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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Dayton Regional Hazardous Material Response Team
Montgomery County
444 West Third Street, Suite 20-231
Dayton, Ohio 45402

We have performed the procedures enumerated below, with which the Board members and the management of Dayton Regional Hazardous Materials Response Team (the Response Team), solely to assist the Board in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the period January 1, 2013 through September 30, 2014, 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 September 30, 2014 and September 30, 2013 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2013 beginning fund balance recorded in the General Ledger to the December 31, 2012 balances in the prior year audited statements. We found no exceptions. We also agreed the October 1, 2013 beginning fund balance recorded in the General Ledger to the September 30, 2013 balance in the General Ledger. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the September 30, 2014 and 2013 fund cash balances reported in the General Ledger. The amounts agreed for 2013. The 2014 bank reconciliation balance was \$24,000 more than the general ledger balance. The Response Team posted \$24,000 in contra reserve adjustment after the bank reconciliation was performed on October 7, 2014. The adjustment was back dated to September 26, 2014. The Response Team should establish and implement policies and procedures to verify the proper cutoff of transactions in its QuickBooks accounting system.
4. We observed the year-end bank balance on the financial institution's website. The balance agreed. We also agreed the confirmed balances to the amounts appearing in the September 30, 2014 bank reconciliation without exception.

Cash (Continued)

5. We selected all five reconciling debits (such as outstanding checks) from the September 30, 2014 bank reconciliation:
 - a. We traced each debit to the subsequent October statement. The September 30, 2014 bank reconciliation listed three non-cash reconciling items. The non-cash reconciling items reduced the General Ledger balance by \$228,018.
 - b. We traced the amounts and dates to the check register, to determine the debits were dated prior to September 30. We noted no exceptions.
6. We selected all three reconciling credits (such as deposits in transit) from the September 30, 2014 bank reconciliation:
 - a. We were unable to trace each credit to the credit appearing in the subsequent October bank statement because all three reconciling credits were non-cash transactions. The reconciling credits increased the cash balance by \$167,099.

The cash balance was understated by \$60,919 on the Response Team's General Ledger due to the net impact of exceptions noted in step 5 a. and 6. The Response Team should not have non-cash reconciling items on its bank reconciliations as they have no impact on the cash balance.

7. Pursuant to Ohio Rev. Code Section 167.04 (B), the Response Team appointed a fiscal officer and prescribed allowable investments. We compared investments held at September 30, 2014 and September 30, 2013 to the investments the by-laws permit. We found no exceptions.

Intergovernmental Receipts

1. We selected all receipts from the Deposit Detail Report from 2013.
 - a. We compared the amount from the supporting documentation to the amount recorded in the Deposit Detail. The amounts agreed.
 - b. We determined whether these receipts were allocated to the proper fund(s). We found no exceptions.
 - c. We determined whether the receipts were recorded in the proper year. We found no exceptions.

Member Contributions

We haphazardly selected five member contribution cash receipt from the year ended September 30, 2014 and five member contribution cash receipt from the period ended 2013 recorded in the duplicate cash receipts book and determined whether the:

- a. Receipt amount agreed to the amount recorded in the Deposit Detail Report. The amounts agreed.
- b. Amount charged complied with rates in force during the period. We found no exceptions.
- c. Receipt was posted to the proper funds, and was recorded in the proper year. We found no exceptions.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for the only employee from 2014 and one payroll check for the only employee from 2013 from the Alliance General Ledger and:
 - a. We compared the hours and pay rate, or salary recorded in the Alliance General Ledger to supporting documentation (timecard, legislatively approved rate or salary). We found no exceptions.

Payroll Cash Disbursements (Continued)

- b. We determined whether the fund and account code(s) to which the check was posted were reasonable based on the employees' duties as documented in the Alliance Minute Record. We also determined whether the payment was posted to the proper year. We found no exceptions.
2. We scanned the last remittance of tax and retirement withholdings for the year ended September 30, 2014 to determine whether 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 2014*. We noted the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare	October 31, 2014	September 10, 2014 September 24, 2014	\$4,618	\$4,618
State income taxes	October 31, 2014	September 10, 2014 September 24, 2014	\$1,088	1,088
Local income tax	October 31, 2014	September 10, 2014 September 24, 2014	Dayton - \$510 Kettering - \$308	Dayton - \$510 Kettering - \$308
School Tax	October 31, 2014	September 10, 2014 September 24, 2014	\$32	\$32
OPERS retirement	October 31, 2014	October 10, 2014	\$8,825	\$8,825

Non-Payroll Cash Disbursements

1. We haphazardly selected ten disbursements from the Check Detail for the year ended September 30, 2014 and ten from the period ended 2013 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 Check Detail 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.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the Response Team'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.

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This report is intended solely for the information and use of management, those charged with governance, and others within the Response Team, and is not intended to be, and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State

Columbus, Ohio

January 28, 2015



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DAYTON REGIONAL HAZ-MAT RESPONSE TEAM DIVISION

MONTGOMERY 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
FEBRUARY 17, 2015**