



Dave Yost • Auditor of State





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October 30, 2018

Delaware County Finance Authority  
Delaware County  
101 North Sandusky Street  
Delaware, Ohio 43015

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Delaware County Finance Authority, Delaware County, (the Authority) for the years ended December 31, 2017 and 2016.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code Section 117.11(A). Because our procedures were not designed to opine on the Authority's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Authority's financial statements, transactions or balances for the years ended December 31, 2017 and 2016.

The Authority's management is responsible for preparing and maintaining its accounting records and related documents. Our responsibility under Ohio Rev. Code Section 117.11(A) is to examine, analyze and inspect these records and documents.

Based on the results of our procedures, we found the following significant compliance or accounting issues to report.

## Current Year Observations

1. **Ohio Rev. Code §117.38** states that public offices reporting on a cash basis must file annual reports with the Auditor of State within 60 days following the close of fiscal year end. The Auditor of State may prescribe forms by rule or may issue guidelines, or both, for such reports. If the Auditor of State has not prescribed a rule regarding the form for the report, the public office shall submit its report on the form utilized by the public office. Failure to timely file financial statements results in non-compliance with **Ohio Rev. Code §117.38**.

The Authority originally filed their annual financial reports with the Auditor of State for the fiscal years ending December 31, 2017 and 2016 in February 2018 and March of 2017, respectively; however, the reports lacked a complete set of notes to financial statements. After significant modifications to both the financial statements and notes, the Authority refiled their financial reports for 2017 and 2016 on September 28, 2018. The annual financial reports were originally due May 30, 2018 and 2017, respectively.

### **Current Year Observations (Continued)**

2. **Ohio Administrative Code Section 117-2-02** states all local public offices shall maintain an accounting system and accounting records sufficient to enable the public office to identify, assemble, analyze, classify, record and report its transactions, maintain accountability for the related assets (and liabilities, if generally accepted accounting principles apply), document compliance with finance-related legal and contractual requirements and prepare financial statements required by rule **117-2-03 of the Administrative Code**.

The Authority failed to maintain accounting records in one central location and in an orderly and concise fashion.

### **Current Status of a Matter Reported in our Prior Engagement**

1. In addition to the noncompliance with **Ohio Rev. Code §117.38 reported above in item 1**, our prior audit for the years ended December 31, 2015 and 2014 included a matter of the Authority underpaying a vendor contract.

The Authority contracts annually to provide a clerk to perform administrative duties. In 2015, the clerk's approved contract indicated a compensation of \$160 monthly; however the clerk only received \$150 per month. This matter was corrected for fiscal years ended December 31, 2017 and 2016.



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DELAWARE COUNTY FINANCE AUTHORITY

DELAWARE 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 13, 2018