



Dave Yost • Auditor of State





# Dave Yost • Auditor of State

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

Coventry Village Special Improvement District of Cleveland Heights, Inc.  
Cuyahoga County  
1824 Coventry Road  
Cleveland Heights, Ohio 44118

We have performed the procedures enumerated below, with which the Board of Directors and the district officers, district members and directors and their designees or proxies, herein governing the Coventry Village Special Improvement District of Cleveland Heights, Inc. (the District) 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. We tested the mathematical accuracy of the December 31, 2015 and December 31, 2014 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2014 beginning fund balance recorded in the District's 2014 Statement of Cash Flows to the December 31, 2013 balance recorded in the District's December 2013 bank reconciliation. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2015 and 2014 fund cash balances reported in the District's December 31, 2015 and 2014 Statement of Financial Position. The amounts agreed.
4. We observed the year-end bank balances on the financial institutions' websites. The balances agreed. We also agreed the confirmed balances to the amounts appearing in the December 31, 2015 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2015 bank reconciliation:
  - a. We traced each debit to the subsequent January, February or March bank statements. 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.

### **Cash (Continued)**

6. We tested interbank account transfers occurring in December of 2015 and 2014 to determine if they were properly recorded in the accounting records and on each bank statement. We found no exceptions.

### **Confirmable Cash Receipts**

We confirmed the tax amounts paid from the City of Cleveland Heights to the District during 2015 and 2014, with the City. We also determined whether the receipts were recorded in the proper year. We found no exceptions.

### **Debt**

1. A review of the District's accounting records disclosed no debt outstanding as of December 31, 2013.
2. We inquired of management, and scanned the Profit and Loss 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 lease debt activity for 2015 and 2014 and agreed principal and interest payments from the related debt amortization schedule to debt payments reported in the Check Detail Report. We also compared the date the debt service payments were due to the date the District made the payments. We found no exceptions.
4. For new debt issued during 2015 and 2014, we inspected the debt legislation, noting the District must use the proceeds to repay the loan for the leased vehicle. We scanned the Check Detail Report and noted the District made the lease payments in accordance with the amortization schedule. As of December 31, 2015, the outstanding balance of the loan is \$20,670.

### **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 Paycor reports and:
  - a. We compared the hours and pay rate, or salary recorded in the Paycor reports to supporting documentation (timecard, legislatively approved rate or salary). We noted the District has not formally approved pay rates for its employees. In addition, timecards were not maintained for any employee.
  - b. We determined whether the fund and account code to which the check was posted was reasonable based on the employees' duties. We also determined whether the payment was posted to the proper year. We found no exceptions.

**Payroll Cash Disbursements (Continued)**

2. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2015 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 the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes, Medicare & Social Security	January 15, 2016	December 24, 2015	\$188	\$188
State income taxes	February 1, 2016	December 24, 2015	24	24
Local income tax	January 20, 2016	December 24, 2015	63	63

**Non-Payroll Cash Disbursements**

1. From the Profit and Loss Detail Report, we re-footed checks recorded as *accounting fees* and *utilities* in the District's General fund for 2015. We found no exceptions.
2. We haphazardly selected ten disbursements from the Check Detail Report for the year ended December 31, 2015 and ten from the year ended December 31, 2014 and determined whether:
  - a. The disbursements were for a proper public purpose. We noted two disbursements in 2015, totaling \$357, which did not contain supporting invoices, and thus we could not determine whether they were of a proper public purpose.
  - 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 Report and to the names and amounts on the supporting invoices. We noted two disbursements in 2015, totaling \$357, which did not contain supporting invoices.
  - 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.

**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 District filed their financial information within the allotted timeframe for the year ended December 31, 2015. No exceptions noted. The District was not required to file their financial information for the year ended December 31, 2014.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the District'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 District, 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 initial "D".

**Dave Yost**  
Auditor of State  
Columbus, Ohio

August 12, 2016



# Dave Yost • Auditor of State

**COVENTRY VILLAGE SPECIAL IMPROVEMENT DISTRICT OF CLEVELAND HEIGHTS INC.**

**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  
AUGUST 25, 2016**