



OHIO AUDITOR OF STATE  
**KEITH FABER**





# OHIO AUDITOR OF STATE KEITH FABER



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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Northwest Ohio Waiver Administration Council  
Defiance County  
815 East Second Street, Suite B  
Defiance, Ohio 43512

We have performed the procedures enumerated below, which were agreed to by the Council Board and the management of Northwest Ohio Waiver Administration Council, Defiance County, Ohio (the Council), on the receipts, disbursements and balances recorded in the Council's cash basis accounting records for the years ended June 30, 2020 and 2019 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the Council. The Council is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended June 30, 2020 and 2019 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Council. 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 recalculated the June 30, 2020 and June 30, 2019 bank reconciliations. We found no exceptions.
2. We agreed the July 1, 2018 beginning fund balances recorded in the General Ledger to the June 30, 2018 balances in the prior year documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the July 1, 2019 beginning fund balances recorded in the General Ledger to the June 30, 2019 balances in the General Ledger. We noted the July 1, 2019 beginning fund balances recorded in the Council's General Ledger totaled \$5,215,037, while the June 30, 2019 balances in the General Ledger totaled \$5,213,214, a difference of \$1,823. The June 30, 2019 General Ledger balance did not include the Advocacy Fund balance of \$1,823. Failing to include the fund resulted in an understatement of Council fund balances on the General Ledger. The Advocacy Fund should be included on the Council's General Ledger at the correct amount.
3. We agreed the totals per the bank reconciliations to the total of the June 30, 2020 and 2019 fund cash balances reported in the General Ledger and the financial statements filed by the Council in the Hinkle System. The amounts agreed at June 30, 2020. We noted at June 30, 2019, ending fund balances recorded in the Council's General Ledger and financial statements filed in the Hinkle System totaled \$5,213,214, while the June 30, 2019 bank reconciliation totaled \$5,215,037, a difference of \$1,823. The June 30, 2019 General Ledger balance did not include the Advocacy Fund balance of \$1,823.

Failing to include the fund resulted in an understatement of Council fund balances on the General Ledger and the financial statements filed by the Council in the Hinkle System. The Advocacy Fund should be included on the Council's General Ledger and the filed financial statements at the correct amount.

4. We confirmed the June 30, 2020 bank account balances with the Council of Government's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the June 30, 2020 bank reconciliation without exception.
5. We selected three reconciling debits (such as outstanding checks) from the June 30, 2020 bank reconciliation:
  - a. We traced each debit to the subsequent July bank statement. We found no exceptions.
  - b. We traced the amounts and dates to the check register, and determined the debits were dated prior to June 30. There were no exceptions.

### **Intergovernmental Cash Receipts**

We selected a total of five receipts from the State Distribution Transaction Lists (DTL) from 2020 and a total of five from 2019:

- a. We compared the amount from the above report to the amount recorded in the General Ledger. The amounts agreed.
- b. We inspected the General Ledger to determine that these receipts were allocated to the proper fund. We found no exceptions.
- c. We inspected the General Ledger to confirm whether the receipts were recorded in the proper year. We found no exceptions.

### **Other Receipts**

We selected ten other receipts from the year ended June 30, 2020 and ten other receipts from the year ended June 30, 2019 and:

- a. Agreed the receipt amount in the General Ledger to supporting documentation. The amounts agreed.
- b. Inspected the General Ledger to determine the receipt was posted to the proper funds, and was recorded in the proper year. We found no exceptions.

### **Debt**

1. The prior agreed-upon procedures documentation disclosed no debt outstanding as of June 30, 2018.
2. We inquired of management, and inspected the General Ledger for evidence of debt issued during 2020 or 2019 or debt payment activity during 2020 or 2019. No new debt issuances, nor any debt payment activity during 2020 or 2019 was found.

### **Payroll Cash Disbursements**

1. We selected one payroll check for five employees from 2020 and one payroll check for five employees from 2019 from the Biweekly Payroll Worksheet and:
  - a. We compared the hours and pay rate, or salary recorded in the Biweekly Payroll Worksheet to supporting documentation (timecard, legislatively approved rate or salary). We found no exceptions.
  - b. We inspected the fund and account code to which the check was posted to determine to posting was allowable based on the employees' personnel files. We found no exceptions.
  - c. We confirmed the payment was posted to the proper year. We found no exceptions.

2. We inspected the last remittance of tax and retirement withholdings for the year ended June 30, 2020 to confirm remittances were timely paid, and if the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period of 2020. We observed the following:

<b>Withholding (plus employer share, where applicable)</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Due</b>	<b>Amount Paid</b>
Federal income taxes and Medicare	July 31, 2020	July 9, 2020	\$1,892.62	\$1,892.62
State income taxes	July 31, 2020	July 31, 2020	2,375.51	2,375.51
Local income tax	July 31, 2020	July 31, 2020	1,563.95	1,563.95
OPERS retirement	July 31, 2020	July 28, 2020	7,625.66	7,625.66
School tax	July 31, 2020	July 9, 2020	192.65	192.65

### **Non-Payroll Cash Disbursements**

We selected ten disbursements from the General Ledger for the year ended June 30, 2020 and ten from the year ended June 30, 2019 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 General Ledger 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.

### **Sunshine Law Compliance**

1. We obtained and inspected the Council's Public Records Policy to determine the policy was in accordance with Ohio Rev. Code §§ 149.43(E)(2) and 149.43(B)(7)(c) and did not limit the number of responses that may be made to a particular person, limit the number of responses during a specified period of time, or establish a fixed period of time before it will respond unless that period is less than eight hours. We found no exceptions.
2. We inquired with Council management and determined that the Council did not have any completed public records requests during the engagement period.

We inquired with Council management and determined that the Council did not have any denied public records requests during the engagement period.

We inquired with Council management and determined that the Council did not have any public records requests with redactions during the engagement period.

3. We inquired whether the Council had a records retention schedule, and observed that it was readily available to the public as required by Ohio Rev. Code § 149.43(B)(2). We found no exceptions.
4. We inspected written evidence that the Public Records Policy was provided to the records custodian/manager as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
5. We inspected the Council's policy manual and determined the public records policy was included as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.

6. We observed that the Council's poster describing their Public Records Policy was displayed conspicuously in all branches of the Council as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
7. We inquired with Council management and determined that the Council did not have any applications for record disposal submitted to the Records Commission during the engagement period.
8. We inquired with Council management and determined that the Council did not have any elected officials subject to the Public Records Training requirements during the engagement period as required by Ohio Rev. Code §§ 149.43(E)(1) and 109.43(B).
9. We inspected the public notices for the public meetings held during the engagement period and determined the Council notified the general public and news media of when and where meetings during the engagement period were to be held as required by Ohio Rev. Code § 121.22(F). We found no exceptions.
10. We inspected the minutes of public meetings during the engagement period in accordance with Ohio Rev. Code § 121.22(C) and determined whether they were:
  - a. Prepared – a file is created following the date of the meeting
  - b. Filed – placed with similar documents in an organized manner
  - c. Maintained – retained, at a minimum, for the engagement period
  - d. Open to public inspection – available for public viewing or request.We found no exceptions.
11. We inspected the minutes from the engagement period in accordance with Ohio Rev. Code § 121.22(G) and determined the following:
  - a. Executive sessions were only held at regular or special meetings.
  - b. The purpose for the meetings and going into an executive session (when applicable) correlated with one of the matters listed in Ohio Rev. Code Section 121.22(G).
  - c. Formal governing board actions were adopted in open meetings.We found no exceptions.

#### **Other Compliance**

1. Ohio Rev. Code Section 117.38 requires councils to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. This statute also permits the Auditor of State to extend the deadline for filing a financial report and establish terms and conditions for any such extension. Auditor of State established policies, regarding the filing of complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System. We confirmed the Council filed their complete financial statements, as defined by AOS Bulletin 2015-007 and Auditor of State established policy within the allotted timeframe for the year ended June 30, 2019 in the Hinkle system. Financial information for 2020 was filed on September 4, 2020, which was not within the allotted timeframe.
2. For all credit card accounts we obtained:
  - copies of existing internal control policies,
  - a list of authorized users, and
  - a list of all credit card account transactions.

- a. We selected one credit card transaction from each credit card account for testing. For selected transactions we inspected documentation to determine that:
  - i. Use was by an authorized user within the guidelines established in the policy, and
  - ii. Each transaction was supported with original invoices and for a proper public purpose.We found no exceptions.
  
- b. We selected three credit card statements from each credit card account for testing. For selected statements we inspected documentation to determine that:
  - i. No unpaid beginning balance was carried forward to the current billing cycle,
  - ii. Ending statement balance was paid in full, and
  - iii. Statement contained no interest or late fees.We found no exceptions.

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*. We were not engaged to, and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Council of Government's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is to provide assistance in in the evaluation of the Council's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended June 30, 2020 and 2019, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.



Keith Faber  
Auditor of State  
Columbus, Ohio

March 2, 2021

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# OHIO AUDITOR OF STATE KEITH FABER



**NORTHWEST OHIO WAIVER ADMINISTRATION COUNCIL**

**DEFIANCE 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 3/16/2021**

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This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)