



Dave Yost • Auditor of State





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## INDEPENDENT ACCOUNTANT'S REPORT

School Employees Retirement System  
RSM US LLP  
1001 Lakeside Ave. E.  
Suite 200  
Cleveland, Ohio 44114

We have examined the Eastern Gateway Community College's management's assertion that the census data and pensionable wages reported to the School Employees Retirement System as of June 30, 2015, and for the year then ended was accurate and complete.

Management asserts that:

- The census data provided to the School Employees Retirement System as of June 30, 2015 is accurate and complete. Census data includes
  - First and Last Name;
  - Last four digits of the social security number;
  - Gender;
  - Date of Birth;
  - Contributions remitted to the plan;
  - Pensionable Compensation;
- The census data provided to the School Employees Retirement System as of June 30, 2015 included all enrolled employees.
- Census data changes occurring during the year ended June 30, 2015 to an enrolled employee's eligible compensation were properly updated with the State Employees Retirement System.
- All employees required to be enrolled in the School Employees Retirement System were properly enrolled.
- The total pensionable wages and employee contributions information reported to the School Employees Retirement System agrees with the payroll records of the employer.

Eastern Gateway Community College's management is responsible for the assertions. Our responsibility is to opine on the assertions based on our examination.

Our examination followed attestation standards established by the American Institute of Certified Public Accountants and standards applicable to attestation engagements included in the Comptroller General of the United States' *Government Auditing Standards* and, accordingly, included examining, on a test basis, evidence supporting management's assertions and performing other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, management's assertions related to the accuracy and completeness of the census data and pensionable wages as described above provided to the School Employees Retirement System as of and for the year ending June 30, 2015 are fairly stated in all material respects.

In accordance with Government Auditing Standards, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses in internal control; fraud and noncompliance with provisions of laws or regulations that have a material effect on the accuracy and completeness of the census data and pensionable wages; and any other instances that warrant the attention of those charged with governance; noncompliance with provisions of contracts or grant agreements, and abuse that has a material effect on the subject matter. We are also required to obtain and report the views of responsible officials concerning the findings, conclusions, and recommendations, as well as any planned corrective actions. We performed our examination to express an opinion on whether management's assertion regarding the accuracy and completeness of the census data reported to the retirement system is fairly stated, and not for the purpose of expressing an opinion on the internal control over the accuracy and completeness of the census data provided to the pension system, or on compliance and other matters; accordingly, we express no such opinions. Our examination disclosed certain findings that are required to be reported under Government Auditing Standards and those findings, along with the views of responsible officials, are described in the attached Schedule of Findings.

This report is intended solely for the information and use of Eastern Gateway Community College's management, those charged with governance, and the School Employees Retirement System, and RSM US LLP 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

November 12, 2015

**EASTERN GATEWAY COMMUNITY COLLEGE  
JEFFERSON COUNTY**

**SCHEDULE OF FINDINGS  
YEAR ENDED JUNE 30, 2015**

**FINDING NUMBER 2015-001**

**Significant Deficiency**

Eastern Gateway Community College had employees who met the eligibility requirements for enrollment in the School Employees Retirement System (SERS) but were not enrolled in the system.

We found 3 of the 30 employees selected for testing were not enrolled in SERS based on their duties and job descriptions. These included counselors and advisors. The College found the error in April 2015 and took action to correct by enrolling one of the employees beginning July 1, 2015, however, the remaining 2 employees left service prior to July 1, 2015 and were never enrolled.

The College should continue to take the necessary steps to review employee job descriptions and duties and verify they are enrolled in the proper retirement system based on this.

**Management's Response:**

The positions in question were classified as STRS or SERS prior to the Personnel Analyst working with Eastern Gateway Community College.

On or around April 1, 2015 the Personnel Analyst upon review of payroll data, questioned the retirement system classification of some of the positions of Eastern Gateway Community College.

The Personnel Analyst proactively made the decision to contact STRS, provide them with a copy of the job descriptions for the positions in question and asked them to review and make a determination on whether or not the employees were properly classified as STRS.

STRS determined that some of the positions reviewed were SERS eligible, not STRS eligible positions.

Based on the response from STRS the Personnel Analyst met with the Vice President of Business Services, the Executive Director of Finance and the Director of Student Billing and Payroll to determine the most appropriate course of action to remedy the errors.

The decision was made to reclassify the employees into the appropriate retirement system beginning July 1, 2015, the beginning of the next fiscal year.

**Remedies for Deficiency**

**Retirement System Classification Determination Procedure**

The position field of all new hire authorization forms will be reviewed prior to entry into the payroll system.

If the new hire form indicates that the employee is backfilling an existing position the payroll specialist will review the existing list of titles and corresponding retirement system classification and will enter the employee as such in the payroll system.

If the new hire form indicates that the position has been newly created the job description will be sent to either STRS or SERS for review. SERS or STRS will make and provide the determination of appropriate retirement system classification and the employee will be classified as such in our payroll system.

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**EASTERN GATEWAY COMMUNITY COLLEGE - SERS**

**JEFFERSON 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 10, 2015**