



OHIO AUDITOR OF STATE
KEITH FABER



OHIO AUDITOR OF STATE KEITH FABER



One First National Plaza
130 West Second Street, Suite 2040
Dayton, Ohio 45402-1502
(937) 285-6677 or (800) 443-9274
WestRegion@ohioauditor.gov

Macedonia Community Development Corporation
Montgomery County
27 North Gettysburg Avenue
Dayton, Ohio 45417

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Macedonia Community Development Corporation, Montgomery County, (the Corporation) for the years ended December 31, 2018 and 2017.

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 Corporation's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Corporation's financial statements, transactions or balances for the years ended December 31, 2018 and 2017.

The Corporation'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.

Based on the results of our procedures, we found the following significant compliance or accounting issues to report.

Current Year Observations

1. Ohio Rev. Code § 1724.05 requires Community Development Corporations to file annual financial reports with the Auditor of State within 120 days of the fiscal year end. The 2018 and 2017 annual financial reports were filed on June 10, 2019 and August 27, 2018, respectively, which is after the 120 day filing deadline. The Corporation should implement procedures to verify financial information is filed prior to the reporting deadline.
2. The Corporation did not have a documented disaster recovery plan to follow in the event of a possible interruption in computer service or loss of records. This could result in delays in recovery and a longer than necessary disruption in service. An elaborate plan is not necessary; however, at a minimum, the following should be included in a disaster recovery plan:
 - Arrangements for contingency data processing on compatible hardware and software;
 - Key individuals at the Corporation to be contacted, their phone numbers and their role in the recovery;
 - The location of backup data and source documents; and
 - Procedures for restoring data from backup files.

During 2019, the home of a Corporation volunteer was hit by a tornado. This volunteer maintained Corporation records at her home and the Corporation's records were destroyed. The Corporation should formally document an appropriate disaster recovery plan to verify there is a plan in place should another disaster arise. Several copies of this plan should be kept at an off-site location in the event that the on-site copies are destroyed during a disaster. In addition, the plan should be updated and tested periodically.

3. Ohio Rev. Code § 149.351(A) states, in part, all records are the property of the public office concerned and shall not be removed, destroyed, mutilated, transferred, or otherwise damaged or disposed of, in whole or in part, except as provided by law or under the rules adopted by the records commission provided for under sections 149.38 to 149.42 of the Revised Code. Those records shall be delivered by outgoing officials and employees to their successors and shall not be otherwise removed, transferred or destroyed unlawfully.

The Corporation did not maintain supporting documentation (i.e. itemized receipts) for all purchases made through using the Corporation's debit card for the years ended December 31, 2018 and 2017.

The Corporation should implement procedures to verify that itemized receipts and other applicable supporting documentation for expenditures is obtained from individuals making purchases and retained for audit. Failure to maintain this information could result in purchases which are not of a proper public purpose going undetected and future findings for recovery.

4. Ohio Rev. Code § 9.22 states, in part, no political subdivision may hold or utilize a debit card account, except for law enforcement purposes. This section of the Ohio Rev. Code was effective November 2, 2018.

The Corporation utilized a debit card to purchase items for maintenance of rental properties during December 31, 2018 and 2017. The debit card purchases totaled \$2,615 and \$2,236 in 2018 and 2017, respectively, included \$626 of purchases after the November 2, 2018 effective date of Ohio Rev. Code § 9.22.

The Corporation should immediately cease the use of the debit card. Failure to do so could result in future findings for recovery.



Keith Faber
Auditor of State
Columbus, Ohio

September 18, 2019

OHIO AUDITOR OF STATE KEITH FABER



MACEDONIA COMMUNITY DEVELOPMENT CORPORATION

MONTGOMERY 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 1, 2019**