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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Maumee Valley Planning Organization
Defiance County
1300 East Second Street, Suite 200
Defiance, Ohio 43512-2485

We have performed the procedures enumerated below, with which the Board of Commissioners and the management of Maumee Valley Planning Organization, Defiance County, Ohio (the Organization), agreed, solely to assist the Board in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2011 and 2010, and certain compliance requirements related to these transactions and balances. Management is responsible for recording transactions; and management and the Board are responsible for complying with the compliance requirements. 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*. 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 held by Fiscal Agent

1. As permitted by the Ohio Revised Code, the Fulton County Treasurer is custodian for the Organization's General Fund, Small Business Development Center (SBDC) Fund and Ohio Public Works Commission (OPWC) Fund deposits. The County's deposit and investment pool holds the Organizations assets for these funds. We therefore confirmed the Organization's bank account balances with the Fulton County Treasurer. The amounts agreed.
2. We agreed the January 1, 2010 beginning fund balances recorded in the Cash Accts Transaction Ledger to the December 31, 2009 balances in the prior year audited statements. We found no exceptions.

Cash held by Financial Institution

1. As permitted by the Ohio Revised Code, the Organization holds deposits for the Microenterprise and Daycare Funds with a financial institution. We tested the mathematical accuracy of the December 31, 2011 and December 31, 2010 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2010 beginning fund balances recorded in the Account Detail Report to the December 31, 2009 balances in the prior year audited statements. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2011 and December 31, 2010 fund cash balances reported in the Account Detail Reports. The amounts agreed.

4. We confirmed the December 31, 2011 bank account balance with the Organization's financial institution. We found no exceptions. The balance agreed. We also agreed the confirmed balances to the amounts appearing in the December 31, 2011 bank reconciliation without exception.

Contract Service Fees

1. We haphazardly selected 10 General Fund collection cash receipts from the year ended December 31, 2011 and 10 General Fund collection cash receipts from the year ended December 31, 2010 recorded in the Revenue Transaction Ledger and determined whether the:
 - a. Receipt amount per the Revenue Transaction Ledger agreed to the amount recorded to the credit of the customer's account in the Contract Revenue Ledger Spreadsheet. The amounts agreed.
 - b. Amount charged for the related billing period:
 - i. Agreed with the debit to accounts receivable in the Contract Revenue Ledger Spreadsheet for the billing period. We found no exceptions.
 - ii. Complied with rates in force during the audit period. We found no exceptions.
 - c. Receipt was posted to the proper fund, and was recorded in the year received. We found no exceptions.
2. We read the Contract Revenue Ledger Spreadsheet.
 - a. We noted this report listed \$1,000 and \$64 of accounts receivable as of December 31, 2011 and 2010, respectively.
 - b. Of the total receivables reported in the preceding step, no amounts were recorded as more than 90 days delinquent.

Intergovernmental and Other Confirmable Cash Receipts

1. We confirmed the amounts paid from the Ohio Department of Development in 2011. We found no exceptions.
 - a. We determined whether these receipts were allocated to the proper fund. We found no exceptions.
 - b. We determined whether the receipts were recorded in the proper year. We found no exceptions.
2. We confirmed the amounts paid from the Toledo Chamber of Commerce in 2010. We found no exceptions.
 - a. We determined whether these receipts were allocated to the proper fund. We found no exceptions.
 - b. We determined whether the receipts were recorded in the proper year. We found no exceptions, except for the December 2010 payment from the Toledo Chamber of Commerce was recorded by the Organization in 2011.

3. We confirmed the amounts paid from the Ohio Public Works Commission (OPWC) in 2011 and 2010. We found no exceptions.
 - a. We determined whether these receipts were allocated to the proper fund. We found no exceptions.
 - b. We determined whether the receipts were recorded in the proper year. We found no exceptions.

Debt

1. From the prior audit documentation, we noted the following loan outstanding as of December 31, 2009. This amount agreed to the Organization's January 1, 2010 balances on the summary we used in step 3.

Issue	Principal outstanding as of December 31, 2009:
Fifth Third Bank Loan	\$10,282

This debt was retired as of December 31, 2011, however, Ohio Attorney General Opinion 79-018 provides that a regional planning commission is not authorized to incur debt, rather RC 713.21 contemplates that it will spend only such money as it receives. Furthermore, RC 713.23 limits its activities regarding the financing of capital projects to preparing plans and studies.

2. We inquired of management, and scanned the Revenue Transaction Ledger and Expense Transaction Ledger for evidence of debt issued during 2011 or 2010, and for debt payment activity during 2011 or 2010. All debt noted agreed to the summary we used in step 3 and we noted no new debt issuances
3. We obtained a summary of loan debt activity for 2011 and 2010 and agreed principal and interest payments from the related debt amortization schedule to General Fund payments reported in the Vendor Audit Trail Report. We also compared the date the debt service payments were due to the date the Organization made the payments. We found no exceptions.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2011 and one payroll check for five employees from 2010 the Payroll Transmittal Reports and:
 - a. We compared the hours and pay rate, or salary recorded in the Payroll Transmittal Report to supporting documentation (timecard or legislatively-approved rate or salary). We found no exceptions.
 - b. We determined whether the fund and account code(s) to which the check was posted were reasonable based on the employees' duties as documented in the payroll records. We also determined whether the payment was posted to the proper year. We found no exceptions.
2. For any new employees selected in step 1 we determined whether the following information in the payroll records was consistent with the information used to compute gross and net pay related to this check:
 - a. Name

- b. Authorized salary or pay rate
- c. Department(s) and fund(s) to which the check should be charged
- d. Retirement system participation and payroll withholding
- e. Federal, State and Local income tax withholding authorization and withholding
- f. Any other deduction authorizations (deferred compensation, etc.)

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

3. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2011 to determine whether remittances were timely charged by the fiscal agent, Fulton County, and if the amounts charged agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding, period of 2011. We noted the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare	January 31, 2012	January 6, 2012 and December 20, 2011	\$2,001.17	\$2,001.17
State income taxes	January 15, 2012	December 20, 2011	368.39	368.39
Local income tax	January 15, 2012	December 22, 2011	219.10	219.10
OPERS retirement	January 30, 2012	January 10, 2012	3,747.50	3,747.50
School taxes	January 31, 2012	December 22, 2012	89.05	89.05

4. We haphazardly selected and recomputed one termination payment (unused vacation, etc.) using the following information, and agreed the computation to the amount paid as recorded in the Payroll Transmittal Report:
- a. Accumulated leave records
 - b. The employee's pay rate in effect as of the termination date
 - c. The Organization's payout policy.

The amount paid was consistent with the information recorded in a. through c. above.

Non-Payroll Cash Disbursements

1. We haphazardly selected ten disbursements from the Expense Transaction Ledger for the year ended December 31, 2011 and ten from the year ended December 31, 2010 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 Transaction Ledger 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 – Contracts and Expenditures

1. We inquired of management and scanned the Expense Transaction Ledger report for the years ended December 31, 2011 and 2010 for procurements requiring competitive bidding. Competitive bidding is required for procurements exceeding \$25,000, except where otherwise provided by law [Sections 713.23(D) and 307.86].

We identified no purchases subject to the aforementioned bidding requirement.

Officials' Response:

We did not receive a response from Officials to the exceptions reported above.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the Organization's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management, those charged with governance, and others within the Organization, and is not intended to be, and should not be used by anyone other than these specified parties.



Dave Yost
Auditor of State

May 14, 2012

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MAUMEE VALLEY PLANNING ORGANIZATION

DEFIANCE 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
MAY 24, 2012**