



Certified Public Accountants, A.C.

**LUCAS COUNTY CORRECTIONAL TREATMENT FACILITY  
LUCAS COUNTY  
Agreed-Upon Procedures  
For the Fiscal Years Ended June 30, 2018 and 2017**

313 Second St.  
Marietta, OH 45750  
740 373 0056

1907 Grand Central Ave.  
Vienna, WV 26105  
304 422 2203

150 W. Main St., #A  
St. Clairsville, OH 43950  
740 695 1569

1310 Market St., #300  
Wheeling, WV 26003  
304 232 1358

749 Wheeling Ave., #300  
Cambridge, OH 43725  
740 435 3417

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# OHIO AUDITOR OF STATE KEITH FABER



January 24, 2019

The attached audit report was completed and prepared for release prior to the commencement of my term of office on January 14, 2019. Reports completed prior to that date contain the signature of my predecessor.

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

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# Dave Yost • Auditor of State

Judicial Advisory and Facility Governing Board  
Lucas County Correctional Treatment Facility  
1100 Jefferson Avenue  
Toledo, Ohio 43604

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Lucas County Correctional Treatment Facility, Lucas County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the period July 1, 2016 through June 30, 2018. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Lucas County Correctional Treatment Facility is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

January 11, 2019

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LUCAS COUNTY CORRECTIONAL TREATMENT FACILITY  
LUCAS COUNTY

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

December 21, 2018

Judicial Advisory and Facility Governing Board  
Lucas County Correctional Treatment Facility  
Lucas County  
1100 Jefferson Avenue  
Toledo, Ohio 43604

We have performed the procedures enumerated below, which were agreed to by the Facility Governing Board and the management of **Lucas County Correctional Treatment Facility**, Lucas County, Ohio (the Facility) and the Auditor of State, on the receipts, disbursements and balances recorded in the Facility's cash basis accounting records for the years ended June 30, 2018 and 2017 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the Facility. The Facility is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended June 30, 2018 and 2017 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Facility. 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. Lucas County Treasurer is custodian for the Facility's deposits and therefore the County's deposit and investment pool holds the Facility's assets. We compared the Facility's fund balances reported on its June 30, 2018 and 2017 Combining Trial Balance to the balances reported in Lucas County's accounting records. The amounts agreed. The Facility holds offenders' cash in demand deposit accounts. We tested the mathematical accuracy of the June 30, 2018 and June 30, 2017 Residents Commissary Fund and Residents Program Fund bank reconciliations. We found the Residents Program Fund bank account was overstated by \$14 at June 30, 2017. This was the result of two reimbursement checks from October 2016 being unrecorded in the accounting system. We found no other exceptions.
2. We agreed the July 1, 2016 beginning fund balances recorded in the Combining Trial Balance to the June 30, 2016 balances in the prior year Agreed-Upon Procedures working papers. We found the July 1, 2016 balance was overstated by \$2,228 due to the removal of a Federal Fund related to Title One services in the prior engagement. This fund was removed due to the Facility losing funding eligibility from the Ohio Central School System. We found no other exceptions. We also agreed the July 1, 2017 beginning fund balances recorded in the Combining Trial Balance to the June 30, 2017 balance in the Combining Trial Balance. We found the June 30, 2017 balance was overstated by \$14 due to two reimbursement checks being unrecorded in the accounting system. We found no other exceptions.

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### **Cash (Continued)**

3. We agreed the totals per the bank reconciliations to the total of the June 30, 2018 and 2017 fund cash balances reported in the Combining Trial Balance. The June 30, 2017 system balance was found to be overstated by \$14 due to two reimbursement checks being unrecorded in the accounting system. No other exceptions noted.
4. We observed the year-end bank balances on the financial institution's website. The balances agreed. We also agreed the confirmed balances to the amounts appearing in the June 30, 2018 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the June 30, 2018 bank reconciliation:
  - a. We traced each debit to the subsequent July bank statement. We found no exceptions.
  - b. We traced the amounts and dates to the check register, to determine the debits were dated prior to June 30. There were no exceptions.

### **Intergovernmental Confirmable Cash Receipts**

1. We selected all receipts from the State Distribution Transaction Lists (DTL) from 2018 and all from 2017.
  - a. We compared the amount from the above report to the amount recorded in the Fund Report. The amounts agreed.
  - b. We inspected the Fund Report to confirm whether these receipts were allocated to the proper fund. We found no exceptions.
  - c. We inspected the Fund Report to confirm whether the receipts were recorded in the proper year. 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 Fund Report for evidence of debt issued during 2018 or 2017 or debt payment activity during 2018 or 2017. We observed no new debt issuances, nor any debt payment activity during 2018 or 2017.

### **Payroll Cash Disbursements**

1. We haphazardly selected one payroll check for five employees from 2018 and one payroll check for five employees from 2017 from the Payroll Register and:
  - a. We compared the hours and pay rate, or salary recorded in the Payroll Register to supporting documentation (timecard, approved rate). We found no exceptions.
  - b. We inspected the fund and account code to which the check was posted to determine the posting was reasonable based on the employees' duties as documented in the employees' personnel files. We also confirmed the payment was posted to the proper year. We found no exceptions.
2. We inspected the last remittance of tax and retirement withholdings for the year ended June 30, 2018 to confirm remittances were timely charged by the fiscal agent Lucas County Treasurer., and if the amounts charged agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period of 2018. We observed the following:

**Payroll Cash Disbursements (Continued)**

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, 2018	June 27, 2018	\$ 13,862.03	\$ 13,862.03
State income taxes	July 15, 2018	June 27, 2018	\$ 3,125.88	\$ 3,125.88
City of Toledo Local Tax	July 15, 2018	June 27, 2018	\$ 3,422.44	\$ 3,422.44
OPERS retirement	July 31, 2018	July 5, 2018	\$ 50,128.80	\$ 50,128.80

3. We haphazardly selected and recomputed one termination payment (unused vacation, etc.) using the following information, and agreed the computation to the amount paid as recorded in the Payroll Register:
  - a. Accumulated leave records
  - b. The employee's pay rate in effect as of the termination date
  - c. The Facility's payout policy.

The amount paid was consistent with the information recorded in a. through c. above.

**Non-Payroll Cash Disbursements**

1. We haphazardly selected ten disbursements from the Accounts Payable Expense Listing for the year ended June 30, 2018 and ten from the year ended 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 Accounts Payable Expense Listing 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 facilities 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 establishes policies, in addition to filing extensions granted for extenuating circumstances, allow for refile 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 upon procedure engagements, subsequent to the Facility's deadline where the initial filing was filed on time but incomplete. We confirmed the Facility 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, 2018 and 2017 in the Hinkle System. Financial information for fiscal year 2018 was filed on September 5, 2018, which was not within the allotted timeframe. No other exceptions noted.

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 Village'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 the evaluation of the Facility's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended June 30, 2018 and 2017, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.



**Perry and Associates**  
Certified Public Accountants, A.C.  
Marietta, Ohio

OHIO AUDITOR OF STATE  
**KEITH FABER**



**LUCAS COUNTY CORRECTIONAL TREATMENT FACILITY**

**LUCAS 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  
JANUARY 24, 2019**