



Dave Yost • Auditor of State



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Upper Scioto Drainage and Conservancy District
Hardin County
One Courthouse Square
Suite 180
Kenton, Ohio 43326

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Upper Scioto Drainage and Conservancy District, Hardin County, (the District) for the years ended December 31, 2014 and 2013.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code Section 117.11(A). Because our procedures were not designed to opine on the District's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the District's financial statements, transactions or balances for the years ended December 31, 2014 and 2013.

The District's management is responsible for preparing and maintaining its accounting records and related documents. Our responsibility under Ohio Rev. Code Section 117.11(A) is to examine, analyze and inspect these records and documents.

Current Year Observations

- 1) The total bank balances were \$2,848.17 greater than the book balance and there was no supporting reconciling items list. When informed, the Secretary/Treasurer was able to determine that part of this variance was due to coding errors.

Bank to book reconciliations are a significant control in helping assure accuracy and completeness of transactions. Unsupported variances can be an indication of posting errors that may impact fund balances and/or a sign of other irregularities.

The District should resolve the remaining amount of this variance. In addition, the Directors should periodically compare the balances per the bank statements to the balances reported in the books to assure they are in agreement. Unsupported differences should be investigated.

- 2) The District's accounting system did not include estimated receipts. When estimated receipts are not integrated into the accounting system, the ability to monitor budget versus actual activity is weakened which may increase the risk of deficit spending.

To help improve the Directors ability to monitor budget versus actual activity, estimated receipts should be recorded in the accounting system.

Current Status of Matters we Reported in our Prior Engagement

Our prior audit reported that general fund appropriations exceeded estimated resources in 2012.
Testing revealed that appropriations were within estimated resources for 2014.

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

April 23, 2015



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UPPER SCIOTO DRAINAGE AND CONSERVANCY 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
MAY 12, 2015