



OHIO AUDITOR OF STATE
KEITH FABER



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BASIC AUDIT REPORT

Lorain County Economic and Industrial Development Corporation
Lorain County
226 Middle Avenue, 5th Floor
Elyria, OH 44035

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Lorain County Economic and Industrial Development Corporation, Lorain County, (the Corporation) for the years ended December 31, 2022 and 2021.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code Section 117.11(A). Because our procedures were not designed to opine on the Corporation's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Corporation's financial statements, transactions or balances for the years ended December 31, 2022 and 2021.

The Corporation's management is responsible for preparing and maintaining its accounting records and related documents. Our responsibility under Ohio Rev. Code Section 117.11(A) is to examine, analyze and inspect these records and documents.

We obtained written representations from the governing Board that the Corporation had no cash, assets, liabilities, revenues or expenses during the years ended December 31, 2022 and 2021. However, based on the results of our procedures, we found the following significant compliance issues to report.

Current Year Observations

1. **Ohio Rev. Code § 1724.05** provides, in part, that the Corporation shall prepare an annual financial report according to generally accepted accounting principles (GAAP) and shall be filed with the auditor of state within one hundred twenty days following the last day of the Corporation's fiscal year. The Corporation filed their December 31, 2021, Alternative Hinkle System Financial Statement Disclosure Report on June 1, 2022, which was not filed within one hundred twenty days of fiscal year end.

We recommend the Corporation file the Alternative Hinkle System Financial Statement Disclosure Report within one hundred twenty days of the fiscal year end.

2. **Ohio Rev. Code § 149.43(E)(2)** states all public offices shall adopt a public records policy in compliance with this section for responding to public records requests. In adopting a public records policy under this division, a public office may obtain guidance from the model public records policy developed and provided to the public office by the attorney general under section 109.43 of the Revised Code. Except as otherwise provided in this section, the policy may not limit the number of public records that the public office will make available to a single person, may not limit the number of public records that it will make available during a fixed period of time, and may not establish a fixed period of time before it will respond to a request for inspection or copying of public records, unless that period is less than eight hours.

The public office shall distribute the public records policy adopted by the public office under this division to the employee of the public office who is the records custodian or records manager or otherwise has custody of the records of that office. The public office shall require that employee to acknowledge receipt of the copy of the public records policy. The public office shall create a poster that describes its public records policy and shall post the poster in a conspicuous place in the public office and in all locations where the public office has branch offices. The public office may post its public records policy on the internet web site of the public office if the public office maintains an internet web site. A public office that has established a manual or handbook of its general policies and procedures for all employees of the public office shall include the public records policy of the public office in the manual or handbook.

The Corporation does not have a public records policy in place.

Failure to formally adopt a public records policy could result in the Corporation not responding to public records requests in accordance with the Ohio Revised Code.

3. **Ohio Rev. Code § 149.43(B)(2)** states, in part, “a public office shall have available a copy of its current records retention schedule at a location readily available to the public.” The Corporation did not have a formally adopted records retention schedule.

Failure to formally adopt a records retention schedule could result in the Corporation not maintaining records in accordance with the Ohio Revised Code.

4. **Ohio Rev. Code § 121.22(F)** states, in part, that every public body shall, by rule, establish a reasonable method whereby any person may determine the time and place of all regularly scheduled meetings and the time, place, and purpose of all special meetings.

The Corporation did not establish by rule a reasonable method whereby any person may determine the time and place of all regularly scheduled meetings and the time, place, and purpose of all special meetings.

The Corporation did not notify the public of the date, time and place of all regularly scheduled meetings and special meetings.

Failure to establish, by rule, a reasonable method whereby any person may determine the time and place of all regularly scheduled meetings and the time, place, and purpose of all special meetings and failure to notify the public of regular and special meetings could result in the Corporation being subject to significant penalties for breach of the Sunshine Laws. Ohio Rev. Code § 121.22(H) states, in part, that a resolution, rule, or formal action adopted in an open meeting is invalid if the public body that adopted the resolution, rule, or formal action violated division (F) of this section.

Current Status of Matters Reported in our Prior Engagement

5. The same matters reported in items 2, 3 and 4 above, were reported during the prior engagement period.

A handwritten signature in black ink that reads "Keith Faber". The signature is written in a cursive, flowing style.

Keith Faber
Auditor of State
Columbus, Ohio

October 16, 2023

OHIO AUDITOR OF STATE KEITH FABER



LORAIN COUNTY ECONOMIC AND INDUSTRIAL DEVELOPMENT CORPORATION

LORAIN 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 11/9/2023

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