



Dave Yost • Auditor of State



**SOUTHWEST COUNCIL OF GOVERNMENTS  
CUYAHOGA COUNTY**

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

Southwest Council of Governments  
Cuyahoga County  
11 Berea Commons  
Berea, Ohio 44017

We have performed the procedures enumerated below, with which the Council members and the management of the Southwest Council of Governments (the Council of Governments) 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, 2013 and 2012, 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, 2013 and December 31, 2012 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2013 and 2012 beginning balances recorded in the detailed annual reports to the December 31, 2012 balances in the 2012 detailed annual reports and to the 2011 prior year audited statements. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2013 and 2012 fund cash balances reported in the annual reports. The amounts agreed.
4. We confirmed the December 31, 2013 bank account balance with the Council of Government's financial institution. We found no exceptions. We also agreed the confirmed balance to the amount appearing in the December 31, 2013 bank reconciliation without exception.
5. We selected all of the reconciling debits (such as outstanding checks) from the December 31, 2013 bank reconciliation:
  - a. We traced each debit to the subsequent January 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 December 31. We noted no exceptions.

### **Intergovernmental and Other Confirmable Cash Receipts**

We agreed amounts paid from the Ohio Department of Public Safety during 2012 to documentation supporting the amounts received. We found no exceptions.

- a. We determined whether the receipts were recorded in the proper year. We found no exceptions.

### **Member Contributions**

We haphazardly selected five member contribution cash receipts from the year ended December 31, 2013 and five member contribution cash receipts from the year ended 2012. We determined whether the:

- a. Receipt amount agreed to the amount recorded in the annual reports. The amounts agreed.
- b. Amount charged complied with rates in force during the period. We found no exceptions.
- c. Receipt was recorded in the proper year. We found no exceptions.

### **Debt**

1. The prior audit documentation disclosed no debt outstanding as of December 31, 2011.
2. We inquired of management, and scanned the detailed annual reports for evidence of debt issued during 2013 or 2012 or debt payment activity during 2013 or 2012. We noted one new debt issuance in 2013 to acquire a rescue response vehicle. There was no debt payment activity during 2013.
3. We agreed the amount of debt proceeds from the debt documents to amount recorded in the annual reports. The amount agreed.
4. For new debt issued during 2013, we inspected the debt legislation noting the COG must use the rescue response vehicle as collateral for the loan proceeds received after the actual purchase of the rescue response vehicle. We scanned the payment register detail report and noted the COG purchased a rescue response vehicle in August of 2013. The loan was approved after the purchase and loan proceeds in the amount of \$260,000 were deposited in the COGs bank in December 2013.

### **Payroll Cash Disbursements**

1. The Council of Governments had one employee in 2013 and no employees in 2012. Only one payroll check was issued in 2013. We obtained the compensation legislatively approved and recomputed gross and net pay and agreed it to the amount recorded in the detailed annual reports. We found no exceptions.
2. We determined whether the following information in the Payroll folder was consistent with the information used to compute gross and net pay related to this check:
  - a. Name
  - b. Authorized salary or pay rate
  - c. Department(s) to which the check should be charged
  - d. Retirement system participation and payroll withholding
  - e. Federal, State & Local income tax withholding authorization and withholding
  - f. Any other deduction authorizations (deferred compensation, etc.)

We found no exceptions related to steps a. – f. above.

3. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2013 to determine whether remittances were timely paid, and if the amounts paid agreed to the amounts withheld, plus the employer's share where applicable. We noted the following:

<b>Withholding (plus employer share, where applicable)</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Due</b>	<b>Amount Paid</b>
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	January 31, 2014	August 22, 2013	\$272.50	\$272.50
Local income tax	January 12, 2014	August 22, 2013	\$50.00	\$50.00
OPERS retirement	January 30, 2014	November 13, 2013	\$600.00	\$600.00

### **Non-Payroll Cash Disbursements**

We haphazardly selected ten disbursements from the detailed annual reports for the year ended December 31, 2013 and ten from the year ended 2012 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 detailed annual reports 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 balance can be used. We found no exceptions.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the Council of Government'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, those charged with governance, and others within the Council of Government, 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

October 9, 2014

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# Dave Yost • Auditor of State

**SOUTHWEST COUNCIL OF GOVERNMENTS**

**CUYAHOGA 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 13, 2014**