



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, Oh, 44114

We have examined the Amherst Exempted Village School District's management's assertion that the census data and pensionable wages reported to the School Employees Retirement System as of June 30, 2016, 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, 2016 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, 2016 included all enrolled employees.
- Census data changes occurring during the year ended June 30, 2016 to an enrolled employee's eligible compensation, were properly updated with School 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 School Employees Retirement System agrees with the payroll records of the employer.

Amherst Exempted Village School District'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.

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In our opinion, management's assertions related to the accuracy and completeness of the census data and pensionable wages as described above provided to School Employees Retirement System as of and for the year ending June 30, 2016 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 a certain finding that is required to be reported under Government Auditing Standards and that finding, along with the view of responsible officials, is described in the attached Schedule of Findings.

This report is intended solely for the information and use of Amherst Exempted Village School District'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 23, 2016

**AMHERST EXEMPTED VILLAGE SCHOOL DISTRICT
LORAIN COUNTY**

**SCHEDULE OF FINDINGS
YEAR ENDED JUNE 30, 2016**

FINDING NUMBER 2016-001

Significant Deficiency – Inaccurate SERS Contributions

The District is required to provide complete and accurate census data to the School Employees Retirement System (the Pension System). This includes ensuring appropriate employee contribution amounts were remitted by the District to the Pension System based on appropriate pensionable compensation.

Two of thirty employees tested (6.7%) contributed improper amounts to the Pension System. The improper amounts contributed totaled \$209 out of \$66,633 tested.

The first employee error was caused by the failure to set up a separate retirement deduction for a certified employee that also worked as a custodian during the summer. The second employee error was caused by an improper payroll coding of docked wages in the payroll system.

Failure to accurately report census data to the Pensions System could result in miscalculations of the actuarially reported liability.

We recommend the District carefully evaluate other employees for similar situations and ensure such errors are corrected.

Officials' Response

The payroll person was fairly new and missed setting up a new retirement deduction for an extra job on a current employee. The payroll person processed a negative miscellaneous pay for a dock and the gross was reduced but the software did not reduce the retirement contribution. Moving forward, the District will process dock's using the dock on the system and not a miscellaneous (negative pay).

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AMHERST EXEMPTED VILLAGE SCHOOL DISTRICT SERS

LORAIN 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 6, 2016**