

OHIO LEGISLATIVE SERVICE COMMISSION

FRANKLIN COUNTY

**JULY 1, 2010 TO JUNE 30, 2012
AGREED UPON PROCEDURES**



Dave Yost • Auditor of State

Ohio Legislative Service Commission
77 South High Street, 9th Floor
Columbus, Ohio 43215

We have reviewed the *Independent Accountant's Report on Applying Agreed-Upon Procedures* of the Ohio Legislative Service Commission, Franklin County, prepared by Kennedy Cottrell Richards LLC, for the period July 1, 2010 through June 30, 2012. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Ohio Legislative Service Commission is responsible for compliance with these laws and regulations.

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Dave Yost
Auditor of State

January 22, 2013

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**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

Mark Flanders, Director
Ohio Legislative Service Commission
77 South High Street, 9th Floor
Columbus, OH 43215

Cynthia L. Klatt, CPA
Chief Auditor – State Region
Ohio Auditor of State
88 East Broad Street, 10th Floor
Columbus, OH 43215

We have performed the procedures enumerated below, which were agreed to by the Ohio Legislative Service Commission (the "Commission") and Ohio Auditor of State (the specified parties), related to the Commission's non-payroll expenditures, payroll expenditures, employees with payroll-related status changes, and equipment for the period July 1, 2010 through June 30, 2012. This engagement was solely to assist the Ohio Legislative Service Commission and Ohio Auditor of State in fulfilling the audit requirement of Ohio Revised Code section 117.11(A). The Commission's management is responsible for the presentation of the Commission's non-payroll expenditures, payroll expenditures, employees with payroll-related status changes, and equipment as recorded by the Commission in the Ohio Administrative Knowledge System ("OAKS"). This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of those parties specified in the 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.

Our procedures and findings are as follows:

Non-payroll Expenditures

1. *Procedure* – We obtained from the Ohio Administrative Knowledge System (OAKS) a listing of vouchers disbursed by the Commission between July 1, 2010 and June 30, 2012, and agreed the listing to OAKS report OHGLR027 for the corresponding time period to assure completeness of the listing. We separated the voucher population into two lists – one list only containing vouchers spent from Appropriation Line Item (ALI) 035407 (List A), and one list containing vouchers spent from all ALIs except 035407 (List B).

Finding – We obtained the listing of vouchers and separated the population into the two lists. We did not note any errors or exceptions.

2. *Procedure* – We selected all vouchers over \$400 (this is approximately 50 vouchers) from List A, and reported the following:
 - a. Voucher was approved by the Commission Director or designee and the Commission Chair's designee.
 - b. Invoice was approved by Co-chairs of the Legislative Task Force on Redistricting or their designee(s).
 - c. Invoice indicated goods received or services rendered.
 - d. OAKS account code & fund charged were reasonable considering the fund's purpose, the account classification, and the purchase's purpose.

- e. Proper public purpose was served by the disbursement, pursuant to Ohio Attorney General Opinion 82-006 and AOS Bulletin 2003-05.
- f. Voucher correctly computed.
- g. Invoice amount agreed to voucher amount.
- h. Invoice date preceded voucher date.
- i. Supporting documentation was attached.

Finding – We did not note any errors or exceptions.

3. *Procedure* – We haphazardly selected 40 vouchers from List B and reported the following:

- a. Voucher was approved by the Commission Director or designee and the Commission Chair's designee.
- b. Invoice was approved by designated position per Appropriation Line Item (ALI) [see *** below].
- c. Invoice indicated goods received or services rendered.
- d. OAKS account code & fund charged were reasonable considering the fund's purpose, the account classification, and the purchase's purpose.
- e. Proper public purpose was served by the disbursement, pursuant to Ohio Attorney General Opinion 82-006 and AOS Bulletin 2003-05.
- f. Voucher correctly computed.
- g. Invoice amount agreed to voucher amount.
- h. Invoice date preceded voucher date.
- i. Supporting documentation was attached.

*** For ALIs 035321, 035402, 035409, 035411, 035601, and 035603: Commission deputy director or designee
For ALI 035405: Correctional Institution Inspection Committee (CIIC) director or designee and CIIC chair or designee.
For ALI 035410 and 035607: Office of Legislative Information Systems (LIS) director or designee.

Finding – We did not note any errors or exceptions.

Payroll Expenditures

Procedure – We haphazardly selected 15 employees from one haphazardly selected pay period in fiscal year 2011 and 15 employees from one haphazardly selected pay period in fiscal year 2012 and reported the following for each employee selected:

- a. Hours worked per the Payroll Register agreed to the time sheet
- b. Leave taken per the time sheet agreed to the Payroll Register or Comp Time Tracking System, as applicable.
- c. Overtime/compensatory time earned per the time sheet agreed to the Payroll Register or Comp Time Tracking System, as applicable.
- d. For overtime eligible employees, overtime and comp time were earned at the rate established for the employee's classification per the payroll register multiplied by one and one-half. For overtime exempt employees, comp time was earned at the percentage set by the Director.
- e. Gross pay was correctly calculated on the Payroll Register.
- f. Fund & account charged were reasonable considering the purpose of the fund and the employee's duties.
- g. Amount of leave used by employee did not exceed the available leave balance.
- h. For any employees in the sample that were on disability, we calculated that the leave balances were correctly computed.

Finding – We did not note any errors or exceptions.

Employees with Status Changes

Procedure – We obtained a listing of employees who had changes to their employment status (i.e., promotion, change of pay, terminated, hired, etc.) between July 1, 2010 and June 30, 2012. We haphazardly selected 10 employees (5 of which were separations) from this list and reported the following:

- a. If the employee transferred to a non-legislative agency, the change was supported by a Personnel Action (PA) form and the change date on the PA agreed to the Payroll Register.
- b. For other status changes, the change was supported by documentation (memo, letter, or email) and the change date on the documentation agreed to the Payroll Register.
- c. The employee's status was changed from the previous Payroll Register.
- d. If employed during the pay period(s) tested, the employee's pay amount was correctly calculated based upon the Payroll Register.
- e. For terminated employees, reported that the:
 1. Employee's name was deleted from the subsequent Payroll Register on a date consistent with the termination date.
 2. Payout was correctly calculated based upon leave balances.

Finding – We did not note any errors or exceptions.

Equipment

- a. *Procedure* – We haphazardly selected 25 items from the Commission's equipment listing dated 6/30/2012, located the items within Commission offices, determined if the items were tagged with an identification (ID) number and the Commission's name, and agreed the observed location and ID number to the inventory listing.

Finding – We did not note any errors or exceptions.

- b. *Procedure* – We haphazardly selected 25 items from various Commission offices, traced the items to the Commission's equipment listing dated 6/30/2012, determined the items were tagged with an ID number and the Commission's name, and agreed the ID number and location to the inventory listing.

Finding – We did not note any errors or exceptions.

- c. *Procedure* – We haphazardly selected ten vouchers for equipment purchases (account category 530) from the listing obtained in Non-payroll Expenditures step 1 above and verified those items were included as additions on the Commission's inventory listing and the items were tagged with an identifying number and the Commission's name.

Finding – For one of the vouchers we selected, we were unable to verify the equipment purchased was included as an addition on the Commission's inventory listing or the item was tagged with an identifying number and the Commission's name. According to Commission Management, the purchased item in question was for the Legislative Task Force on Redistricting. Historically, the Commission has never inventoried or tagged equipment it has purchased for the Task Force. We were able to verify the Task Force had a record of the equipment item; however this did not meet the requirements of the procedure above. We did not note any other errors or exceptions.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the Commission's non-payroll expenditures, payroll expenditures, employees with payroll-related status changes, and equipment. Accordingly, we do not express such 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 Commission and Ohio Auditor of State and is not intended to be and should not be used by anyone other than those specified parties.

KENNEDY COTTRELL RICHARDS LLC

A handwritten signature in black ink that reads "Kennedy Cottrell Richards LLC". The signature is written in a cursive, flowing style.

Columbus, Ohio
November 2, 2012



Dave Yost • Auditor of State

OHIO LEGISLATIVE SERVICE COMMISSION

FRANKLIN 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
FEBRUARY 5, 2013