



Annual Report

Fiscal Year 2011

Dave Yost
Auditor of State



Dave Yost • Auditor of State

The Honorable Governor John R. Kasich
The Honorable Secretary of State Jon Husted
The State Librarian Beverly Cain
The Citizens of Ohio

Dear Citizens of Ohio,

Since taking the oath of office as Ohio's 32nd Auditor of State on January 10, 2011, I am working everyday to bring a skinny, more accountable government to the State of Ohio. As one of five independently elected statewide offices under Ohio's Constitution, the Auditor of State's office strives for clean, accountable and efficient governments for those we serve.

This annual report for the 2011 fiscal year outlines the process by which the duties of this office have been carried out for Ohioans. This includes the responsibility of auditing more than 5,600 state and local government agencies. The office also provides financial services to local governments, investigates and prevents fraud in public agencies and promotes transparency in government.

You have given me a great honor and privilege in electing me to this important office. To fulfill my duty to you, I pledge:

- To conduct myself with fairness, independence and integrity;
- To hold myself, my staff and audited governments to high standards of which every Ohioan can be proud;
- To review the collection and expenditure of taxpayer dollars, protecting against fraud, misuse and waste;
- To assist every Ohioan in understanding and reviewing the duties and operations of their governments; and
- To put the United States and Ohio constitutions and the duties of my office above the loyalties of any outside interests.

I will never forget that our government, laid out in the state and federal constitutions, is an instrument meant to enable each one of us to fulfill our duty to God, family and country. So long as I hold office, I will help make sure that state and local government works for the citizens of Ohio, not the other way around.

Sincerely,

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

Dave Yost, Auditor of State

Our Mission

The Auditor of State's office strives for clean, accountable and efficient governments for those we serve, the people of Ohio.

We are professionals.

We work under objective standards, driven by numbers and facts without regard to politics.

Every day, we work to achieve truth in a smarter, streamlined government.

Working for Skinnier, Smarter Government



TIGHTENING OUR BELT & SAVING TAXPAYER DOLLARS

- Auditor Dave Yost is saving taxpayers over **\$1 million** in the renegotiation of lease contracts and review of agency operations.
- Auditor Dave Yost championed state legislation to require that state agencies undergo specialized performance audits to identify savings and eliminate waste. Since 2007, performance audits conducted by the Auditor of State's office have resulted in potential savings of \$23.00 for every audit dollar spent. **Senate Bill 4** was enacted into law April 5, 2011.
- We've encouraged local governments to have performance audits by working with legislative leaders to establish the **Leverage, Efficiency, Accountability and Performance (LEAP) Fund**, used to advance the costs of an audit. Costs must be repaid in one year.
- Recognizing that it is time for finding new ways of doing business, Auditor Yost advocated for the passage of legislation to break down barriers in current law that prevent local governments from joining together to share services or form a single, lower-cost government.
- To assist local communities with streamlining operations, Auditor Yost established an online clearinghouse to share best practices. Visit skinnyOhio.org.

FINDING AND FIGHTING FRAUD

- Auditor Yost and his team conduct nearly 4,000 audits per year. In the last biennium, the Auditor's office issued approximately \$8.5 million in findings for recovery for misspent or stolen public money.
- Through our special audits and a special investigations unit, in the past two years, the office has performed 69 special audits with \$10.2 million in findings for recovery.
- Auditor Yost has called for greater transparency in Ohio's governments by offering best practices for how to comply with Ohio's sunshine laws.

updated as of July 14, 2011

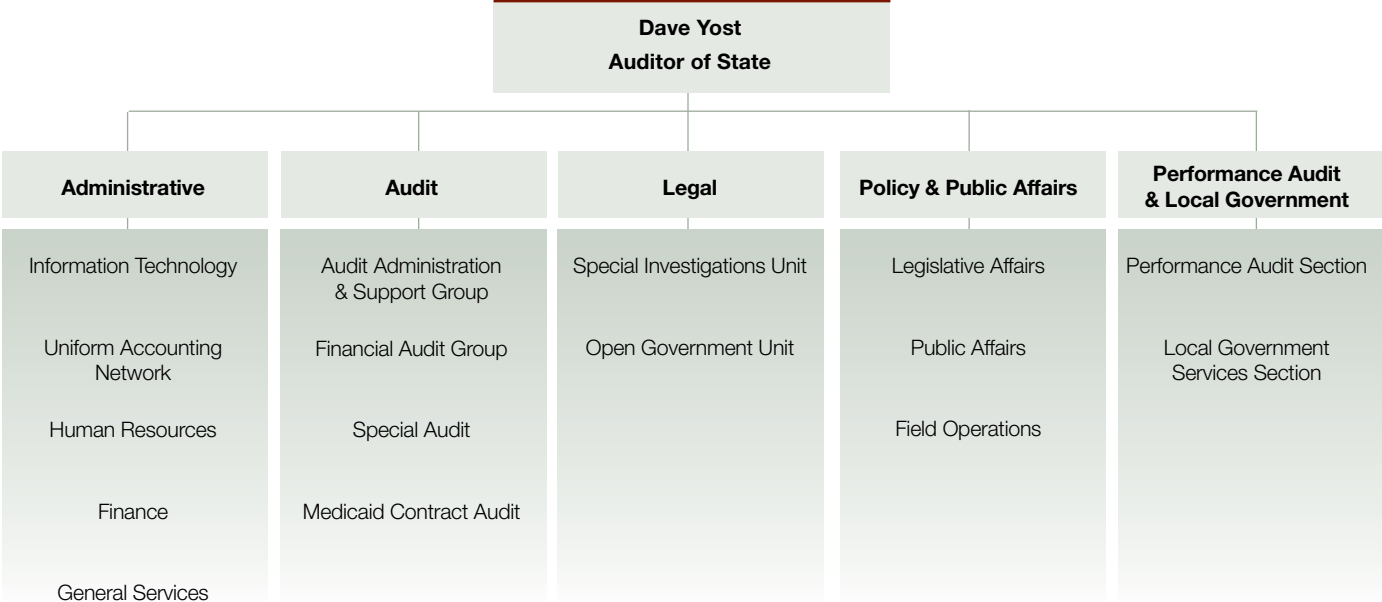
Table of Contents

Annual Report Fiscal Year 2011

Office of the Auditor of State	1
Letter from Auditor Dave Yost	
Mission and Accomplishments	
Organizational Chart	5
Audit Division	7
Audit Administration and Support Group	
Financial Audit Group	
Special Audit Section	
Medicaid/Contract Audit Section (MCA)	
Performance Audit and Local Government Services Division	10
Performance Audit Section	
Local Government Services Section	
Ohio Performance Team	12
Legal Division	14
Special Investigations Unit	
Open Government Unit	
Policy and Public Affairs Division	16
Legislative Affairs	
Public Affairs	
Field Operations	
Administrative Division	18
Information Technology	
Uniform Accounting Network (UAN)	
Human Resources Division	
Office Contact Information	20



Organizational Chart





Audit Division

The Auditor of State is the constitutional officer responsible for auditing all public offices in Ohio. This includes cities, towns, villages, schools, universities, counties, fire districts, townships, cemeteries, libraries, state and county agencies, and commissions. The Audit Division is charged with the duty of verifying that public funds are spent appropriately and lawfully.

The Audit Division is managed by the chief deputy auditor. The division is made up of several smaller sections including the Audit Administration and Support Group, the Financial Audit Group, the Special Audit Section and the Medicaid/Contract Audit Section. These sections work together to carry out the mission of the Audit Division.

The Auditor of State's office employs more than 600 auditors. In addition to the auditors located at the main office in Columbus, staff is located in eight regional offices in Athens, Canton, Cincinnati, Cleveland, Columbus, Dayton, Toledo and Youngstown. In addition to these eight regional offices, the State Region (also located in Columbus) audits state offices, boards, commissions and agencies.

AUDIT ADMINISTRATION AND SUPPORT GROUP

The Audit Administration and Support Group is made up of the following sections: Quality Assurance Section; Accounting and Auditing Support Section; and the Auditing Administration Section. The responsibility for these sections is to develop auditing standards of practice based upon national standards and Ohio law and to develop guidelines to ensure that all employees working for the Auditor of State are up to date on these standards. This group also is charged with ensuring that all audits are performed in a manner that complies with all auditing standards. Finally, this group is responsible for contracting with the Independent Public Accountants (IPAs) who handle some of the audits performed.

FINANCIAL AUDIT GROUP

The Financial Audit Group is responsible for conducting financial audits of all public entities as required under Ohio law. Generally, the Auditor of State's office is required to perform these financial audits at least once every two fiscal years. The office must review the methods, accuracy and legality of the accounts, financial reports, records and files of all public entities. It is the responsibility of the Financial Audit Group to determine whether or not the entity has complied with the law, rules, ordinances and orders pertaining to the office. There are over 600 members of the Financial Audit Group and while they are headquartered in the eight regional offices, they spend most of their time in the field at the site of the local audits.

The Auditor of State's office released 4,011 audit reports over the period of July 1, 2010 through June 30, 2011. Findings for recovery were issued in 164 of these audits, and the total amount of findings for recovery issued was \$5,796,768.02. Out of the 4,011 audits released by the Auditor of State's office, 42% were conducted by an Independent Public Accounting (IPA) firm.

One of the highlights of the 2011 fiscal year includes the increase of Agreed-Upon Procedure (AUP) financial audits. This type of specialized audit report, based on specific procedures, allows for lower audit costs and reduced audit billed hours while continuing to provide accountability for the public dollars they receive and expend. AUP audits can be conducted for smaller governments that meet certain criteria and historically have clean audits. Under this policy, issued on November 24, 2009, a government may not go more than two audit cycles without having a financial statement audit performed, but could return to an AUP audit in the year following a regular financial audit.

Over the course of the fiscal year, 1,050 Agreed-Upon Procedure audits were completed by the Auditor of State's office. In comparing the 2011 fiscal year to previous year audits, \$611,039.54 in tax dollars were saved in audit

costs, a 46.33% reduction. This includes 3,011.5 fewer billed hours by auditors, a 50.05% reduction.

Costs also have been reduced for financial audits conducted by Auditor of State employees. During the 2011 fiscal year, financial audit billed amounts were reduced by \$804,046.53, a 2.7% reduction from the previous year's audits. Billed hours for audits were reduced by 38,860 hours, which is a 4.93% reduction from the previous year's audits.

SPECIAL AUDIT SECTION

The Auditor of State occasionally conducts special audits of state and local government subdivisions and private organizations which receive public funds. A special audit is a limited scope examination of financial records and other information designed to investigate allegations of fraud, theft or misappropriation of public funds -- or to quantify the extent of alleged fraud, theft or misappropriation. The Special Audit Section consists of one Audit Manager (AM), three Senior Audit Managers (SAMs), an Assistant Chief Auditor (ACA) and a Chief Auditor (CA).

During the period of July 1, 2010 through June 30, 2011, the Auditor of State's Special Audit Section released 33 audit reports, 11 of which were SA1's and 22 were SA2's. SA1 reports are special audit reports, while SA2 reports are financial audit reports that report findings for recovery related to alleged theft of public funds. Of the 11 SA1 reports released, \$3,984,784 in findings for recovery were issued. Of the SA2 audit reports, findings for recovery in the amount of \$415,524 were issued.

MEDICAID/CONTRACT AUDIT SECTION (MCA)

With Medicaid absorbing 30% of Ohio's annual state budget, the Medicaid Contract Audit Section is dedicated to ensuring that Ohio's Medicaid dollars are not illegally

spent or wasted by those working under contracts with state agencies. The Medicaid Contract Audit Section employs 25 professionals with statewide jurisdiction to audit Medicaid providers in order to combat fraud, waste and abuse. This work supplements the audit efforts of other state agencies and is governed by interagency agreements with these agencies. The Medicaid Contract Audit Section is also an active member of an interagency Medicaid integrity team tasked with combating fraud, waste and abuse in Ohio.

The Medicaid/Contract Audit Section presently performs work under three interagency agreements:

1. An interagency agreement with the Ohio Department of Job and Family Services to perform audits and reviews of Medicaid providers;
2. An interagency agreement with the Ohio Department of Developmental Disabilities to perform agreed upon procedures audits of cost reports of County Boards of Developmental Disabilities and Councils of Government involving Medicaid expenditures for waiver services under the Home and Community-Based Services program; and
3. An interagency agreement with the Ohio Department of Mental Health to perform agreed upon procedures audits of cost reports of Community Support Networks involving Medicaid expenditures for specialized behavioral health care services as part of Ohio's Integrated Behavioral Healthcare System.

During the 2011 fiscal year, the Auditor of State's office completed four Medicaid provider audits and issued \$1,800,734 in findings for recovery. MCA also released AUP field audits of 46 Department of Developmental Disability (DODD) county boards and 12 DODD Councils of Government. The Auditor of State's office conducts audits of the Ohio Department of Mental Health Community Health Networks, and in the 2011 fiscal year, 4 AUP field audits were released.



Performance Audit and Local Government Services Division

Performance Audit Sections (PAS) and The Local Government Services (LGS) help local governments improve the management of internal and external services, increase efficiency and effectiveness, and reduce waste. Our strong partnerships with local governments ensure that assistance is targeted, appropriate and feasible for local government clients.

PERFORMANCE AUDIT SECTION

The Performance Audit Section focuses on economy, efficiency and effectiveness in public-sector entities. Audits can help identify areas of inefficiency or low effectiveness and provide recommendations for corrective action. By law, the Auditor of State is authorized to conduct a performance audit for any school district or local government in fiscal caution (school districts only), fiscal watch, or fiscal emergency. Audit results help entities in fiscal distress improve the cost effectiveness of operations and resolve their financial difficulties. The Auditor of State also conducts performance audits upon request for those government entities at all levels that are seeking additional feedback on operations or ideas for future cost savings and service improvement.

15 Performance Audits issued during FY 2011

310	Recommendations
\$27.3 million	Potential Savings
Average Return on Investment: \$36.70 for every dollar spent to audit	

Accomplishments

In the past fiscal year (FY2011), PAS released 15 performance audits, while an additional 15 audits are currently in progress and 29 are pending (12 LEAP clients, seven new school districts and 10 client requests).

After the passage of Senate Bill 4 (SB 4), PAS successfully launched the Leverage for Efficiency, Accountability and Performance (LEAP) Fund program. The LEAP Fund creates a rotary fund of \$1.5 million to advance the costs of performance audits to local governments. Funds will be repaid the following year from the savings reaped from the audit's recommendations and sown again into new performance audits. Thirteen local government entities applied for LEAP funds in the first round. Of these applicants, six were awarded, with six deferred for consideration in the second half of the fiscal year.

Thanks to passage of SB 4 and an Ohio Department of Education earmark for fiscally distressed school districts in the biennial budget, the revenue stream is in place to fund PAS without major subsidy from the General Revenue Fund for the first time in the history of the section.

In an effort to drive leaner performance and more effective operations, the division has embraced Six Sigma training – an initiative with a strong track record of success in both the private and public sectors focused on providing increased value to customers through improved products, processes and services. To date, 16 PAS managers have completed or are currently receiving Six Sigma training. The first practical application of this training led to the streamlining of the performance audit review process that was then successfully implemented for the Butler County and Portsmouth School District audits.

The section also has focused on communicating the value of performance audits and the expertise of the Auditor of State's office to outside groups. During the past fiscal year, staff made presentations to the following groups and organizations:

- County Auditors Association of Ohio
- Ohio Township Association
- Ohio Association of Boards and Commissions
- Holmes County

Mayors Association of Ohio

Ohio Association of Public Treasurers

An important part of the section focus is promoting effective and efficient governments across Ohio. Online communication is a critical aspect of this effort. To that end, a shared services idea center was developed as part of the Auditor of State Web site that highlights shared services and collaborations across the state. More than 600 records have been entered to date.

PAS also provided research and resources for a new Web site, skinnyOhio.org. The site, developed and managed by the Auditor of State's office, serves as an online clearinghouse which gathers the best practices in critical areas gleaned from performance audits and makes them available online so that a wider audience may benefit.

Lastly, as part of the effort to apply the same principles and standards to our office as we do to our clients, PAS assisted in the development and evaluation of a Request For Proposal and selection process for the first-ever performance audit of the Auditor of State's office. The performance audit is expected to be completed in the first quarter of fiscal year 2012.

LOCAL GOVERNMENT SERVICES SECTION

The Local Government Services Section (LGS) serves as a consulting and fiscal advisory group to all governmental agencies and subdivisions. It provides an array of services including, but not limited to, financial forecasts, GAAP conversion assistance, annual financial report processing, record reconstruction and reconciliation, fiscal watch or emergency assistance, and financial management training for elected officials. Publications such as accounting manuals and policy bulletins are distributed to assist local governments in performing their duties and to keep them up to date on their statutory and accounting requirements.

Accomplishments

During the past fiscal year, the LGS section assisted local governments in the preparation of 320 annual financial reports. This included 59 Comprehensive Annual Financial Reports (CAFRs), 179 Basic Financial Statements (BFS), 39 supervision engagements (both CAFR and BFS) and 43 cash basis statements. In addition, among other projects, they responded to 120 fund request inquiries from local governments.

LGS also assisted in the release of three school districts (Youngstown City, Jefferson Township Local, and East Cleveland City) from the Fiscal Emergency designation, the declaration of two school districts into Fiscal Emergency (Little Miami Local and Ledgemont Local) and the declaration of one school district (Liberty Local) into Fiscal Watch.

Five municipalities were designated as being in Fiscal Emergency under Chapter 118 (City of Mansfield, and the Villages of Bethel, Lakemore, Leipsic and Fort Shawnee). LGS serves as fiscal supervisor to entities in fiscal emergency, providing financial counsel to both the local government and the oversight commission in recovery efforts.

As part of the state budget process, the section assisted in the development of the Local Government Toolkit. This included significant changes within Chapter 118 which addresses fiscal distress for municipalities, counties and townships. These changes will create an early warning system for local governments on the verge of fiscal distress and allow for more oversight and earlier intervention to assist these entities in their recovery.

LGS also provided research data and examples for the development of merger guidelines included in the toolkit and participated in a working group to research and develop fiscal stress test indicators.

Ohio Performance Team

The section was involved in both external and internal training, including hosting the 2011 Local Government Officials' Conference, a two-day conference aimed to further develop fiscal officers' and other local officials' expertise in government accounting, budgeting and financing, legal compliance, ethics requirements and Ohio's open government laws. LGS also hosted the Fall Commercial Paper Training and the Fall Village Fiscal Officer Training. Internal training included semi-annual staff training for all staff in August 2010 and January 2011, and Six Sigma Champion training for the Chief of LGS.

A number of publications were produced, including advisory bulletins on Tax Increment Financing and the annual Consumer Price Index update bulletin. Additionally, the Village Officers' Handbook, the Ohio Township Handbook, the Uniform School Accounting System User Manual, the Ohio County Treasurers Manual and the Guidelines for Developing Policies for Student Programs were all updated. Work continues on the GASB 54 Bulletin which will be issued in late summer.

This past fiscal year, section staff made presentations to the Ohio Township Association, the Ohio Government Finance Officers Association, Ohio Association of Public Treasurers, the Ohio Municipal Clerks Association Spring Conference and the County Auditor's New Auditor Seminar. LGS was involved in the Treasurer of State CPIM Program, the Midwestern Intergovernmental Audit Forum, and the Ohio School Board Treasurer's Clinics and Capital Conference. Staff also made presentations to Butler County and the firm of Mean, Bichimer, Burkholder and Baker, LLP.

On April 5, 2011, Senate Bill 4 was signed into law and gave the Auditor of State's office the opportunity to change the way Ohio government does business. This legislation requires that the Auditor of State's office conduct performance audits of state agencies to streamline agency operations and ensure optimal use of tax dollars.

To meet this new legislative responsibility, Auditor Yost has created a new, innovative team – the Ohio Performance Team (OPT). Team members will conduct in-depth reviews of state agencies to help “skinny down” operations and increase efficiency and accountability.

The Ohio Performance Team is made up of twelve professionals with a blend of government and industry backgrounds and in-depth experience in research, operations and management. With the help of two Six Sigma Master Black Belt executives, the Six Sigma methodologies will be one of the many tools used to drive innovation and cultural change within the team, the auditor's office and the client agencies they engage.

Unlike traditional audits which look backward on activity in the past, OPT functions more like a consulting group in its proactive, forward focus. OPT will seek to develop recommendations that provide detailed steps toward improving performance, steps that can generate real change within the organization and offer clear benefits for the ultimate customer – the taxpayer.

The first round of agencies to be audited in the coming biennium includes the Ohio Department of Transportation, the Ohio Department of Education, the Ohio Department of Job and Family Services and the Ohio Housing Finance Agency.



Legal Division

The Auditor of State's Legal Division serves as legal counsel to the auditor and all assistants, as well as housing the Open Government Unit and Special Investigations Unit. The legal staff consists of the Chief Legal Counsel, Deputy Chief Legal Counsel, three Assistant Deputy Counsels and skilled paralegals. The legal staff helps public offices comply with state and federal requirements and assists in determinations of whether or not an audit client is complying with all applicable laws. Such advice can be found in bulletins, informal opinions, and at Auditor of State conferences.

The Legal Division also provides continuing education to elected officials and government employees through specific training programs and conferences on government issues. The Auditor of State's office facilitates an annual Local Government Officials Conference that provides legal updates and training to various units of local governments. On May 16-17, 2011, Auditor of State Dave Yost welcomed over 600 participants to the 11th Annual Emerging Trends in Fraud Investigation and Prevention Conference in Columbus. Conference sessions were presented by highly-trained anti-fraud specialists, and Auditor Yost offered his own workshop on circumstantial evidence.

The Legal Division has the responsibility for tracking public money that is discovered, missing, misappropriated or stolen and is the subject of a finding for recovery against individuals named in audit reports. A finding against an individual or company disqualifies them from entering into a public contract in the state. From July 1, 2010 through June 30, 2011, these totals are as follows:

Audits w/FFR* Released By Type	Total Findings Issued	
<small>7/1/2010 through 6/30/2011</small>		
Agreed Upon Procedures	11	\$40,498.18
Financial Audits	143	\$1,772,946.84
Special Audits	10	\$3,983,323.00
Total Audits Released	164	\$5,796,768.02
<small>7/1/2010 through 6/30/2011</small>		

*Findings for Recovery

SPECIAL INVESTIGATIONS UNIT

The Auditor of State's investigative staff is also under the management of the Chief Legal Counsel. Led by the chief of investigations, the Special Investigations Unit (SIU) works to aggressively root out fraud and public corruption. The SIU is involved in the collection, review and decision-making processes involving all complaints of a criminal nature. The units' objective is to reduce and recover the loss of public funds attributable to theft, embezzlement or fraud by prioritizing those cases that constitute criminal conduct.

The SIU works closely with the Auditor of State's Special Audit Division and Financial Audit Division and also promotes a coordinated effort with local, state and federal government and law enforcement officials to combat public corruption in Ohio. The investigations often result from reports of wrong-doing by the public who contact the toll-free Fraud Hotline. Other investigations result from information uncovered by auditors in the field. In the 2011 fiscal year, 436 reports of suspected fraud were received and acted upon by the unit.

OPEN GOVERNMENT UNIT

The Open Government Unit was created by the Auditor of State in February 2003. The unit serves local officials and citizens by providing training and resources to help them better understand their rights and obligations under the Ohio Public Records Act and the Ohio Open Meetings Act. The unit has a full-time attorney and a full-time paralegal to serve as the office's experts on public records and open meetings.

At the request of local officials, the office offers training seminars and other educational resources on the Sunshine Laws. In cooperation with the Ohio Attorney General, mandatory training for local elected officials concerning

Ohio's public records laws is offered periodically. In addition, the Auditor co-publishes the "Yellow Book" which contains public records and public meetings laws. During the period of July 1, 2010 and June 30, 2011, the Auditor of State's office sponsored 24 Certified Public Records Trainings attended by 1,207 local government officials or their designees. Also, during that time, the office received 1,010 requests for public records and 397 inquiries from the public.

The Open Government Unit is responsible for processing each deed that is to be signed by the governor regarding state property. In the last fiscal year, a total of 37 deeds were prepared for the governor's signature.



Policy and Public Affairs Division

The Policy and Public Affairs Division is responsible for furthering the Auditor of State's mission of effective and efficient government through policy initiatives, internal and external communications, public relations and media outreach.

LEGISLATIVE AFFAIRS

The Legislative Affairs Section serves as a link between the Auditor of State's office and the Ohio General Assembly. Staff in this section communicates the duties and needs of the office to state legislators, and also provides legislators with the necessary information to make well-informed decisions on legislation affecting the Auditor of State's office.

Senate Bill 4

Since taking office, Auditor Yost partnered with legislative leaders and championed a new law expanding the use of performance audits. Senate Bill 4 requires four state departments to receive performance audits each biennium. State departments to receive the first performance audits under SB 4 are Jobs and Family Services, Education, Transportation, and the Ohio Housing Finance Agency. These performance audits will bring much needed efficiency to state government and save millions of taxpayer dollars in the process.

Leverage for Efficiency, Accountability, and Performance (LEAP) Fund

The LEAP Fund, established in Senate Bill 4, creates a rotary fund of \$1.5 million to advance the costs of performance audits to local governments. Funds will be repaid the following year from the savings reaped from the audit's recommendations and sown again into new performance audits. Commencing in FY 12, LEAP funds will become available to local governments committed to increased efficiency and better use of taxpayer dollars.

PUBLIC AFFAIRS

The Public Affairs Section serves as a liaison between the Auditor of State's office and the news media. The section is responsible for all internal and external communications and publications. Public Affairs also issues news releases and manages the content of the office's Web site, ensuring that the public at large - through the news media and the Internet - has timely, accurate information about the activities of the office.

SkinnyOhio.org

SkinnyOhio.org, a creation of Auditor Yost's, shares ideas and best practices from performance audits conducted across Ohio and nationally. Performance audits are a proven resource in the effort to drive efficient and effective government. As an online clearinghouse, skinnyOhio.org gathers the best practices from performance audits and makes them available online so a wider audience may benefit.

FIELD OPERATIONS

Each of the eight regional offices of the Auditor of State's office has a regional liaison. Collectively, these liaisons make up the staff of Field Operations. The main role of the regional liaisons is to serve as a link between the Auditor of State's office and the general public, local officials and constituents. The regional liaisons are located in the Akron, Athens, Cincinnati, Cleveland, Columbus, Dayton, Toledo, and Youngstown regions.

Regional liaisons work hand-in-hand with both the Public Affairs and Legislative Sections to deliver good government ideas for the benefit of taxpayers. For example, the regional liaisons are responsible for informing local government officials about the benefits of applying for LEAP funds to streamline efficiencies. The liaisons also work to bring the valuable insights of skinnyOhio.org to local government officials.

Regional Advisory Board (RAB)

Regional liaisons play a major role in the creation of Regional Advisory Boards (RAB). RAB's are comprised of a diverse group of regional leaders that provide valuable insight and suggestions to Auditor Yost. Currently, there are four RAB's in various regions across Ohio that meet semiannually.



Administrative Division

INFORMATION TECHNOLOGY

Information Technology (IT) develops and maintains the technology in the Auditor of State’s office (AOS). Because a significant number of Auditor of State employees regularly work off-site, it is important that they have convenient and timely access to the office’s computer network.

In the spring of 2010 the IT department implemented “TeamMate,” a software program that allows the use of electronic work papers. By moving to an electronic system, our audit team is able to quickly share information across the state. This allows for a more efficient review process. A major benefit of “TeamMate” is the office is becoming less reliant on paper. Each month, the AOS would receive 110 audit boxes averaging 2,500 pieces of paper to process and store. That is over 3,300,000 pieces of paper a year that is now stored all electronically. IT ensures that the office’s computer systems are functioning properly and all employees are able to access the information they need to efficiently perform their duties.

In February 2011, the IT department began utilizing a data warehouse which has streamlined the process for electronic billing. Audit managers are able to quickly view the billing of each audit and make comparisons to the amount budgeted. The data warehouse has increased our ability to effectively improve our project management.

UNIFORM ACCOUNTING NETWORK (UAN)

The Uniform Accounting Network (UAN) is a computerized, integrated financial management and information system serving local governments. The program is administered by the Auditor of State’s office and provides townships, villages and libraries with a complete computer system (hardware and software), along with training and support.

The Auditor of State provides in-house training for local governments in our Columbus office. Starting in August 2010, the AOS began hosting online trainings. Trainings are now readily available to users, and local governments are able to see cost savings since travel expenses are eliminated.

There are two major components of the UAN integrated computer system: an accounting system and a payroll system. These and other additional applications help reduce the clerical burden associated with managing the finances of local government. At present, more than 1,800 Ohio townships, villages, public libraries and special districts are using UAN in their daily operations. Organized record keeping of local governments results in lower audit costs by reducing the amount of hours needed for each audit.

Current UAN Membership

	UAN Total of Entity Type	State Total of Entity Type	% of Entities within State on UAN
Townships	1,154	1,310	88%
Villages	432	709	61%
Libraries	136	268	51%
Special Districts	87	582	15%
Totals	1,809	2,869	63%

Members of UAN were recently able to take advantage of a rate freeze holiday. From April 1, 2010 to June 30, 2011, a fifteen month period, a User Fee holiday was in place. From July 1, 2009 to June 30, 2011, 24 months, participants enjoyed a Hardware Surcharge holiday. These holidays froze the participant fees at certain levels and saved UAN users over \$5 million during this time period.

HUMAN RESOURCES DIVISION

Training and Recruitment

This section of Human Resources is responsible for recruiting prospective auditors for the Auditor of State's office. As the largest public auditing firm in Ohio, we are often searching for new auditors and visit college campuses and job fairs to educate potential employees on the benefits of joining the office. This section also sees that each new auditor is assigned to a senior auditor, or sponsor, who guides them through a 30-day training program developed by the office.

Continuing Professional Education (CPE)

Our audit teams are required to earn 80 hours of CPE every two years. Accounting and Auditing trainings, or A & A's, are held twice a year in each of the eight regions to provide our auditors with the most up-to-date information while they are in the field accounting for tax dollars. The semiannual A & A's consist of the lion's share of the CPE hours, and in a cost-cutting move, the training department provides the remaining hours via various webinars throughout the course of each year. In addition to the regional trainings, our state performance audit team, local government services, and state audit division receive extensive training to fulfill the CPE requirements.

The Auditor of State's training department provides local entities annual training at four major conferences.

Local Government Officials Conference

Over 600 local government officials receiving advanced training for their specific type of local government.

Village Officer Trainings

Each fall, there are 5 trainings in each region of the state where nearly 400 village officers receive financial training.

Community School Training

Fiscal officers, board members, and administrative leaders attend this 8-hour course each August.

Fraud Conference

This annual event hosts over 600 attendees that learn the latest measures in fraud detection and prevention.

Independent Public Accountants also receive training developed by the Auditor of State in conjunction with the Ohio Society of Certified Public Accountants. This one-day conference covers popular topics with a focus on the ever-changing world of government accounting requirements.



Ohio Auditor of State's Office Contact Information

Administration

88 E. Broad Street
Columbus, Ohio 43215

Phone: 800-282-0370
Fax: 614-466-4490

Email: contactus@auditor.state.oh.us

Special Investigations Unit (SIU)

Phone: 866-FRAUD-OH (866-372-8364)
Fax: 614-644-4312

Local Government Services (LGS)

Phone: 800-345-2519
Fax: 614-728-8027

Uniform Accounting Network (UAN)

Phone: 800-833-8261
Fax: 877-727-0088



Toledo	419-245-2811 or 800-443-9276	Fax: 419-245-2484
Akron/Canton	330-438-0617 or 800-443-9272	Fax: 330- 471-0001
Cleveland	216-787-3665 or 800-626-2297	Fax: 216-787-3361
Youngstown	330-797-9900 or 800-443-9271	Fax: 330-797-9949
Dayton	937-285-6677 or 800-443-9274	Fax: 937-285-6688
Columbus/State	614-466-3402 or 800-443-9275	Fax: 614-728-7199
Athens	740-594-3300 or 800-441-1389	Fax: 740-594-2110
Cincinnati	513-361-8550 or 800-368-7419	Fax: 513-361-8577



Dave Yost

Auditor of State

Auditor of State of Ohio

88 East Broad Street

Columbus, Ohio 43215

Phone: 614-466-4514

Toll Free: 800-282-0370

Fax: 614-466-4490

www.auditor.state.oh.us