(B)(2), 5705.38 and 5705.40, to the amounts recorded in the Expense Audit Trail Report for 2013 for the General Fund. The amounts on the appropriation resolution did not agree to the amounts recorded in the 2013 Expense Audit Trail Report. The total appropriations were \$639,747 and the Expense Audit Trail Report for 2013 reflected \$639,779. The District Coordinator should periodically compare amounts recorded in the Expense Audit Trail Report to amounts recorded on the appropriations resolution to ensure they agree. If amounts do not agree the Directors may be using inaccurate information for budgeting and monitoring purposes.
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 Fund for the year ended December 31, 2013. We noted that appropriations did not exceed estimated revenue.
5. Ohio Rev. Code Sections 5705.28(B)(2) and 5705.41(B) prohibit expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total appropriations for the year ended December 31, 2013 for the General Fund, as recorded in the 2013 Budget Report. We noted that expenditures did not exceed appropriations.

6. We scanned the Cash Accounts Transaction Ledger Report for the year ended December 31, 2013 for negative cash fund balance. Ohio Rev. Code Section 5705.10 (I) provides that money paid into a fund must be used for the purposes for which such fund is established. As a result, a negative fund cash balance indicates that money from one fund was used to cover the expenses of another. We noted no funds having negative cash fund balance.

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, those charged with governance, and others within the District, and is not intended to be, and should not be used by anyone other than these specified parties.



Dave Yost
Auditor of State

Columbus, Ohio

September 4, 2014



Dave Yost • Auditor of State

LAWRENCE-SCIOTO COUNTY SOLID WASTE MANAGEMENT DISTRICT

LAWRENCE 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
SEPTEMBER 25, 2014**