



OHIO AUDITOR OF STATE
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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Brown County Soil and Water Conservation District
Brown County
706 South Main Street
Georgetown, Ohio 45121

We have performed the procedures enumerated below on the Brown County Soil and Water Conservation District's (the District) receipts, disbursements and balances recorded in the cash-basis accounting records for the years ended December 31, 2021 and 2020, 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, 2021 and 2020 and certain compliance requirements related to these transactions and balances included in the information provided to us by the District.

The Board of Supervisors and the management of the District have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of providing assistance in the evaluation of the District's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2021 and 2020, 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, 2021 and December 31, 2020 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2020 beginning fund balances for each fund recorded in the District's Quickbooks ledger to the December 31, 2019 balances in the prior year audited statements. We found no exceptions. We also agreed the January 1, 2021 beginning fund balances for each fund recorded in the District's Quickbooks ledger to the December 31, 2020 balances in the District's Quickbooks ledger. The January 1, 2021 beginning fund balance for the Special Fund in the Quickbooks ledger did not agree to the December 31, 2020 balance on the District's Quickbooks ledger. There was a \$6,080 variance due to the timing of posting of gross payroll on January 1, 2021.

3. We agreed the 2021 and 2020 bank reconciliations as of December 31, 2021 and 2020 to the total fund cash balances reported on the financial statements filed by the District in the Hinkle System. The amounts did not agree for 2021. The Special fund balance at December 31, 2021 was \$6,078 less on the financial statements filed in the Hinkle System than on the bank reconciliation. This was due to an incorrect January 1, 2021 beginning fund balance being reported on the financial statements. (see Procedure 2 in the Cash section above)
4. We confirmed the December 31, 2021 bank account depository balances for the District Fund with the District's financial institutions or observed the balances through the Ohio Pooled Collateral System. We found no exceptions.
5. We compared the December 31, 2021 Special Fund depository balance from the *Cash Basis Annual Financial Report* to the amount reported in the Brown County Trial Balance Report. The amounts differed by \$6,078. This was due to an incorrect January 1, 2021 beginning fund balance being reported on the Cash Basis Annual Financial Report. (see Procedure 2 in the Cash section above)

Property Taxes, Intergovernmental and Other Confirmable Cash Receipts

1. We selected a total of five receipts from the County Auditor's DTL from 2021 and a total of five from 2020:
 - a. We compared the amounts from the above named report to the amount recorded in the QuickBooks Receipt Listing. The amounts agreed.
 - b. We inspected the QuickBooks Receipt Listing to determine whether the receipt was recorded in the proper year. The receipt was recorded in the proper year. We found no exceptions.
2. We confirmed the individual amounts paid from the Ohio Federation of SWCD's to the District during 2020 and 2021 with the District. We found no exceptions.
 - a. We inspected the Quickbooks Receipt Listing to determine whether these receipts were allocated to the proper fund(s). We found no exceptions.
 - b. We inspected the Quickbooks Receipt Listing to determine whether the receipts were recorded in the proper year. We found no exceptions.

Other Receipts

We selected 10 other receipts from the year ended December 31, 2021 and 10 other receipts from the year ended 2020 and:

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

Payroll Cash Disbursements

1. We selected one payroll check for all three employees from 2021 and one payroll check for all three employees from 2020 from the County Expense Audit Trail and:
 - a. We compared the hours and pay rate, or salary recorded in the County Wage Report to supporting documentation (timecard and legislatively approved rate or salary)
 - i. We inspected the employees' personnel files for the Retirement system, Federal, State & Local income tax withholding authorization.

- ii. We agreed these items to the information used to compute gross and net pay related to this check.

We found no exceptions.

- b. We inspected the County Wage Report to determine whether salaries and benefits were paid only from the Special Fund, as required by the SWCD Administrative Handbook Chapter 5. We found no exceptions.
- c. We inspected the QuickBooks Disbursement Listing to determine whether the check was classified as *salaries* and was posted to the proper year. We found no exceptions.

Non-Payroll Cash Disbursements

1. From the QuickBooks Disbursement Listing, we re-footed checks recorded as *District Fund* disbursements for *contract services* and *supplies* for 2021. We found no exceptions.
2. We selected five disbursements from the *Special Fund* and all four disbursements from the *District Fund* and other funds from the QuickBooks Disbursement Listing for the year ended December 31, 2021 and five from the *Special Fund* and five from the *District Fund* and other funds for the year ended 2020 and determined whether:
 - a. The disbursements were for a proper public purpose. We found no exceptions.
 - b. For *District Fund* and other funds disbursements, we determined whether:
 - i. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the similar data recorded in the QuickBooks Disbursement Listing and to the names and amounts on the supporting invoices. We found no exceptions.
 - ii. The payment was posted to a fund consistent with the purpose for which the fund's cash can be used. We found no exceptions.
 - c. For *Special Fund* disbursements, we determined whether:
 - i. The payee name and amount recorded on the invoice submitted to the County Auditor agreed to the payee name and amount recorded in the QuickBooks Disbursement Listing and County Ledgers. We found no exceptions.
 - ii. The names and amounts on the voucher agreed to supporting invoices. We found no exceptions.
 - iii. The voucher or invoice was signed by the fiscal officer and approved by a majority of the Board of Supervisors. We found no exceptions.

Special Fund Budgetary Compliance

1. We inspected the District's Special Fund Budget Request submitted to the County Commissioners for the years ended December 31, 2021 and 2020. The request included the Special Fund's *Needs*, *Income* and *Balances* anticipated for carry over from the current year, as required by the SWCD Administrative Handbook, Chapter 5. We also compared the budget amounts to the Special Fund Budgetary Activity footnote of the Cash Basis Annual Financial Report. The amounts did not agree. A variance of \$18,500 was noted between the Special Fund Budgetary Activity footnote and the Budget Worksheet.
2. Ohio Rev. Code § 5705.41(B) prohibits expenditures (disbursements plus year-end certified commitments) from exceeding appropriations. We compared total expenditures to total approved appropriations (Ohio Rev. Code §§ 5705.38 and 5705.40) plus any carryover appropriations for the year ended December 31, 2021 and 2020 for the "Special" Fund. Expenditures did not exceed appropriations for the Special Fund.
3. We inspected the Annual Cash Basis Financial Report for the years ended December 31, 2021 and 2020 for negative cash fund balances. Ohio Rev. Code § 5705.10 (I) provides that money paid into a fund must be used for the purposes for which such fund is established. As a result, a negative

fund cash balance indicates that money from one fund was used to cover the expenses of another. There were no funds having negative cash fund balances.

Sunshine Law Compliance

1. We obtained and inspected the District'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 all public records requests from the engagement period and inspected each request to determine the following:
 - a. The District 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 District did not have any denied public records requests during the engagement period.
 - c. The District did not have any public records requests with redactions during the engagement period.
3. We inquired whether the District 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 District'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 District's poster describing their Public Records Policy was displayed conspicuously in all branches of the District as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
7. We inquired with District management and determined that the District did not have any applications for record disposal submitted to the Records Commission during the engagement period.
8. 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 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 District 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 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, 2021 and 2020 in the Hinkle system. We found no exceptions.

We were engaged by the District 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 District'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.

We are required to be independent of the District 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
Auditor of State
Columbus, Ohio

October 27, 2022

OHIO AUDITOR OF STATE KEITH FABER



BROWN COUNTY SOIL AND WATER CONSERVATION DISTRICT

BROWN 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 11/10/2022

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