



OHIO AUDITOR OF STATE
KEITH FABER



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Southwest Council of Governments
Cuyahoga County
16099 Foltz Parkway
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We have performed the procedures enumerated below on the Southwest Council of Governments' (the Council) receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2023 and 2022 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 December 31, 2023 and 2022 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Council.

The Council Board and the management of the Council have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of providing assistance in the evaluation of the Council's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2023 and 2022, and certain compliance requirements related to these transactions and balances. No other party acknowledged the appropriateness of the procedures. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of the report and may not meet the needs of all users of the report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. The sufficiency of the procedures is solely the responsibility of the parties specified in the 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.

For the purposes of performing these procedures, this report only describes exceptions exceeding \$10.

The procedures and the associated findings are as follows:

Cash

1. We recalculated the December 31, 2023 and December 31, 2022 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2022 beginning fund balance for the General Fund recorded in the General Ledger Report to the December 31, 2021 documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2023 beginning fund balance for the General Fund recorded in the General Ledger Report to the December 31, 2022 balance in the General Ledger Report. We noted the 2022 balances did not agree with the 2023 beginning balance due to voided checks.
3. We agreed the 2023 and 2022 bank reconciliation as of December 31, 2023 and 2022 to the total fund cash balances reported in the General Ledger Report and the financial statements filed by the Council in the Hinkle System. The amounts did not agree as the filed financial statements reflected the bank account's cleared balance and not the register balance.

4. We confirmed the December 31, 2023 bank account balance with the Ohio Pooled Collateral System. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2023 bank reconciliation without exception.
5. We selected 5 reconciling debits (such as outstanding checks) from the December 31, 2023 bank reconciliation:
 - a. We traced each debit to the subsequent January bank statement. We found no exceptions.
 - b. We traced the amounts and dates to the General Ledger and determined the debits were dated prior to December 31. We found no exceptions.

Member Contributions

We selected 5 member contribution cash receipts from the year ended December 31, 2023 and 5 member contribution cash receipts from the year ended 2022 recorded in the duplicate cash receipts book and:

- a. Agreed the receipt amount to the amount recorded in the General Ledger Report. The amounts agreed.
- b. Agreed the amount charged complied with rates in force during the period. We found no exceptions.
- c. Inspected the General Ledger Report to determine the receipt was posted to the proper fund, and was recorded in the proper year. We found no exceptions.

Other Receipts

We selected 10 other receipts from the year ended December 31, 2023:

- a. Agreed the receipt amount in the General Ledger Report to supporting documentation. The amounts agreed.
- b. Confirmed the amounts charged complied with rates in force during the period. We found no exceptions.
- c. Inspected the General Ledger Report to determine the receipt was posted to the proper fund, and was recorded in the proper year. We found no exceptions.

Debt

We inquired of management and inspected the General Ledger Report for evidence of debt issued during 2023 or 2022 or debt payment activity during 2023 or 2022. In response to our inquiry, the Council provided and we inspected the following documentation which indicated a \$245,500 loan with "Huntington Bank" to fund construction of a storage building existed:

- Meeting minutes from the Southwest Enforcement Bureau's September 12, 2023 meeting,
- An email chain, dated September and October 2023, that includes discussions between Executive Director Eric Dean and Jill Murphy, a Senior Vice President at Huntington Bank,
- Meeting minutes from the Council's January 17, 2024, Annual Business Meeting, and
- Financial information filed by the Council in the HINKLE system for 2023.
- "Equipment Schedule No. 003, Between Southwest Council of Governments, as Lessee and Huntington Public Capital Corporation, as Lessor" ("Schedule No. 003") executed in November 2023. Schedule No. 003 references the July 2020 Master Lease Agreement, lists the "Equipment Cost" as \$245,500, and describes the "Equipment," in an attached exhibit, as a 2017 Chevrolet Express G4500 Box Truck, a 2012 Ford Econoline Van, and a 2006 Freightliner Aeromaster.
- Certificates of title for the three vehicles that are the subject of Schedule No. 003 which indicate that, prior to execution of Schedule No. 003, the Council already owned two of the vehicles (the 2017 Chevrolet Express G4500 Box Truck and the 2012 Ford Econoline Van), and the Cuyahoga County Board of Commissioners owned the third vehicle (the 2006 Freightliner Aeromaster).

Per inquiry with management, the Council intended to use the vehicles as collateral on the \$245,500 loan; however, the loan documentation provided to us by the Council states that the vehicles are the leased "Equipment," not collateral, for purposes of Schedule No. 003. The Council has not provided us with any loan documentation related to a \$245,500 loan from Huntington Bank to fund the construction of a storage building. Additional procedures were not performed based on the conflicting information regarding Schedule No. 003 of the Master Lease Agreement.

Payroll Cash Disbursements

1. We selected 1 payroll check for the only employee from 2023 and 1 payroll check for the only employee from 2022 from the General Ledger Report and:
 - a. We compared the hours and pay rate, or salary recorded in the Payroll Expenditures Report to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
 - b. We recomputed gross and net pay and agreed it to the amount recorded in the payroll register. We found no exceptions.
 - c. We inspected the fund and account codes to which the check was posted to determine the posting was allowable based on the employees' duties as documented in the employees' personnel files and/or minute record. We found no exceptions.
 - d. 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 December 31, 2023 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 2023. We observed the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	January 31, 2024	December 28, 2023	\$3,340	\$3,340
State income taxes	January 15, 2024	January 2, 2024	\$75	\$75
Local income tax	January 15, 2024	January 2, 2024	\$200	\$200
OPERS retirement	January 30, 2024	January 17, 2024	\$2,400	\$2,400

We found no exceptions.

Non-Payroll Cash Disbursements

1. We selected 10 disbursements from the General Ledger Report for the year ended December 31, 2023 and 10 from the year ended 2022 and determined whether:
 - a. The disbursements were for a proper public purpose. We found one exception in 2023 where the Council paid \$996.48 in sales tax; however, a refund request was subsequently submitted to the Ohio Department of Taxation for \$996.48. However, because we did not inspect all non-payroll disbursements our report provides no assurance regarding whether or not similar errors occurred.
 - 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 Report and to the names and amounts on the supporting invoices. We found two instances in 2022 and three instances in 2023 where the canceled check image date did not agree to the payment date on the ledgers. Also, we found one instance in 2022 where

the check date on the actual check did not agree with the date posted to the General Ledger Report.

- 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 selected 5 public records requests from the engagement period and inspected each request to determine the following:
 - a. The Council was compliant and responded to the request in accordance with their adopted policy as required by Ohio Rev. Code § 149.43(B)(1). We found no exceptions.
 - b. The Council did not have any denied public records requests during the engagement period.
 - c. 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 inquired with Council management and determined that the Council did not have a policy manual during the engagement period therefore the public records policy could not be included as required by Ohio Rev. Code § 149.43(E)(2).
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 § 121.22(G).
- c. Formal governing board actions were adopted in open meetings.

We found no exceptions.

Other Compliance

- 1. Ohio Rev. Code § 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 years ended December 31, 2023 and 2022 in the Hinkle system. We found no exceptions.

We were engaged by the Council to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the attestation standards established by the AICPA and the Comptroller General of the United States' *Government Auditing Standards*. We were not engaged to, and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Council of Governments' 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.

We are required to be independent of the Council and to meet our ethical responsibilities, in accordance with the ethical requirements established by the Comptroller General of the United States' *Government Auditing Standards* related to our agreed upon procedures engagement.

KEITH FABER
Ohio Auditor of State



Tiffany L. Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

September 5, 2025

OHIO AUDITOR OF STATE KEITH FABER



SOUTHWEST COUNCIL OF GOVERNMENTS

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 9/18/2025

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