



Dave Yost • Auditor of State



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INDEPENDENT ACCOUNTANT'S REPORT

State Teachers Retirement System
CliftonLarsonAllen LLP
One Seagate
Suite 2650
Toledo, Ohio 43604

We have examined the Eaton Community School District's management's assertion that the census data and pensionable wages reported to the State Teachers Retirement System (STRS) as of June 30, 2014, and for the year then ended were accurate and complete.

Management asserts that:

- The census data provided to the State Teachers Retirement System (STRS) as of June 30, 2014 is accurate and complete. Census data includes
 - First and Last Name;
 - Last four digits of the social security number;
 - Contributions remitted to the plan;
 - Pensionable Compensation;
- The census data provided to the State Teachers Retirement System (STRS) as of June 30, 2014 included all enrolled employees.
- Census data changes occurring during the year ended June 30, 2014 to an enrolled employee's eligible compensation were properly updated with the State Teachers Retirement System (STRS).
- All employees required to be enrolled in the State Teachers Retirement System (STRS) were properly enrolled.
- The total pensionable wages and employee contributions information reported to State Teachers Retirement System (STRS) as of June 30, 2014 agrees with the payroll records of the employer.

Eaton Community School District's management is responsible for the assertions. Our responsibility is to opine on the assertions based on our examination.

Our examination followed attestation standards established by the American Institute of Certified Public Accountants and standards applicable to attestation engagements included in the Comptroller General of the United States' *Government Auditing Standards* and, accordingly, included examining, on a test basis, evidence supporting management's assertions and performing other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, management's assertions related to the accuracy and completeness of the census data and pensionable wages as described above provided to State Teachers Retirement System (STRS) as of and for the year ending June 30, 2014 is fairly stated in all material respects.

In accordance with Government Auditing Standards, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses in internal control; fraud and noncompliance with provisions of laws or regulations that have a material effect on the accuracy and completeness of the census data and pensionable wages; and any other instances that warrant the attention of those charged with governance; noncompliance with provisions of contracts or grant agreements, and abuse that has a material effect on the subject matter. We are also required to obtain and report the views of responsible officials concerning the findings, conclusions, and recommendations, as well as any planned corrective actions. We performed our examination to express an opinion on whether management's assertion regarding the accuracy and completeness of the census data reported to the retirement system is fairly stated, and not for the purpose of expressing an opinion on the internal control over the accuracy and completeness of the census data provided to the pension system, or on compliance and other matters; accordingly, we express no such opinions. Our examination disclosed certain findings that are required to be reported under Government Auditing Standards and those findings, along with the views of responsible officials, are described in the attached Schedule of Findings.

This report is intended solely for the information and use of Eaton Community School District's management, those charged with governance and State Teacher's Retirement System (STRS) management and CliftonLarsonAllen LLP and is not intended to be and should not be used by anyone other than these specified parties.



Dave Yost
Auditor of State

Columbus, Ohio

November 17, 2014

**EATON COMMUNITY SCHOOL DISTRICT
PREBLE COUNTY**

**SCHEDULE OF FINDINGS
YEAR ENDED JUNE 30, 2014**

FINDING NUMBER 2014-001

NONCOMPLIANCE AND SIGNIFICANT DEFICIENCY

Ohio Rev. Code §145.01(R)(2)(b) states that “earnable salary” does not include amounts paid by the employer to provide life insurance, sickness, accident, endowment, health, medical, hospital, dental, or surgical coverage, or other insurance for the contributor or the contributor’s family, or amounts paid by the employer to the contributor in lieu of providing the insurance.

In fiscal year 2014, the District included insurance reimbursement in the “earnable salary” for a total of three employees. As a result, contributions for these three individuals were \$1,200 higher than the amount of contributions that should have been paid into the system. Total contributions for fiscal year 2014 to the pension system by the District totaled \$888,229.

Failure to report proper earnable salary for employees could result in improper amounts being reported to the pension system.

The District should implement procedures to ensure that the proper earnable salary is being reported to the pension system for all employees.

Management’s Response

We did not receive a response from management on the finding above.

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EATON COMMUNITY SCHOOL DISTRICT - STRS

PREBLE 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 25, 2014**