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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Springfield Conservancy District
Clark County
515 North Fountain Avenue
Springfield, Ohio 45504

We have performed the procedures enumerated below, with which the Board of Directors and the management of the Springfield Conservancy District (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 balances recorded in the annual report to the December 31, 2013 balances in the prior year audited statement. We found no exceptions. We also agreed the January 1, 2015 beginning fund balances recorded in the annual report to the December 31, 2014 balances in the annual report. 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 Ledger. The amounts agreed.
4. We confirmed the December 31, 2015 bank account balances with the District's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2015 bank reconciliation without exception.

Other Confirmable Cash Receipts

1. We confirmed the amounts paid from the City of Springfield to the District during 2015 and 2014. We found no exceptions.
 - a. We determined whether the receipts were recorded in the proper year. We found no exceptions.

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Debt

1. The prior audit documentation disclosed no debt outstanding as of December 31, 2013.
2. We inquired of management, and scanned the Ledger for evidence of debt issued during 2015 or 2014 or debt payment activity during 2015 or 2014. We noted no new debt issuances or any debt payment activity during 2015 or 2014.

Payroll Cash Disbursements

1. We selected the only payroll check for the only employee from 2015 and the only payroll check for the only employee from 2014 from the Ledger and:
 - a. We compared the salary recorded in the Ledger to supporting documentation (legislatively-approved salary in the Minutes). We found no exceptions.
 - b. We recomputed gross and net pay and agreed it to the amount recorded in the Ledger. We found no exceptions.
 - c. We determined whether the account code to which the check was posted was reasonable based on the employees' duties as documented in the Minutes. 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 December 31, 2015 to determine whether remittances were timely paid, and that the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period during 2015. We noted the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare	January 31, 2016	November 30, 2015	\$4,835.20	\$4,835.20
State income taxes	January 31, 2016	November 18, 2015	\$2,000.00	\$2,000.00
City of Springfield income tax	January 31, 2016	November 18, 2015	\$576.00	\$576.00
OPERS retirement	January 30, 2016	December 15, 2015	\$1,152.00	\$1,152.00

Non-Payroll Cash Disbursements

1. From the Ledger, we re-footed checks recorded as disbursements for *maintenance agreement*, and checks recorded as *special projects* for 2015. We found no exceptions.
2. We haphazardly selected ten disbursements from the Ledger 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.

Non-Payroll Cash Disbursements (Continued)

- 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 Ledger and to the names and amounts on the supporting invoices. We found one exception.

During 2014, the second installment payment for the 2014 maintenance agreement with the National Trail Parks and Recreation District was not paid in accordance with the payment terms that were approved by the Board of Directors, as stated in the Minutes. The Minutes indicated the total amount was \$162,052.43 payable in installments of 45%, 45%, and 10%; therefore the second installment should have been \$72,923.59. The payment remitted was \$73,000, which was \$76.41 more than the approved amount. The Treasurer should ensure the proper amounts are remitted based on the amounts approved by the Board.

- c. The Treasurer certified disbursements requiring certification or issued a *Then and Now Certificate*, as required by Ohio Rev. Code Sections 5705.28(B)(2), 5705.41(D), and 6101.44.

We found 13 instances where disbursements requiring certification were not certified and seven instances where the certification date was after the vendor invoice date and there was also no evidence that a *Then and Now Certificate* was issued. Ohio Rev. Code Sections 5705.28(B)(2), 5705.41(D), and 6101.44 require certifying at the time of a commitment, which should be on or before the invoice date, unless a *Then and Now Certificate* is used. 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 annual appropriation resolutions (includes estimated revenues), required by Ohio Rev. Code Sections 5705.28(B)(2) and 5705.36(A)(1), to the amounts recorded in the Ledger for the years ended December 31, 2015 and 2014. The amounts on the annual appropriation resolutions did not agree to the amounts recorded in the Ledger. The Ledger did not include budgeted revenues for 2015 or 2014; however, the appropriation resolutions reflected estimated receipts of \$400,000 for 2015 and 2014 each. The Treasurer should record the estimated receipts in the Ledger and provide budget to actual data to the Directors. Without this information, the Directors may be using inaccurate information for budgeting and monitoring purposes.
2. We scanned the appropriation measures adopted for 2015 and 2014 to determine whether the Directors appropriated separately for "each office, department, and division, and within each, the amount appropriated for personal services," as is required by Ohio Rev. Code Sections 5705.28(B)(2) and 5705.38(C). We found no exceptions.
3. We compared total appropriations, required by Ohio Rev. Code Section 6101.44, to the amounts recorded in the Ledger for 2015 and 2014. The amounts on the annual appropriation resolutions agreed to the amounts recorded in the Ledger.
4. Ohio Rev. Code Section 6101.44 prohibits appropriations from exceeding the unencumbered balance plus the amounts to be received during the year. We compared total appropriations to total estimated revenue for the years ended December 31, 2015 and 2014. We noted no appropriations which exceeded estimated revenue.

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Compliance – Budgetary (Continued)

5. Ohio Rev. Code Section 6101.44 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, as recorded in the annual financial reports and the annual appropriation resolutions, respectively. We noted no expenditures which exceeded appropriations.
6. Ohio Rev. Code Section 6101.44 requires establishing separate funds to segregate externally-restricted resources. We scanned the Ledger for evidence of new restricted receipts requiring a new fund during December 31, 2015 and 2014. We also inquired of management regarding whether the District received new restricted receipts. We noted no evidence of new restricted receipts for which Ohio Rev. Code Section 6101.44 would require the District to establish a new fund.
7. We scanned the Ledger 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 negative cash fund balances.

Other Compliance

1. 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 years ended December 31, 2015 and 2014. No exceptions were 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 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.



Dave Yost
Auditor of State

Columbus, Ohio

April 22, 2016



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SPRINGFIELD CONSERVANCY DISTRICT

CLARK 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.

A handwritten signature in cursive script that reads "Susan Babbitt".

CLERK OF THE BUREAU

CERTIFIED
MAY 10, 2016