



**DELAWARE COUNTY FINANCE AUTHORITY
DELAWARE COUNTY**

BASIC AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2018-2019

OHIO AUDITOR OF STATE KEITH FABER



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Delaware County Finance Authority
Delaware County
Delaware, Ohio 43015

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Delaware County Finance Authority, Delaware County, (the Authority) for the years ended December 31, 2018 and 2019.

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 Authority's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Authority's financial statements, transactions or balances for the years ended December 31, 2018 and 2019.

The Authority'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. We examined the bank reconciliation as of December 31, 2019 and compared to the amount on the filed statements. There was a difference of \$3,001 due to outstanding checks and an unexplained reconciling variance. The Authority did not subtract the outstanding check amount of \$3,200 from the cash balance on the statements. There was then an additional unexplained variance of \$199. These two combined errors caused a total variance of \$3,001.

Reconciling cash is a critical control in assuring all transactions are posted accurately and in the proper accounting period. Identified and unidentified difference result in inaccurate fund cash balance information, and conceivable could cause deficit spending. The Treasurer should review transactions recorded since the last reconciliation and correct the error.

2. The Authority did not integrate budgetary amounts into the manual accounting system. The failure to integrate budgetary amounts into the accounting system inhibits the ability to monitor budget versus actual spending. The Authority should develop an accounting system that integrates budgeted receipts and appropriations.
3. Maintaining organized documentation and support for financial transactions is essential in assuring the Authority's financial statements are not materially misstated and that all expenditures are made for a proper public purpose. Additionally, **Ohio Rev. Code § 149.351** requires all records that are the property of the public office 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 **Ohio Rev. Code §§149.38 through 149.42**.

The Authority failed to maintain itemized receipts for two credit card purchases (\$82.00 & \$30.28). In addition, one of the two purchases were made at a place that serves alcohol. Due to the lack of itemized support, we were unable to determine if the expenditure was for proper public purpose.

Current Year Observations (Continued)

4. Ohio Rev. Code Section 149.43(E)(2) states all public offices shall adopt a policy in compliance with Ohio Rev. Code Section 149.43 for responding to public records requests. The Authority does not have a Board approved policy which could lead to improperly fulfilled public record requests. The Authority should approve a public records policy.

Current Status of Matters Reported in our Prior Engagement

In addition to the items reported above, our prior audit for the years ended December 31, 2017 and 2016 included a matter for the Authority for not filing their annual financial reports timely and the Authority failed to maintain accounting records in one central location and in an orderly and concise fashion. Both of these matters were corrected for fiscal years ended December 31, 2018 and 2019.



Keith Faber
Auditor of State

Columbus, Ohio

October 20, 2020

OHIO AUDITOR OF STATE KEITH FABER



DELAWARE COUNTY FINANCE AUTHORITY

DELAWARE COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 11/10/2020

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This report is a matter of public record and is available online at
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