



Dave Yost • Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Valley Enforcement Regional Council of Governments
Cuyahoga County
28000 Shaker Boulevard
Pepper Pike, Ohio 44124

We have performed the procedures enumerated below, with which the Council members and the management of the Valley Enforcement Regional Council of Government (the Council of Government), solely to assist the Board in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2014 and 2013, 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, 2014 and December 31, 2013 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2013 beginning fund balances recorded in the Fund Ledger Report to the December 31, 2012 balances in the prior year audited statements. We found no exceptions. We also agreed the January 1, 2014 beginning fund balances recorded in the Fund Ledger Report to the December 31, 2013 balances in the Fund Ledger Report. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2014 and 2013 fund cash balances reported in the Fund Report. The amounts agreed.
4. We confirmed the December 31, 2014 bank account balance with the Council of Government's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2014 bank reconciliation without exception.
5. We selected all reconciling debits (such as outstanding checks) from the December 31, 2014 bank reconciliation:
 - a. We traced each debits to the subsequent January and March bank statements. We had one exception. Outstanding Check Number 2435, dated July 14, 2014 for \$77 has not cleared the bank.

- b. We traced the amounts and dates to the expenditure report. to determine the debits were dated prior to December 31. We had one exception. A debit reported as an outstanding check for \$5,344 was posted to the expenditure report on December 19, 2014 but did include a check number. Instead, the field on the report for the check number was captioned "ENC." We determined on March 2, 2015, check number 2488 was written for \$5,344 to Motorola Solution and cleared the bank on March 12, 2015. When the check was written the report field for the check number on the expenditure report for December 19, 2014 was changed to 2488 instead of "ENC."

We recommend that checks only be posted to the expenditure report when written.

Council's Response

While as the Group's new fiscal officer I understand what the Group was trying to accomplish. However, I will explain to the Group at our next monthly meeting the situation and the fact that if this type of situation occurs again that we need to handle it differently to comply with the proper cash basis guidelines.

Member Contributions

We haphazardly selected five member contribution cash receipt from the year ended December 31, 2014 and five member contribution cash receipt from the year ended 2013 recorded in the duplicate cash receipts book and determined whether the:

- a. Receipt amount agreed to the amount recorded in the Receipt Report. 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.

Non-Payroll Cash Disbursements

We will haphazardly select ten disbursements from the Expenditure Report for the year ended December 31, 2014 and ten from the year ended 2013 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 Expenditure 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.

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 Council of Government filed their financial information within the allotted timeframe for the years ended December 31, 2014 and 2013. 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 Council of Government'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.

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This report is intended solely for the information and use of management, those charged with governance, and others within the Council of Government, 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 "D" and "Y".

Dave Yost
Auditor of State
Columbus, Ohio

July 13, 2016

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VALLEY ENFORCEMENT REGIONAL COUNCIL OF GOVERNMENTS

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
JULY 28, 2016**