



OHIO AUDITOR OF STATE  
**KEITH FABER**





# OHIO AUDITOR OF STATE KEITH FABER



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

Kent-Franklin Joint Economic Development District  
Portage County  
930 Overholt Drive  
Kent, Ohio 44240

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of Kent-Franklin Joint Economic Development District (the District), on the receipts, disbursements and balances recorded in the Districts cash basis accounting records for the years ended December 31, 2019 and 2018 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the District. The District is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2019 and 2018 and certain compliance requirements related to these transactions and balances included in the information provided to us by the District. 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 December 31, 2019 and December 31, 2018 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2018 beginning fund balances recorded in the Bank/Fund Summary Report to the December 31, 2017 balances documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2019 beginning fund balances recorded in the Bank/Fund Summary Report to the December 31, 2018 balances in the Bank/Fund Summary Report. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2019 and 2018 fund cash balances reported in the Bank/Fund Summary Report and the financial statements filed by the District in the Hinkle System. The amounts agreed for December 31, 2018. For December 31, 2019 there was a \$3,229 difference because the District included outstanding checks in the cash fund balance in the Hinkle report.
4. We confirmed the December 31, 2019 bank account balance with the District's financial institution. We found no exceptions.
5. We selected all reconciling debits from the December 31, 2019 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 check register, to determine the debits were dated prior to December 31. There were no exceptions.

### **Income Taxes**

1. We haphazardly selected 10 income tax receipts from the year ended December 31, 2019 and 10 income tax receipts from the year ended 2018 recorded in the Cash Receipts Ledger and:
  - a. We compared the payment amount from supporting documentation to the amount recorded in the Cash Receipts Ledger. The amounts agreed.
  - b. Agreed the amount remitted complied with rates in force during the period. We found no exceptions.
  - c. We compared the date of the receipts to the date the receipts were posted in the Cash Receipts Ledger to determine whether the receipts were recorded in the year received. We found no exceptions.
2. We haphazardly selected five income tax refunds from 2019 and five from 2018.
  - a. We compared the refund paid from the Check Register to the refund amount on the supporting documentation. The amounts agreed.
  - b. We observed the approval by the Treasurer on each of the refunds. No exceptions were found.

### **Debt**

1. The prior agreed-upon procedures documentation disclosed no debt outstanding as of December 31, 2017.
2. We inquired of management, and inspected the Cash Receipts Ledger and Check Register for evidence of debt issued during 2019 or 2018 or debt payment activity during 2019 or 2018. We noted no new debt issuances, nor any debt payment activity during 2019 or 2018.

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

1. From the Check Register, we re-footed checks recorded as General Fund disbursements for *distributions to Kent*, and checks recorded as *distributions to Franklin Township* in the General Fund for 2019. We found no exceptions.
2. We selected 10 disbursements from the Check Register for the year ended December 31, 2019 and 10 from the year ended 2018 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 Check Register 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.

### **Compliance – Kent-Franklin JEDD Contract**

We confirmed JEDD income taxes collected were disbursed 45% to the Township and 55% to the City as required by section 10 of the JEDD contract. We found no exceptions.

### Sunshine Law Compliance

1. We obtained and inspected the District's Public Records Policy to determine the policy 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 District management and determined that the District did not have any completed public records requests during the engagement period.
3. We inquired with District management and determined that the District did not have any denied public records requests during the engagement period.
4. We inquired with District management and determined that the District did not have any public records requests with redactions during the engagement period.
5. We inquired whether the District has a records retention policy, and observed that it is readily available to the public. We found no exceptions.
6. We inspected written evidence that the Public Records Policy was provided to the records custodian/manager. We found no exceptions.
7. We inspected the District's policy manual and determined the public records policy was included. We found no exceptions.
8. We observed that the District's poster describing their Public Records Policy was displayed conspicuously in all branches of the District. We found no exceptions.
9. We inquired with District management and determined that the District did not have any applications for record disposals submitted to the Records Commission during the engagement period.
10. We inquired with District management and determined that the District did not have any elected officials subject to the Public Records Training requirements during the engagement period.
11. We inspected the public notices for the public meetings held during the engagement period and determined the District notified the general public and news media of when and where meetings during the engagement period are to be held. We found no exceptions.
12. We inspected the minutes of public meetings during the engagement period 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.
13. We inspected the minutes from the engagement period 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 districts 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 District 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, 2019 and 2018 in the Hinkle system. There were 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 JEDD'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 it's the evaluation of the District's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2019 and 2018, 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

May 13, 2020

# OHIO AUDITOR OF STATE KEITH FABER



**KENT- FRANKLIN JOINT ECONOMIC DEVELOPMENT**

**PORTAGE 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  
MAY 26, 2020**