



Dave Yost • Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Unified Purchasing Cooperative of the Ohio River Valley
Hamilton County
7615 Harrison Avenue
Cincinnati, Ohio 45231

We have performed the procedures enumerated below, with which the Council members and the management of Unified Purchasing Cooperative of the Ohio River Valley (the Cooperative) agreed, solely to assist the Board in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the year ended June 30, 2017, 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. As permitted by the Ohio Revised Code, the Hamilton County Educational Service Center (ESC) is custodian for the Cooperative's deposits and therefore the ESC's deposit and investment pool holds the Cooperative's assets. We compared the Cooperative's fund balances reported on its June 30, 2016 financial statements to the balances reported in ESC's accounting records. The amounts agreed.
2. We agreed the July 1, 2016 beginning fund balance recorded as fund 020-9753 in the FINSUM report for the ESC to the June 30, 2016 balance in the prior year audited statements. We found no exceptions.

Debt

1. The prior agreed-upon procedures documentation disclosed no debt outstanding as of June 30, 2016.
2. We inquired of management, and inspected the USAS19 Detail Transaction Y1 Report for evidence of debt issued during fiscal year 2017 or debt payment activity during fiscal year 2017. No new debt issuances, nor any debt payment activity during fiscal year 2017 was found.

Over-The-Counter Cash Receipts

We haphazardly selected 10 over-the-counter cash receipts from the year ended June 30, 2017 recorded in the cash receipts ledger and determined whether the:

- a. Receipt amount agreed to the amount recorded in the USAS19 Detail Transaction Y1 Report. The amounts agreed.
- b. Amount charged complied with rates in force during the period. We found no exceptions.
- c. Receipt was recorded in the proper year. We found no exceptions.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for the two employees from 2017 from the USPS12 Payroll Earnings Register and:
 - a. We compared the hours and pay rate, or salary recorded in the USPS12 Payroll Earnings Register to supporting documentation (contracts and salary notices). We found no exceptions.
 - b. We determined whether the fund and account code to which the check was posted were reasonable based on the employees' duties as documented in the employees' contracts. 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 June 30, 2017 to determine whether remittances were timely charged by the fiscal agent Hamilton County Education Service Center, and if the amounts charged agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding, period of 2017. We noted the following:

| Withholding (plus employer share, where applicable) | Date Due | Date Paid | Amount Due | Amount Paid |
|--|---------------------|----------------------|-----------------------|------------------------|
| Federal income taxes & Medicare (and social security, for employees not enrolled in pension system) | July 31, 2017 | June 30, 2017 | \$253,540 | \$253,540 |
| State income taxes | July 14, 2017 | June 30, 2017 | \$43,154 | \$43,154 |
| Local income tax | July 14, 2017 | June 30, 2017 | \$6,312 | \$6,312 |
| SERS retirement | July 6, 2017 | June 30, 2017 | \$47,112 | \$47,112 |

Note: Amounts above include the Hamilton County Education Service Center (HCESSC) and other entities in which the HCESSC is the fiscal agent for including the Cooperative.

Non-Payroll Cash Disbursements

1. We haphazardly selected ten disbursements from the USAS19 Detail Transaction Y1 Report for the year ended June 30, 2017 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 USAS19 Detail Transaction Y1 Report 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.

Other Compliance

1. Ohio Rev. Code Section 117.38 requires councils to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. This statute also permits the Auditor of State to extend the deadline for filing a financial report and establish terms and conditions for any such extension. Auditor of State established policies, in addition to filing extensions granted for extenuating circumstances, allow for refiling complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System for June 30, 2017 fiscal year end included in 2016-2017 agreed up on procedure engagements, subsequent to the Cooperative's deadline where the initial filing was filed on time but incomplete. We confirmed the Cooperative filed their complete financial statements, as defined by AOS Bulletin 2015-007 and Auditor of State established policy within the allotted timeframe for the years ended June 30, 2017 in the Hinkle system. There were no exceptions.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the Cooperative'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 Cooperative, 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 1, 2017

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UNIFIED PURCHASING COOPERATIVE OF THE OHIO RIVER VALLEY

HAMILTON 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 16, 2017