



Dave Yost • Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Kent-Franklin Joint Economic Development District
Portage County
930 Overholt Drive
Kent, Ohio 44240

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of Kent-Franklin Joint Economic Development District (the District) on the receipts, disbursements and balances recorded in the Districts cash basis accounting records for the years ended December 31, 2017 and 2016 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the District. The District is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2017 and 2016 and certain compliance requirements related to these transactions and balances included in the information provided to us by the District. 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. We recalculated the December 31, 2017 and December 31, 2016 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2016 beginning fund balances recorded in the Bank/Fund Summary Report to the December 31, 2015 balances in the prior year audited statements. We found no exceptions. We also agreed the January 1, 2017 beginning fund balances recorded in the Bank/Fund Summary Report to the December 31, 2016 balances in the Bank/Fund Summary Report. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2017 and 2016 fund cash balances reported in the Bank/Fund Summary Report. The amounts agreed.
4. We observed the year-end bank balance on the financial institution's website. The balance agreed. We also agreed the confirmed balances to the amounts appearing in the December 31, 2017 bank reconciliation without exception.

Income Taxes

1. We haphazardly selected 10 income tax cash receipts from the year ended December 31, 2017 and 10 income tax cash receipts from the year ended 2016 recorded in the Cash Receipts Ledger and:
 - a. We compared the payment amount from supporting documentation to the amount recorded in the Cash Receipts Ledger. The amounts agreed.
 - b. Agreed the amount remitted complied with rates in force during the period. We found no exceptions.
 - c. We compared the date of the receipts to the date of the receipt posted in the Cash Receipts Ledger to determine whether the receipts were recorded in the year received. We found no exceptions.
2. We haphazardly selected five income tax refunds from 2017 and all three income tax refunds from 2016.
 - a. We compared the refund paid from the Check Register to the refund amount on the supporting documentation. The amounts agreed.
 - b. We observed the approval by the Treasurer on each of the refunds. No exceptions were found.

Non-Payroll Cash Disbursements

1. From the Check Register, we re-footed checks recorded as General Fund disbursements for *Distribution to Kent* for 2017. We found no exceptions.
2. We haphazardly selected all disbursements from the Check Register for the year ended December 31, 2017 and ten from the year ended 2016 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 check book agreed to the check number, date, payee name and amount recorded in the Check Register 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.

Compliance – Kent-Franklin JEDD Contract

We confirmed JEDD income taxes collected were disbursed 45% to the Township and 55% to the City as required by Section 10 of the JEDD Contract. We found no exceptions.

Other Compliance

Ohio Rev. Code Section 117.38 requires districts 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 December 31, 2017 and 2016 fiscal year ends included in 2015-2016 or 2016-2017 agreed up on procedure engagements, subsequent to the District's deadline where the initial filing was filed on time but incomplete. We confirmed the District 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 December 31, 2017 and 2016 in the Hinkle system. There were no exceptions.

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*. We were not engaged to, and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the JEDD's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is to provide assistance in it's the evaluation of the District's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2017 and 2016, and certain compliance requirements related to these transactions and balances and 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, looping initial "D".

Dave Yost
Auditor of State

Columbus, Ohio

July 16, 2018

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KENT-FRANKLIN JOINT ECONOMIC DEVELOPMENT DISTRICT

PORTAGE 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
AUGUST 2, 2018**