

STATE BOARD OF DEPOSIT

FRANKLIN COUNTY

**JULY 1, 2014 TO JUNE 30, 2015
AGREED UPON PROCEDURES**



Dave Yost • Auditor of State

Treasurer of State
State Board of Deposit
30 E. Broad St., 9th Floor
Columbus, Ohio 43215

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the State Board of Deposit, Franklin County, prepared by Kennedy Cottrell Richards LLC, for the period July 1, 2014 through June 30, 2015. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The State Board of Deposit is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

December 3, 2015

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON-PROCEDURES

Tyler Brown, Banking Counsel
Ohio Treasurer Josh Mandel
30 E. Broad St., 9th Floor
Columbus, OH 43215

Debbie Liddil, Chief Auditor
Auditor of State
85 E. Broad Street, 10th Floor
Columbus, OH 43215

Dear Mr. Brown and Ms. Liddil:

We have performed the procedures enumerated below, which were agreed to by the management of the State Board of Deposit (BOD) and Auditor of State solely to assist you in gaining assurance over compliance with Revised Code Chapter 135 requirements and the accuracy of bank fees paid during the fiscal year ended June 30, 2015. 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 these 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. Our procedures and findings are described in the following section of this report.

1. We reviewed the monthly BOD minutes to determine whether a quorum was present, prior minutes were approved, and minutes contained sufficient facts and information to understand rationale behind decisions made. The BOD is required to meet monthly per Section 135.02, Revised Code.

Findings: Pursuant to our review of the monthly BOD minutes from July 2014 through February 2015, we noted that a quorum was present and prior minutes were approved each month. In addition, the minutes contained sufficient facts and information to understand the rationale behind decisions made. During fiscal year 2015, the 130th General Assembly passed substitute house bill 10, which became effective March 23, 2015. With the passage of substitute house bill 10, the Board of Deposit is no longer required to meet on a monthly basis and is only required to meet annually. As a result, we noted the Board of Deposit did not meet from March 2015 through June 2015.

2. We determined that interim deposits (investments) were approved by the BOD on a monthly basis. Section 135.09, Revised Code states that interim deposits may be awarded by the treasurer or governing board as interim moneys become available.

Findings: Pursuant to our review of the monthly BOD minutes from July 2014 through February 2015, we noted that a motion was moved and carried each month to ratify the previous months' interim funds. During fiscal year 2015, the 130th General Assembly passed substitute house bill 10, which became effective March 23, 2015. With the passage of substitute house bill 10, the Board of Deposit is no longer required to meet on a monthly basis and is only required to meet annually. As a result, we noted the Board of Deposit did not meet from March 2015 through June 2015.

3. For fiscal year 2015, we obtained copies of Treasurer of State-prepared "Monthly Fee Analysis" Excel spreadsheets (hard and soft copies) that were prepared to analyze the monthly account analysis statements (i.e., bank statements) for the ten most significant sub-accounts of the State's primary bank (currently Key Bank), and:
 - a. We determined that the standard deviation formula within the spreadsheet was calculated correctly.
Findings: We did not note any exceptions.
 - b. We haphazardly selected ten monthly fees from the ten analysis spreadsheets and traced to the bank statements.
Findings: We did not note any exceptions.
 - c. We haphazardly selected five monthly fees from the ten analysis spreadsheets that were identified by the TOS Bank Counsel as exceeding two standard deviations and thus requiring investigation per Treasurer of State policy and obtained supporting documentation for the difference in monthly bank fees to verify the differences were explained and documented.
Findings: We did not note any exceptions.

We were not engaged to and did not conduct an examination or a review of the subject matter, the objectives of which would be the expression of an opinion or limited assurance on compliance with Revised Code Chapter 135 requirements and the accuracy of bank fees paid during the fiscal year ended June 30, 2015. 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 the State Board of Deposit and Auditor of State, and is not intended to be, and should not be used by anyone other than these specified parties.



Kennedy Cottrell Richards LLC
September 29, 2015



Dave Yost • Auditor of State

OHIO STATE BOARD OF DEPOSIT

FRANKLIN 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
DECEMBER 15, 2015**