



Dave Yost • Auditor of State



**COSHOCTON SOIL AND WATER CONSERVATION DISTRICT  
COSHOCTON COUNTY**

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

Coshocton Soil and Water Conservation District  
Coshocton County  
724 South Seventh Street  
Coshocton, Ohio 43812

We have performed the procedures enumerated below, with which the Board of Supervisors (the Board) and the management of the Coshocton Soil and Water Conservation District, Coshocton 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 years ended December 31, 2011 through 2015, 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 followed 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.

### Depository Balances, Investments and Fund Balances

We applied the following procedures to each *Cash Basis Annual Financial Report* (the Reports) for the fiscal years ending December 31, 2011 through December 31, 2015:

1. We footed and cross-footed the amounts on pages 3A and 3B of the Reports, and compared the *Fund Cash Balances, December 31* to the *Fund Balances* on page 2. The amounts agreed.
2. We compared the *Disbursements plus Other Financing Uses* for the Special Fund on pages 3A and 3B of the Reports to the Disbursements reported on page 4. The amounts agreed.
3. We compared the *Receipts plus Other Financing Sources* for the Special Fund on pages 3A and 3B of the Reports to the Actual Receipts reported on page 5. The amounts agreed.
4. We tested the mathematical accuracy of the reconciliation on page 2. We found no exceptions.
5. We agreed the January 1 and December 31 fund cash balances reported in the District's Balance Sheet Detail to the corresponding *Fund Cash Balances* on page 3B of the Reports. There were \$50 differences in the District Fund in 2011 through 2014. This occurred as the District did not track their change fund in their accounting system until 2015. However, the District did track the \$50 change fund on their manual year end "District Fund Financial Statements." Therefore, no exceptions were noted.

**Depository Balances, Investments and Fund Balances (Continued)**

We also applied the following procedures to the *Subtotals* and *Totals* reported on page 2 of the December 31, 2015 Report:

6. We confirmed the December 31 bank account depository balances for the District Fund and the Area Three Fund with the District's financial institution. The District reported a depository balance of \$6,129 in their checking account. However, the District's financial institution confirmed the depository balance to be \$6,935. There was an \$806 difference, which was the amount of the District's outstanding checks relating to this checking account. This occurred as the District presented their reconciled book balance instead of their depository balance in the reconciliation included in the *Report*. This did not affect the fund balances on the *Report*. The District should present the depository balance and outstanding checks for their checking accounting within the reconciliation.
7. We compared the December 31 Special Fund depository balance from the *Report* to the amount reported in the Coshocton County Auditor's "Statement of Cash Position with MTD Totals" report. The County reported a balance of \$89,582 and the District reported a depository balance of \$95,828. There was a \$6,246 difference, which was the amount of the County's outstanding checks for this fund. The difference occurred as the District presented the reconciliation between the Coshocton County Auditor and the Coshocton County Treasurer within the reconciliation in the *Report*. The District should have reported the County Auditor's balance as the Special Fund depository balance. However, the District did properly present the County Auditor's balance as the balance of the Special Fund as the reconciled book balance in the *Report*.
8. For the checks comprising the Outstanding Checks, we applied the following procedures:
  - a. We footed the supporting outstanding check list and compared it to the Totals on the Report. The District presented \$6,246 in outstanding checks. However, there was only \$806 in outstanding checks. The difference of \$5,440 occurred as the District presented the County Auditor and County Treasurer's reconciliation of the Special Fund instead of presenting the reconciliation for the District Fund in the report. The District should present the outstanding checks of their checking account and not the outstanding checks of the County's accounts in their reconciliation.
  - b. We traced each check to the subsequent January bank statement. We found no exceptions. This step was performed for the \$806 in outstanding checks for the District's checking account and not the County's outstanding checks.
  - c. We traced the amounts and dates of each check to the check register, to determine the check was recorded for the same amount and dated and recorded prior to December 31. We noted no exceptions. This step was performed for the \$806 in outstanding checks for the District's checking account and not the County's outstanding checks.
9. We tested interbank account transfers occurring in December to determine if they were properly recorded in the accounting records and on each bank statement. We found no exceptions.
10. We tested investments held at December 31 to determine that they:
  - a. Were of a type authorized by Ohio Rev. Code §§ 135.13, 135.14 or 135.144. We found no exceptions.
  - b. Mature within the prescribed time limits noted in Ohio Rev. Code §§ 135.13 or 135.14. We noted no exceptions.

### **Intergovernmental and Other Confirmable Cash Receipts**

We applied the following procedures for the years ended December 31, 2011 through December 31, 2015:

1. We agreed the total of the receipts from the State Distribution Transaction Lists (DTL) and the total of the receipts from the County Auditor's Expense Audit Trail Report to the total amounts recorded in the respective receipt classification in the Special Fund in the Special Fund Financial Statement manual ledgers. The amounts agreed.
2. We haphazardly selected five other confirmable receipts from the year ended December 31, 2015 and three other confirmable receipts from each of the years ended December 31 2011, 2012 and 2014 in the District Fund Financial Statements from funds other than the *Special Fund* such as grants, municipal and Township funds.
  - a. We confirmed or agreed to supporting documentation the amounts paid from the Ohio Department of Natural Resources and the Ohio Federation of Soil and Water Conservation Districts to the District. We found no exceptions.
  - b. We determined whether these receipts were allocated to the proper fund. We found no exceptions.

### **All Other Cash Receipts**

We haphazardly selected 10 other cash receipts from the year ended December 31, 2015 and five other cash receipts from each of the years ended 2011 through 2014 recorded in the duplicate cash receipts book and determined whether the:

1. Receipt amount agreed to the amount recorded in the District Fund Financial Statements. The amounts agreed.
2. Amount charged complied with rates in force during the period, if applicable. We found no exceptions.
3. Receipt was posted to the proper fund, and was recorded in the proper year. We found no exceptions.

### **Payroll Cash Disbursements**

1. We haphazardly selected one payroll check for all four employees from 2015 and one payroll check for two employees for each of the years ended December 31, 2011 through 2014 from the Coshocton County Checks Detail Report and:
  - a. We compared the hours and pay rate, or salary recorded in the Coshocton County Checks Detail Report to supporting documentation including timecards and legislatively approved rate or salary. We found no exceptions.
  - b. We determined whether salaries and benefits were paid only from the *Special Fund*, as required by the SWCD Administrative Handbook Chapter 5. We noted no exceptions.
  - c. We determined whether the check was classified as *salaries*. We also determined whether the payment was posted to the proper year. We found no exceptions.

### Payroll Cash Disbursements (Continued)

2. For the four employees tested in step 1 from 2015, we determined whether the following information in the employees' personnel files and minute record was consistent with the information used to compute gross and net pay related to the check:
  - a. Name.
  - b. Authorized salary or pay rate.
  - c. Retirement system participation and payroll withholding.
  - d. Federal, State & Local income tax withholding authorization and withholding.
  - e. Any other deduction authorizations (deferred compensation, etc.).

We found no exceptions related to steps a. – e. above.

### Non-Payroll Cash Disbursements

1. From the District Fund Financial Statement, we re-footed checks recorded as *District Fund* disbursements for *contract services* and *supplies* for 2015. We found no exceptions.
2. We haphazardly selected five disbursements from the *Special Fund* and five disbursements from the *District Fund* and other funds from the District and Special Fund Financial Statements for the year ended December 31, 2015 and two from the *Special Fund* and three from the *District Fund* and other funds for each of the years ended 2011 through 2014 and determined whether:
  - a. The disbursements were for a proper public purpose. We found no exceptions.
  - b. For *District Fund* and other funds disbursements, we determined whether:
    - i. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the similar data recorded in the District Fund Financial Statement and to the names and amounts on the supporting invoices. We found no exceptions.
    - ii. The payment was posted to a fund consistent with the purpose for which the fund's cash can be used. We found no exceptions.
  - c. For *Special Fund* disbursements, we determined whether:
    - i. The payee name and amount recorded on the voucher submitted to the County Auditor agreed to the payee name and amount recorded in the Special Fund Financial Statements as well as the Coshocton County Check Register or Coshocton County Vendor Audit Trail Report. We found no exceptions.
    - ii. The names and amounts on the voucher agreed to supporting invoices. We found no exceptions.
    - iii. The voucher was signed by the fiscal officer and approved by a majority of the Board of Supervisors. We found no exceptions.

### 2015 Special Fund Budgetary Compliance

1. We read the District's Special Fund Budget Request submitted to the County Commissioners. We noted the request included the Special Fund's *Needs* from the current year, as required by the SWCD Administrative Handbook, Chapter 5. We also compared the budget amount to the budgetary schedules on page 4 of the Cash Basis Annual Financial Report. The amounts agreed. However, SWCD Administrative Handbook, Chapter 5 required the District to submit *Income* and *Balances* anticipated for carry over from the current year along with *Needs*. This information was not submitted to the County Commissioners, though it was available from the County Auditor to the County Commissioners.



### **2015 Special Fund Budgetary Compliance (Continued)**

2. We compared the total estimated receipts reported on Page 5 of the Report to the final *Amended Official Certificate of Estimated Resources* required by Ohio Rev. Code § 5705.36(A)(1), and to the amounts recorded in the Special Revenue Fund Financial Statement for the Special Fund. The Special Revenue Fund Financial Statement recorded budgeted (i.e., certified) resources for the Special fund of \$269,000 for 2015. However, the final *Amended Official Certificate of Estimated Resources* reflected \$283,607. The Fiscal Officer should periodically compare amounts recorded in the Special Revenue Fund Financial Statement to amounts recorded on the *Amended Official Certificate of Estimated Resources* to assure they agree. If the amounts do not agree, the Board of Supervisors may be using inaccurate information for budgeting and monitoring purposes.
3. We scanned the appropriation measures to determine whether the Supervisors appropriated separate amounts within the Special Fund for “each office, department, and division, and within each, the amount appropriated for personal services,” as is required by Ohio Rev. Code § 5705.38(C). We found no exceptions.
4. We compared total appropriations required by Ohio Rev. Code §§ 5705.38 and 5705.40, to the amounts recorded in the Special Revenue Fund Financial Statement for the Special Fund, and to the appropriations reported on Page 4 of the Report. The amounts agreed.
5. Ohio Rev. Code §§ 5705.36(A)(5) and 5705.28(B)(2)(C) prohibit appropriations from exceeding estimated resources. We compared total appropriations to total estimated resources for the Special Fund for the year ended December 31, 2015. We noted appropriations did not exceed estimated resources for the Special Fund.
6. Ohio Rev. Code § 5705.41(B) prohibits expenditures (disbursements plus year-end certified commitments (i.e., encumbrances)) from exceeding appropriations. We compared total disbursements plus outstanding year-end encumbrances to total appropriations for the year ended December 31, 2015 for the “Special” Fund, as recorded in the Annual Cash Basis Financial Report. We noted expenditures did not exceed appropriations for the Special Fund.
7. We scanned the Annual Cash Basis Financial Report for the year ended December 31, 2015 for negative cash fund balances. Ohio Rev. Code § 5705.10(l) 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 a negative cash fund balance.

### **2015 Compliance – Contracts & Expenditures**

We inquired of management and scanned the District Fund Financial Statements and Special Fund Financial Statements for the year ended December 31, 2015 to determine if the District purchased equipment and services allowed by Ohio Rev. Code § 1515.09 or purchased goods or services allowed by Ohio Rev. Code § 1515.08(H)(1) whose cost, other than personal service compensation or office space rent, exceeded \$50,000. We noted no purchases exceeding \$50,000.

### **2015 Other Compliance**

Ohio Rev. Code § 117.38 requires Districts to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. We reviewed the HINKLE system and noted the District filed their financial information within the allotted timeframe for the year ended December 31, 2015.

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.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "Y" and "O".

**Dave Yost**  
Auditor of State  
Columbus, Ohio

October 28, 2016



# Dave Yost • Auditor of State

**COSHOCTON COUNTY SOIL AND WATER CONSERVANCY DISTRICT**

**COSHOCTON 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  
NOVEMBER 15, 2016**