



Dave Yost • Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Central Ohio Youth Center
Union County
18100 State Route 4
Marysville, Ohio 43040

We have performed the procedures enumerated below, with which the Board of Trustees and the management of the Central Ohio Youth Center (the Center) 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, 2015 and 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. Other than for the Center's GED Fund bank account, Union County is custodian for the Center's deposits and therefore the County's deposit and investment pool holds the Center's assets. We compared the Center's fund balances reported on its December 31, 2015 Fund Balance Report to the balances reported in Union County's accounting records. We found no exceptions.
2. For the Center's GED Fund bank account, we tested the mathematical accuracy of the December 31, 2015 and December 31, 2014 bank reconciliations. We found no exceptions.
3. We agreed the January 1, 2014 beginning fund balances recorded in the Fund Balance Report to the December 31, 2013 balances in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2015 beginning fund balances recorded in the Fund Balance Report to the December 31, 2014 balances in the Fund Balance Report. We found no exceptions.
4. We agreed the totals per the GED Fund bank reconciliations to the total of the December 31, 2015 and 2014 fund cash balances reported in the Reclassifications Report or financial statements. The amount agreed. Also, we noted that the GED Fund bank account's December 31, 2015 and 2014 bank balances were posted to the financial statements as receipts (receipts of \$330 and \$264 in 2015 and 2014 and disbursements of \$1,253 and \$0 in 2015 and 2014, respectively, were not posted).
5. We observed the year-end bank balance on the financial institution's website. The balance agreed. We also agreed the confirmed balance to the amount appearing in the December 31, 2015 bank reconciliation without exception.

Other Confirmable Cash Receipts

We confirmed the member contributions paid from Champaign, Delaware, Madison, and Union Counties to the Center during 2015 and 2014 with the Counties. We found no exceptions.

- a. We determined whether these receipts were allocated to the proper fund(s). We found no exceptions.
- b. We determined whether the receipts were recorded in the proper year. We found no exceptions.

Over-The-Counter Cash Receipts

We haphazardly selected 10 over-the-counter cash receipts from the year ended December 31, 2015 and 10 over-the-counter cash receipts from the year ended 2014 recorded in the Revenue Detail Report and determined whether the:

- a. Receipt amount agreed to the amount recorded on the invoice sent by the Center to the entities. 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 fund(s), and was recorded in the proper year. We found no exceptions.

Debt

1. From the prior agreed-upon procedures documentation, we noted the following bonds and notes outstanding as of December 31, 2013. These amounts agreed to the Center's January 1, 2014 balances on the summary we used in step 3.

Issue	Principal outstanding as of December 31, 2013:
General Obligation Bonds	\$545,000
Facility Improvement Notes	\$450,000

2. We inquired of management, and scanned the Revenue Detail Report and Expense Detail Report for evidence of debt issued during 2015 or 2014 or debt payment activity during 2015 or 2014. All debt noted agreed to the summary we used in step 3.
3. We obtained a summary of bond and note debt activity for 2015 and 2014 and agreed principal and interest payments from the related debt amortization schedules to debt service payments reported in the Expense Detail Report. We also compared the date the debt service payments were due to the date the Center made the payments. We found no exceptions.

We agreed the amount of debt proceeds from the debt documents to amounts recorded in the Revenue Detail Report. The amounts agreed.

4. For new debt issued during 2015 and 2014, we inspected the debt legislation, noting the Center must use the proceeds to renovate, improve, furnish, and equip the Central Ohio Youth Center facility and write off any previously issued notes. We scanned the Expense Detail Report and noted the Center used the proceeds to pay off previously issued notes in August 2014 and 2015.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2015 and one payroll check for five employees from 2014 from the Payroll Worksheets and:
 - a. We compared the hours and pay rate, or salary recorded in the Payroll Worksheets to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
 - b. We determined whether the fund and account code to which the check was posted was reasonable based on the employees' duties as documented in the employees' personnel files. We also determined whether the payment was posted to the proper year. We found no exceptions.
2. Union County is the Fiscal Agent for the Center, and is therefore responsible for paying tax and retirement withholdings on time and in the correct amounts. We reviewed the Union County audit 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 2015. We noted no exceptions.
3. We haphazardly selected and recomputed one termination payment (unused vacation, etc.) using the following information, and agreed the computation to the amount paid as recorded in the Payroll Worksheets:
 - a. Accumulated leave records
 - b. The employee's pay rate in effect as of the termination date
 - c. The Center's payout policy.

The amount paid was consistent with the information recorded in a. through c. above.

Non-Payroll Cash Disbursements

We haphazardly selected ten disbursements from the Expense Detail Report for the year ended December 31, 2015 and ten from the year ended 2014 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 Expense Detail Report 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.
- d. The fiscal officer certified disbursements requiring certification or issued a *Then and Now Certificate*, as required by Ohio Rev. Code Section 5705.41(D). We found four instances where the certification date was after the vendor invoice date, and there was no evidence that a *Then and Now Certificate* was issued. Additionally, we found two instances where the certification date was after the vendor invoice date and a *Then and Now Certificate* was issued; however, the expenditure was for more than \$3,000 and there was no evidence of a Board resolution/ordinance in accordance with Ohio Rev. Code Section 5705.41(D). Because we did not test all disbursements requiring certification, our report provides no assurance whether or not additional similar errors occurred.

Compliance – Budgetary

1. We compared the total estimated receipts from the *Amended Official Certificate of Estimated Resources*, required by Ohio Rev. Code Section 5705.36(A)(1), to the amounts recorded in the Revenue Detail Report for the General fund for the years ended December 31, 2015 and 2014. The amounts agreed.

Compliance – Budgetary (Continued)

2. We scanned the appropriation measures adopted for 2015 and 2014 to determine whether, for the General fund, the Trustees appropriated separately for “each office, department, and division, and within each, the amount appropriated for personal services,” as is required by Ohio Rev. Code Section 5705.38(C). We found no exceptions.
3. We compared total appropriations required by Ohio Rev. Code Sections 5705.38 and 5705.40, to the amounts recorded in the Expense Detail Report for 2015 and 2014 for the General fund. The amounts on the appropriation resolutions agreed to the amounts recorded in the Expense Detail report.
4. Ohio Rev. Code Sections 5705.36(A)(5) and 5705.39 prohibits appropriations from exceeding the certified resources. We compared total appropriations to total certified resources for the General fund for the years ended December 31, 2015 and 2014. We noted no funds for which appropriations exceeded certified resources.
5. Ohio Rev. Code Section 5705.41(B) prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total appropriations for the years ended December 31, 2015 and 2014 for the General fund, as recorded in the Expense Detail Report. We noted no funds for which expenditures exceeded appropriations.
6. Ohio Rev. Code Section 5705.09 requires establishing separate funds to segregate externally-restricted resources. We scanned the Revenue Detail Report for evidence of new restricted receipts requiring a new fund during December 31, 2015 and 2014. We also inquired of management regarding whether the Center received new restricted receipts. We noted no evidence of new restricted receipts for which Ohio Rev. Code Section 5705.09 would require the Center to establish a new fund.
7. We inquired of management and scanned the Expense Detail Report to determine whether the Center elected to establish reserve accounts permitted by Ohio Rev. Code Section 5705.13. We noted the Center did not establish these reserves.
8. We scanned the Fund Balance Report for the years ended December 31, 2015 and 2014 for negative cash fund balance. Ohio Rev. Code Section 5705.10 (l) provides that money paid into a fund must be used for the purposes for which such fund is established. As a result, a negative fund cash balance indicates that money from one fund was used to cover the expenses of another. We noted no funds having a negative cash fund balance.

Other Compliance

Ohio Rev. Code Section 117.38 requires entities to file their financial information in the HINKLE system formerly known as the Annual Financial Data Reporting System (AFDRS) within 60 days after the close of the fiscal year. We reviewed AFDRS to verify the Entity filed their financial information within the allotted timeframe for the years ended December 31, 2015 and 2014. No exceptions noted.

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

Dave Yost
Auditor of State

Columbus, Ohio

September 26, 2016

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CENTRAL OHIO YOUTH CENTER

UNION 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
OCTOBER 11, 2016**