



Dave Yost • Auditor of State

**MIAMI VALLEY FIRE/EMS ALLIANCE
MONTGOMERY COUNTY**

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Miami Valley Fire/EMS Alliance
Montgomery County
444 West Third Street, Suite 20-231
Dayton, Ohio 45402

To the Board of Directors:

Report on the Financial Statements

We have audited the accompanying financial statements of the cash balances, receipts and disbursements by fund type, and related notes of Miami Valley Fire/EMS Alliance, Montgomery County, (the Alliance) as of and for the year ended September 30, 2016.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Alliance's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Alliance's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statements, the Alliance prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements.

Although the effects on the financial statements of the variances between the regulatory accounting basis and GAAP are not reasonably determinable, we presume they are material.

Though the Alliance does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Our opinion on this accounting basis is in the *Opinion on Regulatory Basis of Accounting* paragraph below.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Alliance as of September 30, 2016, or changes in financial position thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined cash balances of Miami Valley Fire/EMS Alliance, Montgomery County, as of September 30, 2016, and its combined cash receipts and disbursements for the year then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 1.

Other Matters

Our audit was conducted to opine on the financial statements taken as a whole.

The Schedule of Expenditures of Federal Awards presents additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and is not a required part of the financial statements.

The schedule is management's responsibility, and derives from and relates directly to the underlying accounting and other records used to prepare the financial statements. We subjected this schedule to the auditing procedures we applied to the financial statements. We also applied certain additional procedures, including comparing and reconciling the schedule directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated in all material respects in relation to the financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 9, 2017, on our consideration of the Alliance's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Alliance's internal control over financial reporting and compliance.

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

May 9, 2017

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**MIAMI VALLEY FIRE/EMS ALLIANCE
MONTGOMERY COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN FUND BALANCES (CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Governmental Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Intergovernmental	\$735	\$1,362,051	\$1,362,786
Membership Fees	116,569		116,569
Earnings on Investments	225		225
Entry Level Test	2,007		2,007
CPAT Income	24,365		24,365
Other Receipts	2,528	24,974	27,502
<i>Total Cash Receipts</i>	<u>146,429</u>	<u>1,387,025</u>	<u>1,533,454</u>
Cash Disbursements:			
General Government	136,655	1,275,215	1,411,870
<i>Total Cash Disbursements</i>	<u>136,655</u>	<u>1,275,215</u>	<u>1,411,870</u>
<i>Net Change in Fund Cash Balance</i>	9,774	111,810	121,584
<i>Fund Cash Balances, October 1</i>	<u>208,990</u>	<u>113,451</u>	<u>322,441</u>
Fund Cash Balances, September 30			
Restricted		224,980	224,980
Unassigned	218,764	281	219,045
<i>Fund Cash Balances, September 30</i>	<u>\$218,764</u>	<u>\$225,261</u>	<u>\$444,025</u>

The notes to the financial statements are an integral part of this statement.

**MIAMI VALLEY FIRE/EMS ALLIANCE
MONTGOMERY COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN FUND BALANCES (CASH BASIS)
ALL FIDUCIARY FUND TYPES
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	Agency Funds
Cash Receipts:	
Intergovernmental	\$14,282
Membership Fees	136,151
Trainings and Exercises	10,159
Earnings on Investments	135
Reimbursements	574
Other Receipts	8,840
<i>Total Cash Receipts</i>	170,141
Cash Disbursements:	
General Government	163,570
<i>Total Cash Disbursements</i>	163,570
<i>Net Change in Fund Cash Balance</i>	6,571
<i>Fund Cash Balances, October 1</i>	391,500
<i>Fund Cash Balances, September 30</i>	\$398,071

The notes to the financial statements are an integral part of this statement.

**MIAMI VALLEY FIRE/EMS ALLIANCE
MONTGOMERY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Miami Valley Fire/EMS Alliance, Montgomery County, (the Alliance), has been established as a Regional Council of Governments pursuant to the constitution and laws of Ohio, including, but not limited to Ohio Revised Code Chapter 167. The purpose of the Board hereby established is to foster cooperation among the political subdivisions through the establishment of an organization, which will promote programs and recommend matters, which will result in more efficient methods of delivering fire and emergency medical services in the region. By-Laws were adopted on February 8, 1995. Ultimate authority of the Alliance shall be vested in a Fire/EMS Alliance Board. The Board consists of a representative from each political subdivision that has paid the "per capita" fee assessed against it or has contractually paid the "per capita" fee assessed against another political subdivision from which it receives Fire/EMS services. Each political subdivision may have one delegate and one alternate to the Board who shall be appointed by the legislative authority of said political subdivision.

The Alliance also assumed the duties as fiscal administrator for Ohio Region 3 Rescue Strike Team, Dayton Regional Hazardous Materials Response Team, and Miami Valley Fire/EMS Corporation.

The Alliance's management believes these financial statements present all activities for which the Alliance is financially accountable.

B. Blended Component Unit

Although legally separate, the Miami Valley Fire/EMS Corporation (the Corporation), component unit of the Alliance, is reported as if it were part of the Alliance. The Corporation is governed by a five member board consisting of five elected directors. The Corporation's purpose is to establish the coordination of contributions of property, donations and grants from various individual corporations and governmental units in order to receive them and then distribute them in order of need of special fire and rescue services and emergency medical service projects and programs. This is to include donations received by the Corporation from the Miami Valley Fire/EMS Alliance membership, outside organizations, to include but not limited to, performing the following on behalf of or for the Alliance membership or other appropriate outside organizations: assessment centers, strategic planning or any other service requested by the Alliance membership on behalf of the Alliance membership. Corporation donations may also be expensed as a pass through for providing other reimbursable services such as entry level testing, joint purchasing and background checks. Because the elected directors of the Corporation are appointed by the members of the Alliance Board of Directors and the Corporation's sole purpose is to benefit the Alliance, its financial statements have been blended with those of the Alliance.

Separate financial statements for the Corporation may be obtained from the Corporation at 444 W. Third St. Suite 20-231, Dayton, Ohio 45402 or by calling (937) 512-5103.

**MIAMI VALLEY FIRE/EMS ALLIANCE
MONTGOMERY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Accounting Basis

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D). This basis is similar to the cash receipts and disbursements accounting basis. The Alliance recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred.

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

D. Deposits

The Alliance values certificates of deposit at cost.

E. Fund Accounting

The Alliance uses fund accounting to segregate cash that is restricted as to use. The Alliance classifies its funds into the following types:

1. General Fund

The General Fund reports all financial resources not accounted for and reported in another fund.

2. Special Revenue Funds

These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Alliance had the following significant Special Revenue Fund:

Ohio Task Force 1 is one of 28 National Urban Search and Rescue Task Forces administered through FEMA. The mission of the Task Force is to provide a resource capable of locating, extricating, and providing medical care for victims entrapped in collapsed structures and to protect emergency responders when such an entrapment or protection exceeds the local emergency responders' operational capability.

3. Fiduciary Funds

Fiduciary funds account for and report private purpose trust funds and agency funds. Private purpose trust funds account for assets held under a trust agreement for individuals, private organizations, or other governments which are not available to support the Alliance's own programs.

Agency funds are purely custodial in nature and are used to hold resources for individuals, organizations or other governments. The Alliance disburses these funds as directed by the individual, organization or other government. The Alliance's agency fund accounts are the Dayton Regional Hazardous Materials Response Team and Ohio Region 3 Rescue Strike Team.

**MIAMI VALLEY FIRE/EMS ALLIANCE
MONTGOMERY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Budgetary Process

Ohio Revised Code Chapter 167 does not address the budgetary process of Regional Council of Governments but allows the government to adopt by-laws that may address budgetary matters. The Alliance's by-laws require that the Alliance Board must adopt an Annual Budget. This budget is to be prepared by the Executive Director for the fiscal year beginning in the next October 1 and submitted to the Alliance Board two weeks prior to the last quarterly meeting for approval.

G. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Alliance must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

1. Nonspendable

The Alliance classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

2. Restricted

Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

3. Committed

The Board can *commit* amounts via formal action (resolution). The Alliance must adhere to these commitments unless the Board amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

4. Assigned

Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by the Alliance's Board or an Alliance official delegated that authority by resolution, or by State Statute.

5. Unassigned

Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

**MIAMI VALLEY FIRE/EMS ALLIANCE
MONTGOMERY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Alliance applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

H. Property, Plant, and Equipment

The Alliance records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

I. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

2. EQUITY IN POOLED DEPOSITS

The Alliance maintains a deposit pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits at September 30 was as follows:

	2016
Demand deposits	<u>\$716,112</u>
Certificate of deposit	<u>125,984</u>
Total deposits	<u>\$842,096</u>

Deposits: Deposits are insured by the Federal Depository Insurance Corporation or collateralized by the financial institution's public entity deposit pool.

3. DEBT

The Alliance opened a Promissory Note (Line of Credit) with Security National Bank on November 19, 2008. The principal amount authorized is \$300,000. However, the Alliance did not make any draws on the line of credit or have a balance during fiscal year 2016. The Line of Credit was established to pay deployment costs for the Ohio Task Force 1 for deployments during the hurricane season.

4. RETIREMENT SYSTEMS

The Alliance's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10% of their gross salaries. The Alliance contributed an amount equaling 14% of participants' gross salaries. The Alliance has paid all contributions required through September 30, 2016.

**MIAMI VALLEY FIRE/EMS ALLIANCE
MONTGOMERY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016
(Continued)**

5. RISK MANAGEMENT

Commercial Insurance

The Alliance has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

6. DAYTON REGIONAL HAZARDOUS MATERIALS RESPONSE TEAM

As of January 1, 2003, the Miami Valley Fire/EMS Alliance is the fiscal agent for the Dayton Regional Hazardous Materials Response Team. Transactions for the Dayton Regional Hazardous Materials Response Team are included in the attached financial statements as an agency fund. A separate report is available by contacting the Alliance at 444 West Third Street, Suite 20-231, Dayton, Ohio 45402 or by telephone at (937) 512-5103.

7. OHIO REGION 3 RESCUE STRIKE TEAM

The Miami Valley Fire/EMS Alliance is the fiscal agent for the Ohio Region 3 Rescue Strike Team. Transactions for the Ohio Region 3 Rescue Strike Team are included in the attached financial statements as an agency fund. A separate report is available by contacting the Alliance at 444 West Third Street, Suite 20-231, Dayton, Ohio 45402 or by telephone at (937) 512-5103.

8. CONTINGENT LIABILITIES

Amounts grantor agencies pay to the Alliance are subject to audit and adjustment by the grantor, principally the federal government. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

9. SUBSEQUENT EVENT

At the December 20, 2016 meeting held by the Miami Valley Fire/EMS Corporation (the Corporation), the Board voted to disband the Corporation, which was a blended component unit of the Alliance. The remaining funds of the Corporation, which totaled \$281, were moved to the Alliance.

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**MIAMI VALLEY FIRE/EMS ALLIANCE
MONTGOMERY COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title	Pass Through Entity Number	Federal CFDA Number	Expenditures
U.S. DEPARTMENT OF HOMELAND SECURITY			
<i>Direct Aid</i>			
National Urban Search and Rescue (US&R) Response System:			
Federal Emergency Management Agency (FEMA) 13 Grant	N/A		21,699
Federal Emergency Management Agency (FEMA) 14 Grant	N/A		439,722
Federal Emergency Management Agency (FEMA) 15 Grant	N/A		<u>836,487</u>
Total National Urban Search and Rescue (US&R) Response System		97.025	<u>1,297,908</u>
Total Expenditures of Federal Awards			<u><u>\$1,297,908</u></u>

The accompanying notes are an integral part of this schedule.

**MIAMI VALLEY FIRE/EMS ALLIANCE
MONTGOMERY COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Miami Valley Fire/EMS Alliance (the Alliance) under programs of the federal government for the year ended September 30, 2016. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Alliance, it is not intended to and does not present the financial position or changes in financial position of the Alliance.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles contained in OMB Circular A-87 *Cost Principles for State, Local, and Indian Tribal Governments* (codified in 2 CFR Part 225), or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The Alliance has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Miami Valley Fire/EMS Alliance
Montgomery County
444 West Third Street, Suite 20-231
Dayton, Ohio 45402

To the Board of Directors:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the cash balances, receipts, and disbursements by fund type of the Miami Valley Fire/EMS Alliance, Montgomery County (the Alliance) as of and for the year ended September 30, 2016, and the related notes to the financial statements, and have issued our report thereon dated May 9, 2017, wherein we noted the Alliance followed financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 permit.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Alliance's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the Alliance's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Alliance's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

As part of reasonably assuring whether the Alliance's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Alliance's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Alliance's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

Dave Yost
Auditor of State
Columbus, Ohio

May 9, 2017



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Miami Valley Fire/EMS Alliance
Montgomery County
444 West Third Street, Suite 20-231
Dayton, Ohio 45402

To the Board of Directors:

Report on Compliance for the Major Federal Program

We have audited the Miami Valley Fire/EMS Alliance's (the Alliance) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the Miami Valley Fire/EMS Alliance's major federal program for the year ended September 30, 2016. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the Alliance's major federal program.

Management's Responsibility

The Alliance's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal program.

Auditor's Responsibility

Our responsibility is to opine on the Alliance's compliance for the Alliance's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the Alliance's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on the Alliance's major program. However, our audit does not provide a legal determination of the Alliance's compliance.

Opinion on the Major Federal Program

In our opinion, the Miami Valley Fire/EMS Alliance complied, in all material respects with the compliance requirements referred to above that could directly and materially affects its major federal program for the year ended September 30, 2016.

Report on Internal Control over Compliance

The Alliance's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the Alliance's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the Alliance's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report only describes the scope of our internal control over compliance tests and the results of this testing based on Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.



Dave Yost
Auditor of State
Columbus, Ohio

May 9, 2017

**MIAMI VALLEY FIRE/EMS ALLIANCE
MONTGOMERY COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
SEPTEMBER 30, 2016**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Adverse under GAAP, unmodified under the regulatory basis.
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Programs (list):	CFDA #97.025 - National Urban Search and Rescue (US&R) Response System
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR §200.520?	No

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

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Dave Yost • Auditor of State

MIAMI VALLEY FIRE/EMS ALLIANCE

ADAMS 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
JUNE 13, 2017**