



Dave Yost • Auditor of State





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

Heights-Hillcrest Communications Center  
Cuyahoga County  
10 Severance Circle  
Cleveland Heights, Ohio 44118

We have performed the procedures enumerated below, which were agreed to by the Center Board and the management of the Heights-Hillcrest Communications Center (the Center) on the receipts, disbursements and balances recorded in the Center's cash basis accounting records for the period June 28, 2016 to December 31, 2017 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the Center. The Center is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the period June 28, 2016 to December 31, 2017 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Center. 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, 2017 bank reconciliation. We found no exceptions.
2. We agreed the total per the bank reconciliation to the total of the December 31, 2017 fund cash balances reported in the Statement of Cash Position w/MTD Report. The amounts varied by \$150.
3. We confirmed the December 31, 2017 bank account balances with the Center's financial institution. We also agreed the confirmed balances to the amounts appearing in the December 31, 2017 bank reconciliation without exception.
4. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2017 bank reconciliation:
  - a. We traced each operating debit to the subsequent January bank statement. We traced the payroll debit to documentation of it being voided in the subsequent period. 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.
5. We traced interbank account transfers occurring in December of 2017 to the accounting records and bank statements to determine if they were properly recorded. We found no exceptions.

**Member Contributions**

We selected all member contribution cash receipts from the year ended December 31, 2017 recorded in the duplicate cash receipts book and:

- a. Agreed the receipt amount to the amount recorded in the Revenue Audit Trail Report. The amounts agreed.
- b. Agreed the amount charged complied with rates in force during the period. We found no exceptions.
- c. Inspected the Revenue Audit Trail 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 Revenue Audit Trail Report and Expense Audit Trail Report for evidence of debt issued during 2017 or 2016 or debt payment activity during 2017 or 2016. No new debt issuances, nor any debt payment activity during 2017 or 2016 was found.

**Payroll Cash Disbursements**

- 1. We haphazardly selected one payroll check for five employees from 2017 from the Year-to-Date Register and:
  - a. We compared the hours and pay rate, or salary recorded in the Year-to-Date Register to supporting documentation (legislatively approved rate or salary). We found no exceptions.
  - b. We inspected the Year-to-Date Register to determine whether the fund and account code to which the disbursement was posted were reasonable based on the employee's personnel file. We also inspected the Year-to-Date Register to determine whether the payment was posted to the proper year. We found no exceptions.
- 2. For all employees selected in procedure 1 we compared the following information in the employee's personnel files was consistent with the information used to compute gross and net pay related to this disbursement:
  - a. Name
  - b. Authorized salary or pay rate
  - c. Department and fund to which the disbursement should be charged
  - d. Retirement system participation and payroll withholding
  - e. Federal, State & Local income tax withholding authorization and withholding
  - f. Any other deduction authorizations (deferred compensation, etc.)

We found no exceptions related to procedures a. – f. above.

- 3. We inspected the last remittance of tax and retirement withholdings for the year ended December 31, 2017 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 2017. 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 & Medicare	January 31, 2018	January 26, 2018	\$13,500	13,500
State income taxes	January 31, 2018	December 20, 2017	1,884	1,884
OPERS retirement	January 31, 2018	January 26, 2018	17,973	17,973

### Non-Payroll Cash Disbursements

We haphazardly selected ten disbursements from the Expense Audit Trail Report for the year ended December 31, 2017 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 Expense Audit Trail Report 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

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, in addition to filing extensions granted for extenuating circumstances, allow for refiling complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System for December 31, 2017 and 2016 fiscal year ends included in 2015-2016 or 2016-2017 agreed up on procedure engagements, subsequent to the Center's deadline where the initial filing was filed on time but incomplete. We confirmed the Center filed their complete financial statements, as defined by AOS Bulletin 2015-007 and Auditor of State established policy on March 23, 2018 and July 17, 2017 for the years ended December 31, 2017 and 2016, respectively, in the Hinkle system, which were not within the allotted timeframe.

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 Center'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 Center's receipts, disbursements and balances recorded in their cash-basis accounting records for the period June 28, 2016 to December 31, 2017, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.



**Dave Yost**  
Auditor of State

Columbus, Ohio

June 5, 2018

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# Dave Yost • Auditor of State

HEIGHTS – HILLSCREST COMMUNICATIONS CENTER

CUYAHOGA 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  
JUNE 19, 2018