



OHIO AUDITOR OF STATE
KEITH FABER



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Community Improvement Corporation of Euclid
Cuyahoga County
585 East 222nd Street
Euclid, Ohio 44123

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Community Improvement Corporation of Euclid, Cuyahoga County, Ohio (the Corporation) for the years ended December 31, 2020 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 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, 2020 and 2019.

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. We examined the bank reconciliation which was documented on the December 31, 2020 account activity statement, and compared the reconciled cash balance to the cash balance documented within the financial report filed on the Hinkle System. We observed the year end cash balance on the financial statements was documented as \$28; however the reconciled bank statement balance was \$36. We inquired with management regarding this difference and were informed the total annual disbursements recorded in the financial statements were overstated \$8 due to a computation error from not receiving the bank statements. After accounting for the revised disbursements, we were able to agree the Corporation's cash balance to its bank reconciliation.

Reconciling cash is a critical control in assuring all transactions are posted accurately and in the proper accounting period. Unidentified differences result in inaccurate fund cash balance information, and conceivably could cause deficit spending. The Finance Director should ensure its reconciled cash balance corresponds with its annual financial report.

2. **Ohio Rev. Code § 149.43(E)(2)** requires all public offices take certain actions with regard to their public record policy. Public offices must distribute their Public Records Policy to the employee who is the records custodian/manager or otherwise has custody of the records of that office and have that employee acknowledge receipt of the Public Records Policy. We noted the Corporation did not have a written acknowledgement of receipt form for the records custodian.

We recommend the Corporation should have a written acknowledgement of receipt from the records custodian.

3. **Ohio Rev. Code § 121.22(F)** requires every public body to, by rule, establish a reasonable method whereby any person may determine the time and place of all regularly scheduled meetings and the time, place, and purpose of all special meetings. A public body shall not hold a special meeting unless it gives at least twenty-four hours advance notice to the news media that have requested notification, except in the event of any emergency requiring immediate official action. In the event of an emergency, the member or members calling the meeting shall immediately notify the news media that have requested notification.

The Corporation held one meeting during the audit period where the general public was not notified of when and where the meeting was held. We were informed only the Board members were informed of the meeting.

The Corporation did not notify the public about its regularly scheduled meetings. Policies and Procedures should be established and implemented to verify that all Board meetings are held in accordance with the Ohio Sunshine Laws. Failure to do so could result in the Court declaring actions taken null and void and the Corporation being subject to significant penalties for breach of the Sunshine Law.



Keith Faber
Auditor of State
Columbus, Ohio

May 12, 2021

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COMMUNITY IMPROVEMENT CORPORATION OF EUCLID

CUYAHOGA 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 6/3/2021

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This report is a matter of public record and is available online at
www.ohioauditor.gov