



OHIO AUDITOR OF STATE
KEITH FABER





INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Southern Ohio Council of Government
Ross County
167 W. Main Street
Chillicothe, Ohio 45601

We have performed the procedures enumerated below on the Southern Ohio Council of Government's (the Council) receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2023 and 2022 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the Council. The Council is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2023 and 2022 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Council.

The Council Board and the management of the Council have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of providing assistance in the evaluation of the Council's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2023 and 2022, and certain compliance requirements related to these transactions and balances. No other party acknowledged the appropriateness of the procedures. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of the report and may not meet the needs of all users of the report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. The sufficiency of the procedures is solely the responsibility of the parties specified in the 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.

For the purposes of performing these procedures, this report only describes exceptions exceeding \$10.

The procedures and the associated findings are as follows:

Cash and Investments

1. We recalculated the December 31, 2023 and December 31, 2022 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2022 beginning fund balances for each fund recorded in the Reconciliation Report to the December 31, 2021 balances in the prior year documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2023 beginning fund balances for each fund recorded in the Reconciliation Report to the December 31, 2022 balances in the Reconciliation Report. We found no exceptions.
3. We agreed the 2023 and 2022 bank reconciliation as of December 31, 2023 and 2022 to the total fund cash balances reported in the Reconciliation Report and the financial statements filed by the Council in the Hinkle System. The amounts agreed.

4. We confirmed the December 31, 2023 bank account balances with the Council of Government's financial institution and Ohio Pooled Collateral System. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2023 bank reconciliation without exception.
5. We selected 5 reconciling debits (such as outstanding checks) from the December 31, 2023 bank reconciliation:
 - a. We traced each debit to the subsequent January bank statement. We found one instance of an outstanding check totaling \$216 that cleared in May 2023 and should not have been included in the December 2023 bank reconciliation as an outstanding check. Because we did not test all reconciling debits, our report provides no assurance whether or not similar errors occurred.
 - b. We traced the amounts and dates to the General Ledger, and determined the debits were dated prior to December 31. We found no exceptions.
6. We selected 5 reconciling credits (such as deposits in transit) from the December 31, 2023 bank reconciliation:
 - a. We traced each credit to the subsequent January bank statement. We found no exceptions.
 - b. We agreed the credit amounts to the General Ledger and determined they were dated prior to December 31. We found no exceptions.
7. We compared investments held at December 31, 2023 and December 31, 2022 to determine that:
 - a. Pursuant to Ohio Rev. Code § 167.04 (B), the Council appointed a fiscal officer and prescribed allowable investments the by-laws, or another act of the council, permit. We found no exceptions.
 - b. They were of a type authorized by Ohio Rev. Code §§ 135.13, 135.14, 135.144 or 135.145. We found no exceptions.
 - c. They mature within the prescribed time limits noted in Ohio Rev. Code § 135.13 or 135.14. We found no exceptions.

Intergovernmental and Other Confirmable Cash Receipts

1. We selected a total of 5 receipts from the State Distribution Transaction Lists (DTL) from 2023 and a total of 5 from 2022:
 - a. We compared the amount from the above report to the amount recorded in the General Ledger. The amounts agreed.
 - b. We inspected the General Ledger to determine that these receipts were allocated to the proper fund(s). We found no exceptions.
 - c. We inspected the General Ledger to confirm whether the receipts were recorded in the proper year. We found no exceptions.

Net Investments/Return of Funds from Members (Member Contributions)

1. We selected all 3 Net Investments/Return of Funds from Members from the year ended December 31, 2023 and all 7 Net Investments/Return of Funds from Members from the year ended 2022 and:
 - a. Agreed the receipt amount in the General Ledger to supporting documentation. The amounts agreed.
 - b. Confirmed the amounts charged complied with rates in force during the period. We found no exceptions.
 - c. Inspected the General Ledger to determine the receipt was posted to the proper fund(s) and was recorded in the proper year. We found no exceptions.

Charges for Services

1. We selected 10 Charges for Services from the year ended December 31, 2023 and 10 Charges for Services from the year ended 2022 and:
 - a. Agreed the receipt amount in the General Ledger to supporting documentation. The amounts agreed.
 - b. Confirmed the amounts charged complied with rates in force during the period. We found no exceptions.
 - c. Inspected the General Ledger to determine the receipt was posted to the proper fund(s) and was recorded in the proper year. We found no exceptions.

Debt

1. The prior agreed-upon procedures documentation disclosed no debt outstanding as of December 31, 2021.
2. We inquired of management and inspected the General Ledger for evidence of debt issued during 2023 or 2022 or debt payment activity during 2023 or 2022. No new debt issuances, nor any debt payment activity during 2023 or 2022 was found.

Payroll Cash Disbursements

1. We selected 1 payroll check for 5 employees from 2023 and 1 payroll check for 5 employees from 2022 from the Payroll Detail Report and:
 - a. We compared the hours and pay rate, or salary recorded in the Payroll Detail Report to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found that the Council did not maintain employee timecards. During testing of 2023 and 2022, all employees tested did not have supporting timecards for the hours in the Payroll Detail Report. Because we did not test all payroll checks, our report provides no assurance whether or not other similar errors occurred.
 - b. We inspected the fund and account code(s) to which the check was posted to determine the posting was allowable based on the employees' duties as documented in the employees' personnel files and/or minute record. We found no exceptions.
 - c. We confirmed the payment was posted to the proper year. We found no exceptions.
2. We selected 3 new employees from 2023 and 3 new employees from 2022 and:
 - a. We inspected the employees' personnel files for the Retirement system, Federal, State & Local income tax withholding authorization.
 - b. We agreed the items in a above to the Payroll Detail Report.
We found that the Council did not include Retirement System withholding authorization forms within the employee's personnel files. During testing of 2023 and 2022, all employees tested did not have support for OPERS retirement authorization. Because we did not test all employees, our report provides no assurance whether or not other similar errors occurred.
3. We inspected the last remittance of tax and retirement withholdings for the year ended December 31, 2023 to confirm remittances were timely paid, and if the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period of 2023. We observed the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare	January 31, 2024	December 22, 2023	\$ 10,231.03	\$ 10,231.03
State income taxes	January 15, 2024	December 22, 2023	\$ 2,279.49	\$ 2,279.49
Local income tax	January 31, 2024	December 22, 2023	\$ 2,032.63	\$ 2,032.63
OPERS retirement	January 30, 2024	January 12, 2024	\$ 36,350.59	\$ 36,350.59

We found no exceptions.

Non-Payroll Cash Disbursements

1. We selected 10 disbursements from the General Ledger for the year ended December 31, 2023 and 10 from the year ended 2022 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 General Ledger 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.

Sunshine Law Compliance

1. We obtained and inspected the Council's Public Records Policy to determine the policy was in accordance with Ohio Rev. Code §§ 149.43(E)(2) and 149.43(B)(7)(c) and did not limit the number of responses that may be made to a particular person, limit the number of responses during a specified period of time, or establish a fixed period of time before it will respond unless that period is less than eight hours. We found no exceptions.
2. We selected 5 public records requests from the engagement period and inspected each request to determine the following:
 - a. The Council was compliant and responded to the request in accordance with their adopted policy as required by Ohio Rev. Code § 149.43(B)(1). We found no exceptions.

Date Request Received	Date Request Fulfilled	Policy Response Time (in Business days)	Actual Response Time (in Business days)
1/6/2022	1/6/2022	N/a	0
7/19/2022	7/25/2022	N/a	4
1/23/2023	1/24/2023	N/a	1
4/6/2022	4/6/2022	N/a	0
10/19/2022	10/19/2022	N/a	0

Note: N/a due to the Council's policy states a reasonable amount of time, no specific number of days noted.

- b. The Council did not have any denied public records requests during the engagement period.
- c. The Council did not have any public records requests with redactions during the engagement period.

3. We inquired whether the Council had a records retention schedule and observed that it was readily available to the public as required by Ohio Rev. Code § 149.43(B)(2). We found no exceptions.
4. We inspected written evidence that the Public Records Policy was provided to the records custodian/manager as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
5. We inspected the Council's policy manual and determined the public records policy was included as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
6. We observed that the Council's poster describing their Public Records Policy was displayed conspicuously in all branches of the Council as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
7. We did not select any applications submitted to the Records Commission for one-time disposal of obsolete records, and management's review of the schedules of records retention and dispositions for the engagement period. The Council is not subject to the Ohio Rev. Code records authority. Therefore, this step is not applicable, and applications were not inspected or inquired about.
8. We inquired with Council management and determined that the Council did not have any elected officials subject to the Public Records Training requirements during the engagement period as required by Ohio Rev. Code §§ 149.43(E)(1) and 109.43(B).
9. We inspected the public notices for the public meetings held during the engagement period and determined the Council notified the general public and news media of when and where meetings during the engagement period were to be held as required by Ohio Rev. Code § 121.22(F). We found no exceptions.
10. We inspected the minutes of public meetings during the engagement period in accordance with Ohio Rev. Code § 121.22(C) and determined whether they were:
 - a. Prepared – a file is created following the date of the meeting
 - b. Filed – placed with similar documents in an organized manner
 - c. Maintained - retained, at a minimum, for the engagement period
 - d. Open to public inspection – available for public viewing or request.We found no exceptions.
11. We inspected the minutes from the engagement period in accordance with Ohio Rev. Code § 121.22(G) and determined the following:
 - a. Executive sessions were only held at regular or special meetings.
 - b. The purpose for the meetings and going into an executive session (when applicable) correlated with one of the matters listed in Ohio Rev. Code § 121.22(G).
 - c. Formal governing board actions were adopted in open meetings.We found no exceptions.

Other Compliance

1. Ohio Rev. Code § 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, regarding the filing of complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System. We confirmed the Council 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, 2023 and 2022 in the Hinkle system. We found no exceptions.

We were engaged by the Council to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the attestation standards established by the AICPA and the Comptroller General of the United States' *Government Auditing Standards*. We were not engaged to, and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Council of Government'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.

We are required to be independent of the Council and to meet our ethical responsibilities, in accordance with the ethical requirements established by the Comptroller General of the United States' *Government Auditing Standards* related to our agreed upon procedures engagement.



Keith Faber
Auditor of State
Columbus, Ohio

July 1, 2024

OHIO AUDITOR OF STATE KEITH FABER



SOUTHERN OHIO COUNCIL OF GOVERNMENTS

ROSS COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 7/18/2024

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This report is a matter of public record and is available online at
www.ohioauditor.gov