



Mary Taylor, CPA  
Auditor of State





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

McDonald-Roundhead Joint Recreational District  
Hardin County  
15494 S.R. 235  
Belle Center, OH 43310

We performed the procedures enumerated below, with which the Board of Trustees and the management of the McDonald-Roundhead Joint Recreational District, Hardin County (the District) agreed, solely to assist the Board in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2009 and 2008, 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. We tested the mathematical accuracy of the December 31, 2009 and December 31, 2008 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2008 beginning fund balance recorded in the *Cash Journal* to the December 31, 2007 balances in the prior year audited statements. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2009 and 2008 fund cash balances reported in the *Cash Journal*. The amounts agreed.
4. We confirmed the December 31, 2009 bank account balances with the District's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2009 bank reconciliation without exception.
5. We selected the only outstanding check listed on the December 31, 2009 bank reconciliation:
  - a. We traced this check to the debit appearing in the subsequent January bank statement. We found no exception.
  - b. We traced the amount to the December 2009 *Cash Journal*, to determine the check was dated prior to December 31. We noted no exception.

### Other Confirmable Cash Receipts

1. We confirmed the amounts paid from the Roundhead Township to the District during 2008 and 2009 with the Township. We found no exceptions.
  - a. We determined whether these receipts were allocated to the proper funds. We found no exceptions.
  - b. We determined whether the receipts were recorded in the proper year. We found no exceptions.
2. We confirmed the amounts paid from the McDonald Township to the District during 2008 and 2009 with the Township. We found no exceptions.
  - a. We determined whether these receipts were allocated to the proper funds. We found no exceptions.
  - b. We determined whether the receipts were recorded in the proper year. We found no exceptions.

### Debt

1. We inquired of management, and scanned the Receipt Ledger and Appropriation Ledger for evidence of bonded or note debt issued during 2009 or 2008 or outstanding as of December 31, 2009 or 2008. We noted no new debt issuances, or any debt payment activity during 2009 or 2008.

### Payroll

1. The District reported no payroll disbursements.

### Non-Payroll Cash Disbursements

1. For the *Cash Journal* report, we re-footed checks recorded as General Fund disbursements for the Maintenance and Administration accounts for 2009. We found no exceptions.
2. We agreed total disbursements (non-payroll) from the *Cash Journal* for the years ended December 31, 2009 and 2008 to the total disbursements recorded in the *Appropriation Ledger*. We found no exceptions.
3. We haphazardly selected ten disbursements from the *Cash Journal* for the year ended December 31, 2009 and ten from the year ended 2008 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 (month), payee name and amount recorded in the *Cash Journal* and to the names and amounts on the supporting documentation. We found no exceptions. Note: The *Cash Journal* did not include the specific date for the transactions tested, but did include the month of the expenditure.
  - 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.
  - d. The fiscal officer certified disbursements requiring certification or issued a *Then and Now Certificate*, as required by Ohio Rev. Code Section 5705.41(D). We found nine instances in 2009 and eight instances in 2008 where the District failed to properly certify disbursements. To improve controls over disbursements and to help reduce the possibility of the District's funds exceeding budgetary spending limitations, we recommend that the District's Clerk certify that the funds are or will be available prior to the obligation by the District. When prior certification is not possible, "then and now" certification should be used.

### **Compliance – Budgetary**

1. We compared the total from the Amended Certificate of Estimated Resources to required by Ohio Rev. Code Section 5705.36(A)(1) to the amounts recorded in the *Receipts Journal* for the General Fund for the years ended December 31, 2009 and 2008. The *Receipts Journal* did not reflect the estimated receipts for 2009. The failure to include estimated receipts in the *Receipts Journal* impacts the District's ability to monitor budgetary activity. The District should record the estimated receipts from the last Certificate of Estimated Resources in the *Receipts Journal*. The District did not file the Certificate of the Total Amount From All Sources Available for Expenditures and Balances at December 31, 2007 with the county auditor as required by Ohio Rev. Code Section 5705.36. As a result the District did not receive an Official Certificate of Estimated Resources for 2008. The District should file the Certificate of the Total Amount From All Sources Available for Expenditures and Balances with the county auditor at the end of each year.
2. We scanned the appropriation measures (listed in the *Appropriation Ledger*) adopted for 2009 and 2008 to determine whether, for the General fund, the Trustees appropriated separately for "each office, department, and division, and within each, the amount appropriated for personal services," as is required by Ohio Rev. Code Section 5705.38(C). We found no exceptions.
3. Ohio Rev. Code Section 5705.39 prohibits appropriations from exceeding the certified resources. We compared total appropriations to total certified resources for the General Fund for the year ended December 31, 2009. The General Fund appropriations did not exceed certified resources. The District did not file the Certificate of the Total Amount From All Sources Available for Expenditures and Balances at December 31, 2007 with the county auditor as required by Ohio Rev. Code Section 5705.36. As a result the District did not receive an Official Certificate of Estimated Resources. The District should file the Certificate of the Total Amount From All Sources Available for Expenditures and Balances with the county auditor at the end of each year.
4. Ohio Rev. Code Section 5705.41(B) prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total appropriations for the years ended December 31, 2009 and 2008 for the General Fund, as recorded in the *Appropriation Ledger*. In 2009, the General Fund expenditures exceeded total appropriations by \$237. The Fiscal Officer should not certify the availability of funds and should deny payment requests exceeding appropriations. The Treasurer may request the Trustees to approve increased expenditure levels by increasing appropriations and amending estimated resources, if necessary, and if resources are available.
5. Ohio Rev. Code Section 5705.09 requires establishing separate funds to segregate externally-restricted resources. We scanned the Receipt Register for evidence of new restricted receipts requiring a new fund during December 31, 2009 and 2008. We also inquired of management regarding whether the District received new restricted receipts. We noted no evidence of new restricted receipts for which Ohio Rev. Code Section 5705.09 would require the District to establish a new fund.

### **Compliance – Contracts & Expenditures**

1. We inquired of management and scanned the *Cash Journal* report for the years ended December 31, 2009 and 2008 for projects requiring the contractor to pay prevailing wages to their employees as required by Ohio Rev. Code Sections 4115.04 and 4115.05. We identified no projects subject to the aforementioned prevailing wage requirements.

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Hardin County  
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Applying Agreed-Upon Procedures  
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We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the District'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 and those charged with governance and is not intended to be, and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Mary Taylor".

**Mary Taylor, CPA**  
Auditor of State

April 28, 2010



**Mary Taylor, CPA**  
Auditor of State

**MCDONALD-ROUNDHEAD JOINT RECREATIONAL DISTRICT**

**HARDIN 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  
JUNE 10, 2010**