



Dave Yost • Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Bay Area Council of Governments
Erie County
4918 Milan Road
Sandusky, Ohio 44870

We have performed the procedures enumerated below, which were agreed to by the Board of Directors and the management of the Bay Area Council of Governments, Erie County, Ohio (the Council), on the receipts, disbursements and balances recorded in the Council's cash basis accounting records for the years ended June 30, 2018 and 2017 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 June 30, 2018 and 2017 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Council. 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. North Point Educational Service Center (the Center) is custodian for the Council's deposits and therefore the Center's deposit and investment pool holds the Council's assets. We compared the Council's fund balance reported on its June 30, 2018 and June 30, 2017 Financial Detail Report to the balances reported in the Center's accounting records. We found no exceptions.
2. We agreed the July 1, 2016 beginning fund balance recorded in the Financial Detail Report to the June 30, 2016 balance in the prior year documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the July 1, 2017 beginning fund balance recorded in the Financial Detail Report to the June 30, 2017 balance in the Financial Detail Report. We found no exceptions.

Over-The-Counter Cash Receipts

We haphazardly selected ten over-the-counter cash receipts from the year ended June 30, 2018 and ten over-the-counter cash receipts from the fiscal year ended June 30, 2017 recorded in the duplicate cash receipts book and:

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

Debt

1. The prior agreed-upon procedures documentation disclosed no debt outstanding as of June 30, 2016.
2. We inquired of management, and inspected the Financial Detail Report for evidence of debt issued during 2018 and 2017 or debt payment activity during 2018 or 2017. No new debt issuances, nor any debt payment activity during 2018 or 2017 was found.

Non-Payroll Cash Disbursements

We haphazardly selected ten disbursements from the Financial Detail Report for the year ended June 30, 2018 and ten from the year ended June 30, 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 Financial Detail 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.

Other Compliance

Ohio Rev. Code Section 117.38 requires entities reporting pursuant to generally accepted accounting principles to file their financial information in the HINKLE system within 150 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 refile complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System for June 30, 2018 and 2017 fiscal year ends included in 2016-2017 or 2017-2018 agreed-upon procedure engagements, subsequent to the Council's deadline where the initial filing was filed on time but incomplete. 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 June 30, 2018 and 2017 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 Council of Government'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.

Bay Area Council of Governments
Erie County
Independent Accountants' Report on
Applying Agreed-Upon Procedures
Page 3

This report is to provide assistance in in the evaluation of the Council's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended June 30, 2018 and 2017, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping initial "D".

Dave Yost
Auditor of State

Columbus, Ohio

December 27, 2018

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BAY AREA COUNCIL OF GOVERNMENTS

ERIE 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
JANUARY 10, 2019**