



**Auditor of State
Betty Montgomery**



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Betty Montgomery**

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

Board of Commissioners
Jefferson County
311 Market Street
Steubenville, Ohio 43952

We have performed the procedures enumerated below, which were agreed to by the Jefferson County Commissioners, the Jefferson County Emergency Management Agency and the Ohio Emergency Management Agency, for the period from January 1, 2001 through June 30, 2004, to assist you in determining that certain grant funds have been used in accordance with grant guidelines and requirements. We followed the American Institute of Certified Public Accountants' attestation standards for agreed-upon procedures engagements. The sufficiency of the procedures is the responsibility of the specified users. 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.

Our procedures performed and the related findings are included in the attached exhibit.

We were not engaged to and did not conduct an examination, the objective on which would be the expression of an opinion on management's assertion. Accordingly, we do not express such opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the State of Ohio Office of the Auditor and management of the Ohio Emergency Management Agency and the Jefferson County Board of Commissioners and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in cursive script that reads "Betty Montgomery".

Betty Montgomery
Auditor of State

December 2, 2004

EXHIBIT

Procedures Performed

We performed the procedures described below for each of the following grants: fiscal year 2001 State Domestic Preparedness Equipment Grant Program; fiscal year 2002 State Domestic Preparedness Grant Program; fiscal year 2003 State Homeland Security Grant Program, Equipment Grants, Parts One and Two; fiscal year 2003 State Homeland Security Grant Program, Planning/Administration Grants, Parts One and Two; and fiscal Year 2004 State Homeland Security Program

Procedure I – Perform the following procedures for Fiscal Year 2001 State Domestic Preparedness Equipment Grant Program (Performance Period: April 1, 2002 through May 31, 2004), Fiscal Year 2002 State Domestic Preparedness Grant Program (Performance Period: October 1, 2002 through September 30, 2004), Fiscal Year 2003 State Homeland Security Grant Program, Equipment Grants Part One (Performance Period: May 23, 2003 through September 30, 2004) and Part Two (Performance Period: June 27, 2003 through October 30, 2004), Fiscal Year 2003 State Homeland Security Grant Program, Planning/Administrative Grants - Part One (Performance Period: May 27, 2003 through September 30, 2004) and Part Two (Performance Period: June 27, 2003 through October 30, 2004), and Fiscal Year 2004 State Homeland Security Program Grant (Performance Period: June 30, 2004 through October 30, 2005).

- A. Vouch 100% of the expenditures recorded in the Jefferson County Auditor's appropriation ledger for each of the programs outlined above to supporting purchase orders, invoices/bills, and cancelled checks. Inspect purchase orders and vouch that they were properly executed in accordance with the Ohio Revised Code Section 5705.41.
- B. Vouch 100% of the expenditures recorded in the Jefferson County Auditor's appropriation ledger for each of the programs outlined above and confirm that they were made in accordance with the allowable cost principles outlined in Attachment B of OMB Circular A-87 and allowable/unallowable costs prescribed in 28 CFR.66 and in the specific grant program guidance outlined below:

GRANT	PROGRAM GUIDANCE
FY 2001 State Domestic Preparedness Equipment Grant	Program Guidelines and Application Kit: Part II – B
FY 2002 State Domestic Preparedness Grant	Program Guidelines and Application Kit: Part II C & D; Appendices F, G, & H
FY 2003 State Homeland Security Grant Program – Equipment Funds Parts I and II	Guidance Package for Equipment: Part II – A, B & C Part V – C Authorized Equipment List (1-12)
FY 2003 State Homeland Security Grant Program – Planning And Administration - Parts I and II	Guidance Package for Planning and Administration: Part II – B & C Part V – Authorized Equipment List
FY 2004 State Homeland Security Program Grant	Local Guidance Package: Part II – B & C Part VI – C & D

- C. Compute the remaining program account balances for each of the programs outlined above and confirm the portion of the balance that has been encumbered or obligated as of June 30, 2004.
- D. Compare 100% of the cash draw downs for each of the programs outlined above to cash requests and expenditures recorded in the Jefferson County Auditor's appropriation ledger. Notify the Ohio Emergency Management Agency of any remaining account balances which should be remitted. Confirm compliance with minimum cash requirements as prescribed in 28 CFR.66 and in the specific grant program guidance outlined below:

GRANT	PROGRAM GUIDANCE
FY 2001 State Domestic Preparedness Equipment Grant	No additional compliance requirements
FY 2002 State Domestic Preparedness Grant	No additional compliance requirements
FY 2003 State Homeland Security Grant Program – Equipment Funds Parts I and II	Guidance Package for Equipment: Part II –
FY 2003 State Homeland Security Grant Program – Planning And Administration - Parts I and II	Guidance Package for Planning and Administration: Part II – E.3
FY 2004 State Homeland Security Program Grant	Local Guidance Package Part II – E.4

- E. Inspect all quarterly and final expenditure reports submitted to the Ohio Emergency Management Agency for each of the programs outlined above. Foot the reports for accuracy and compare the amounts included on the reports with the Jefferson County Auditor's appropriation ledger for existence and completeness. Confirm compliance with reporting requirements as prescribed in 28 CFR.66 and in the specific grant program guidance outlined below:

GRANT	PROGRAM GUIDANCE
FY 2001 State Domestic Preparedness Equipment Grant	Program Guidelines and Application Kit Part VII
FY 2002 State Domestic Preparedness Grant	Program Guidelines and Application Kit Part VIII
FY 2003 State Homeland Security Grant Program – Equipment Funds Parts I and II	Guidance Package for Equipment: Part II – E – 4 Part V - B
FY 2003 State Homeland Security Grant Program – Planning And Administration - Parts I and II	Guidance Package for Planning and Administration: Part II – E.4 Part V - B
FY 2004 State Homeland Security Program Grant	Local Guidance Package Part II – E.5

- F. Vouch 100% of equipment purchases recorded in the Jefferson County Auditor's appropriation ledger and trace to equipment inventory records maintained by the Jefferson County Emergency Management Agency. Verify that the Jefferson County Emergency Management Agency has a control system to safeguard equipment in accordance with the A-102 Common Rule and 28 CFR.66. Trace equipment purchases to quarterly and final expenditure reports submitted to the Ohio Emergency Management Agency for each program outlined above. Confirm compliance with reporting requirements as prescribed in 28 CFR.66 and in the specific grant program guidance outlined below:

GRANT	PROGRAM GUIDANCE
FY 2001 State Domestic Preparedness Equipment Grant	Program Guidelines and Application Kit Part VII
FY 2002 State Domestic Preparedness Grant	Program Guidelines and Application Kit Part VIII
FY 2003 State Homeland Security Grant Program – Equipment Funds Parts I and II	Guidance Package for Equipment: Part II – E – 4 Part V - B
FY 2003 State Homeland Security Grant Program – Planning And Administration - Parts I and II	Guidance Package for Planning and Administration: Part II – E.4 Part V - B
FY 2004 State Homeland Security Program Grant	Local Guidance Package Part II – E.5

- G. Vouch 100% of expenditures recorded in the Jefferson County Auditor's appropriation ledger to confirm that all funds received for each of the programs outlined above have been expended, encumbered or otherwise obligated within the period availability as reflected in the Programs' respective Notice of Awards and Grant Agreements.

Overview of Procedures Performed

Results of Procedures Performed

Procedure 1A

For the fiscal year 2001 State Domestic Preparedness Equipment Grant Program, purchase orders were certified after the invoice date for six out of twenty two expenditures and Then and Now certifications were not executed. There were no other exceptions noted.

For fiscal year 2002 State Domestic Preparedness Equipment Grant Program, purchase orders were certified after the invoice date for twenty-three out of the sixty-six expenditures and Then and Now certifications were not executed. There were no other exceptions noted.

For fiscal year 2003 State Homeland Security Grant Program, Equipment Grant, Part One, purchase orders were certified after the invoice date for twenty out of the twenty seven expenditures and Then and Now certifications were not executed. There were no other exceptions noted.

For fiscal year 2003 State Homeland Security Grant Program, Equipment Grant, Part Two, purchase orders were certified after the invoice date for five out of the five expenditures and Then and Now certifications were not executed. There were no other exceptions noted.

For fiscal year 2003 State Homeland Security Grant Program, Planning/ Administration Grants, Part One, twelve out of the twelve purchase orders purchase orders were certified before the invoice date. There were no other exceptions noted.

For fiscal year 2003 State Homeland Security Grant Program, Planning/Administration Grants, Part Two, purchase orders were certified after the invoice date for two of the eight expenditures and Then and Now certifications were not executed. There were no other exceptions noted.

For the 2004 State Homeland Security Program Grant, there were no expenditures made by the Jefferson County Emergency Management Agency. There were no other exceptions noted.

Procedure 1B

We compared 100% of the expenditures recorded in the Jefferson County Auditor's appropriation ledger for each of the grants listed below to the allowable cost principles outlined in Attachment B of OMB Circular A-87, allowable/unallowable costs prescribed in 28 CFR.66, and the allowable cost guidance for each specific grant as listed in Step B of Procedure 1 and noted the following expenditures were not included as allowable:

2001 State Domestic Preparedness Equipment Grant

Payee	Amounts
U.S. Safety Gear	\$ 96.32
California Contractors' Supply	234.60
Lowe's Home Centers	6.61
Mr. Key	4.35
AV Lautimus	424.50
Eagle Uniforms	589.00
Bryan Canestraro	1,528.00
Jefferson Community College	405.00
Total Unallowable Expenditures	\$ 3,288.38
Reduction in Expenditures	(1,827.70)
Total	\$ 1,460.68

2002 State Domestic Preparedness Grant

Payee	Amounts
Jefferson Community College	\$ 592.20
Monogram Sports	39.00
Eagle Uniforms	111.00
Circuit City	257.59
AT & T Wireless	247.35
Nextel Communications	534.40
Staley Communications	251.25
U.S. Safety Gear	26.76
Family One Wireless	3.75
Total	\$ 2,063.30

2003 Homeland Security Grant Program Equipment Funds Part One

Payee	Amounts
Biggio Ford	\$ 1,272.80
Red Diamond Uniforms	139.96
California Contractors' Supply	289.80
Total	<u>\$ 1,702.56</u>

Of the expenditures vouched for fiscal year 2003 State Homeland Security Grant Program Equipment Funds Part Two, there were no exceptions.

Of the expenditures vouched for fiscal year 2003 State Homeland Security Grant Program Planning and Administration, Parts One and Two, there were no exceptions.

For the 2004 State Homeland Security Program Grant, there were no expenditures made by the County.

Procedure 1C

We computed the remaining balance of the fiscal year 2001 State Domestic Preparedness Equipment Grant to be \$0 with no outstanding encumbrances at June 30, 2004.

We computed the remaining balance of the fiscal year 2002 State Domestic Preparedness Grant to be \$0 with no outstanding encumbrances at June 30, 2004.

We computed the remaining balance of the fiscal year 2003 State Homeland Security Grant Program Equipment Fund Part One to be \$18,257.75 with no encumbrances at June 30, 2004. On July 7, 2004, \$18,257.75 was returned to Treasurer of State of Ohio.

We computed the remaining balance of the fiscal year 2003 State Homeland Security Grant Program Equipment Fund Part Two to be \$24,191.03 with encumbrances totaling \$14,994.37 at June 30, 2004. On July 7, 2004, \$9,196.66 was returned to the Treasurer of State of Ohio.

We computed the remaining balance of the fiscal year 2003 State Homeland Security Grant Program Planning and Administration Funds Part One to be \$8,275.06 at June 30, 2004. On July 7, 2004, \$8,275.06 was returned to the Treasurer of State of Ohio.

We computed the remaining balance of the fiscal year 2003 State Homeland Security Grant Program Planning and Administration Funds Part Two to be \$18,521.68 at June 30, 2004. On July 7, \$18,521.68 was returned to the Treasurer of State of Ohio.

The Jefferson County Emergency Management Agency did not receive any portion of the amount awarded for the 2004 State Homeland Security Program Grant, therefore we computed the remaining balance at June 30, 2004 to be \$0.

Procedure 1D

For each of the grants tested, the Jefferson County Emergency Management Agency had thirty days from the date of receipt to liquidate the funds as required by 28 CFR.66 and specific grant guidelines as listed in Step D of Procedure 1. We confirmed the number of days to liquidate all cash drawdowns for each of the grants below:

2001 Domestic Preparedness Equipment Grant

Drawdown #	Receipt Date	Days to Liquidation
1	7/3/02	83 days
2	9/4/02	35 days
3	9/20/02	121 days

2002 State Domestic Preparedness Grant

Drawdown #	Receipt Date	Days to Liquidation
1	11/8/02	13 days
2	11/12/02	91 days
3	12/23/02	141 days
4	1/31/03	103 days
5	3/7/03	74 days
6	3/18/03	147 days
7	6/24/03	381 days
8	12/04/03	216 days

2003 State Homeland Security Grant Program – Equipment Funds

Drawdown #	Receipt Date	Days to Liquidation
Part One		
1	9/3/03	92 days
2	10/8/03	271 days
3	3/4/04	122 days
Part Two		
1	4/2/04	64 days
2	8/18/04	91 days
3	8/19/04	1 day

2003 State Homeland Security Grant Program – Planning and Administration Funds

Drawdown #	Receipt Date	Days to Liquidation
Part One		
1	9/3/03	307 days
2	8/23/04	19 days
Part Two		
1	3/24/04	103 days
2	8/23/04	1 days

The Jefferson County Emergency Management Agency did not receive any portion of the amount awarded for the 2004 State Homeland Security Program Grant; therefore there were no minimum cash requirements to confirm.

We compared 100% of the cash draw downs for each of the programs above to cash requests and expenditures recorded in the Jefferson County Auditor's appropriation ledger and confirmed there are no remaining account balances, which should be remitted to the Ohio Emergency Management Agency based on requirements of 28 CFR.66 and specific grant guidelines listed in Part D of Procedure 1.

Procedure 1E

We inspected all quarterly and final expenditure reports submitted to the Ohio Emergency Management Agency for each of the programs listed below, confirmed the filing dates of these reports, compared the due dates to the reporting dates prescribed in 28 CFR.66 and specific grant guidelines listed in Part E of Procedure 1, and compared expenditures included on the reports to the expenditures recorded in the Jefferson County Auditor's appropriation ledgers as follows:

2001 Domestic Preparedness Equipment Grant

Due Date	File Date	Expenditures Per Quarterly Report	Expenditures Per Ledgers	Variance
July 15, 2002	July 2, 2002	\$0.00	\$0.00	\$0.00
October 15, 2002	October 24, 2002	33,887.81	33,887.81	0.00
January 15, 2003	January 15, 2003	1,270.12	1,090.50	179.62
April 15, 2003	March 31, 2003	<u>643.00</u>	<u>718.35</u>	<u>(75.35)</u>
		<u>\$35,800.93</u>	<u>\$35,696.66</u>	<u>\$ 104.27</u>

2002 Domestic Preparedness Grant

Due Date	File Date	Expenditures Per Quarterly Report	Expenditures Per Ledgers	Variance
January 10, 2003	January 6, 2003	\$ 48,369.72	\$ 47,673.72	\$ 696.00
April 10, 2003	March 31, 2003	11,407.25	7,087.97	4,319.28
July 10, 2003	July 7, 2003	1,861.80	6,970.21	(5,108.41)
October 10, 2003	October 10, 2003	8,304.09	8557.62	(253.53)
July 10 , 2004	No report filed	<u>0.00</u>	<u>3,250.94</u>	<u>(3,250.94)</u>
		<u>\$ 69,942.86</u>	<u>\$ 73,540.46</u>	<u>\$ (3,597.60)</u>

The Jefferson County Emergency Management Agency did not spend any money from this grant from September 18, 2003 to April 15, 2004; therefore, no quarterly reports were submitted for that time period. The second quarterly report for 2004 and the final expenditure report were not filed.

For the fiscal year 2003 Homeland Security Grant Program – Equipment Funds – Parts One and Two, there were no quarterly reports and no final reports filed.

For the fiscal year Homeland Security Grant Program – Planning and Administration Funds – Parts One and Two, there were no quarterly reports and no final reports filed.

The Jefferson County Emergency Management Agency did not receive any portion of the amount awarded for the 2004 State Homeland Security Program Grant, therefore there no reports were required.

Procedure 1F

We vouched 100% of equipment purchases recorded in the Jefferson County Auditor's appropriation ledger and traced them to equipment inventory records maintained by the Jefferson County Emergency Management Agency for each of the grants listed below:

- 2001 State Domestic Preparedness Equipment Grant
- 2002 State Domestic Preparedness Grant
- 2003 State Homeland Security Grant Program – Equipment Funds – Parts One and Two.

There were no equipment purchases made from the fiscal year 2003 State Homeland Security Grant Program – Parts One and Two - Planning and Administration Funds.

Equipment purchases made from the Homeland Security Grants identified above were recorded in the equipment inventory in September 2004. The procedures to tag and to record the location of all equipment are not yet completed.

All equipment purchased with the fiscal year 2001 State Domestic Preparedness Equipment Grant was traced to the quarterly reports without exception; a final report was not filed for the grant.

Equipment purchased with the fiscal year 2002 State Domestic Preparedness Grant from November 14, 2002 through January 9, 2003 was traced to the quarterly reports. The equipment purchased from February 6, 2003 through July 10, 2004 could not be traced to the quarterly reports. A final report was not filed for this grant.

The Jefferson County Emergency Management Agency did not prepare or file quarterly reports or a final report for the fiscal year 2003 State Homeland Security Grant Program – Equipment Funds – Parts One and Two, therefore equipment purchases could not be traced to reports.

There were no equipment purchases made with the fiscal year 2003 State Homeland Security Grant Program – Planning and Administration Funds Parts One and Two or from the fiscal year 2004 State Homeland Security Grant Program.

Procedure 1G

The performance period for the fiscal year 2001 State Domestic Preparedness Equipment Program was April 1, 2002 to May 31, 2004. All funds were expended between July 18, 2002 and February 6, 2003.

The performance period for the fiscal year 2002 State Domestic Preparedness Program was October 1, 2002 to September 30, 2004. All funds were expended between November 14, 2002 and July 8, 2004.

The performance period for the fiscal year 2003 State Homeland Security Grant Program—Equipment Funds – Part One was May 23, 2003 to September 30, 2004. All funds were expended between September 12, 2003 and March 24, 2004.

The performance period for the fiscal year 2003 State Homeland Security Grant Program—Equipment Funds – Part Two was June 27, 2003 to October 30, 2004. All funds were expended between March 8, 2004 and June 6, 2004.

The performance period for the fiscal year 2003 State Homeland Security Grant Program – Part One – Planning and Administration Funds was May 27, 2003 and September 30, 2004. All funds were expended from July 8, 2004 and September 16, 2004.

The performance period for the fiscal year 2003 State Homeland Security Grant Program – Part Two – Planning and Administration Funds was June 27, 2003 and October 30, 2004. All funds were expended from April 30, 2004 and July 23, 2004.



**Auditor of State
Betty Montgomery**

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JEFFERSON COUNTY EMERGENCY MANAGEMENT AGENCY

JEFFERSON 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
DECEMBER 30, 2004**