

**RIVER CITY CORRECTIONAL CENTER
HAMILTON COUNTY, OHIO
FINANCIAL STATEMENTS – CASH BASIS**

JUNE 30, 2014 AND 2013



Dave Yost • Auditor of State

Facility Governing Board
River City Correctional Center
3220 Colerain Avenue
Cincinnati, Ohio 45225

We have reviewed the *Independent Auditor's Report* of the River City Correctional Center, Hamilton County, prepared by Hurst, Kelly & Company LLC, for the audit period July 1, 2012 through June 30, 2014. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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 River City Correctional Center is responsible for compliance with these laws and regulations.

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Dave Yost
Auditor of State

April 27, 2015

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**RIVER CITY CORRECTIONAL CENTER
HAMILTON COUNTY, OHIO**

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INDEPENDENT AUDITOR'S REPORT

River City Correctional Center
Hamilton County
3220 Colerain Avenue
Cincinnati, Ohio 45225

To the Facility Governing Board:

Report on the Financial Statements

We have audited the accompanying financial statements and related notes of River City Correctional Center, Hamilton County, (the Center) as of and for the years ended June 30, 2014 and 2013.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions the Ohio Department of Rehabilitation and Correction permits; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Center's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Center's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statements, the Center prepared these financial statements using the accounting basis permitted by the financial reporting provisions of the Ohio Department of Rehabilitation and Correction, which is an accounting basis other than accounting principles generally accepted in the United States of America, to satisfy requirements.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

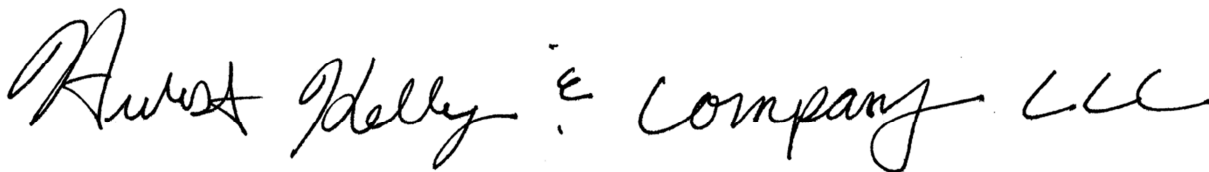
In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Center as of June 30, 2014 and 2013, or changes in financial position thereof for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined cash balances of River City Correctional Center, Hamilton County as of June 30, 2014 and 2013, and its combined cash receipts and disbursements for the years then ended in accordance with the financial reporting provisions the Ohio Department of Rehabilitation and Correction permits, described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 14, 2015, on our consideration of the Center's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Center's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Robert Kelly & Company LLC". The signature is written in a cursive, flowing style.

Loveland, Ohio
January 14, 2015

**OHIO DEPARTMENT OF REHABILITATION AND CORRECTION
COMMUNITY BASED CORRECTIONAL FACILITY
RIVER CITY CORRECTIONAL CENTER**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN FUND BALANCES (CASH BASIS) - ALL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

| | <u>State Appropriations and Grants</u> | | | <u>Offender Funds</u> | | <u>Totals</u> |
|---|--|--|----------------|-----------------------------|--|-------------------|
| | <u>ODRC 501-501</u> | <u>Probation Improvement and Incentive Grant</u> | <u>Federal</u> | <u>Resident Program</u> | <u>Offender Personal Funds</u> | |
| Cash Receipts: | | | | | | |
| Intergovernmental | \$ 5,958,274 | \$ 147,052 | \$ 21,386 | \$ - | \$ - | \$ 6,126,712 |
| Receipts for Offenders | - | - | - | 13,605 | 294,352 | 307,957 |
| Collections from Offenders | - | - | - | 13,472 | - | 13,472 |
| Commissions | - | - | - | 76,759 | - | 76,759 |
| Total Cash Receipts | 5,958,274 | 147,052 | 21,386 | 103,836 | 294,352 | 6,524,900 |
| Cash Disbursements: | | | | | | |
| Personnel | 4,298,170 | 42,487 | 24,131 | - | - | 4,364,788 |
| Operating Costs | 1,346,484 | 18,688 | 1,792 | - | - | 1,366,964 |
| Program Costs | 111,415 | - | - | 80,036 | - | 191,451 |
| Equipment | 7,925 | - | - | - | - | 7,925 |
| Offender Disbursements: | | | | | | |
| Offender Legal Obligations | - | - | - | - | 28,510 | 28,510 |
| Offender Reimbursements | - | - | - | - | 77,418 | 77,418 |
| Offender Payments to CBCF | - | - | - | - | 81,211 | 81,211 |
| Offender Savings Paid at Exit | - | - | - | - | 92,856 | 92,856 |
| Total Cash Disbursements | 5,763,994 | 61,175 | 25,923 | 80,036 | 279,995 | 6,211,123 |
| Disbursements from Prior FY (Including Refund to ODRC) | 163,655 | - | - | - | - | 163,655 |
| Total Receipts Over (Under) Disbursements | 30,625 | 85,877 | (4,537) | 23,800 | 14,357 | 150,122 |
| Fund Cash Balances, July 1, 2013 | 261,622 | 6,045 | 4,588 | 8,190 | 4,359 | 284,804 |
| Fund Cash Balances, June 30, 2014 | <u>\$ 292,247</u> | <u>\$ 91,922</u> | <u>\$ 51</u> | <u>\$ 31,990</u> | <u>\$ 18,716</u> | <u>\$ 434,926</u> |
| Unpaid Obligations/Open Purchase Orders | <u>\$ 92,609</u> | | | | | |

See Accompanying Notes to the Financial Statements

**OHIO DEPARTMENT OF REHABILITATION AND CORRECTION
COMMUNITY BASED CORRECTIONAL FACILITY
RIVER CITY CORRECTIONAL CENTER**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN FUND BALANCES (CASH BASIS) - ALL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

| | <u>State Appropriations and Grants</u> | | | <u>Offender Funds</u> | | <u>Totals</u> |
|---|--|--|-----------------|-----------------------------|--|-------------------|
| | <u>ODRC 501-501</u> | <u>Probation Improvement and Incentive Grant</u> | <u>Federal</u> | <u>Resident Program</u> | <u>Offender Personal Funds</u> | |
| Cash Receipts: | | | | | | |
| Intergovernmental | \$ 5,779,525 | \$ 78,927 | \$ 82,582 | \$ - | \$ - | \$ 5,941,034 |
| Receipts for Offenders | - | - | - | 7,458 | 190,651 | 198,109 |
| Collections from Offenders | - | - | - | 13,464 | - | 13,464 |
| Commissions | - | - | - | 69,849 | - | 69,849 |
| Total Cash Receipts | 5,779,525 | 78,927 | 82,582 | 90,771 | 190,651 | 6,222,456 |
| Cash Disbursements: | | | | | | |
| Personnel | 4,565,880 | 96,357 | 45,305 | - | - | 4,707,542 |
| Operating Costs | 989,014 | 1,375 | 23,120 | - | - | 1,013,509 |
| Program Costs | 28,915 | - | - | 88,765 | - | 117,680 |
| Equipment | 7,934 | - | - | - | - | 7,934 |
| Offender Disbursements: | | | | | | |
| Offender Legal Obligations | - | - | - | - | 10,814 | 10,814 |
| Offender Reimbursements | - | - | - | - | 59,352 | 59,352 |
| Offender Payments to CBCF | - | - | - | - | 72,676 | 72,676 |
| Offender Savings Paid at Exit | - | - | - | - | 44,945 | 44,945 |
| Total Cash Disbursements | 5,591,743 | 97,732 | 68,425 | 88,765 | 187,787 | 6,034,452 |
| Disbursements from Prior FY (Including Refund to ODRC) | 125,245 | - | - | - | - | 125,245 |
| Total Receipts Over (Under) Disbursements | 62,537 | (18,805) | 14,157 | 2,006 | 2,864 | 62,759 |
| Fund Cash Balances, July 1, 2012, Restated | 199,085 | 24,850 | (9,569) | 6,184 | 1,495 | 222,045 |
| Fund Cash Balances, June 30, 2013 | <u>\$ 261,622</u> | <u>\$ 6,045</u> | <u>\$ 4,588</u> | <u>\$ 8,190</u> | <u>\$ 4,359</u> | <u>\$ 284,804</u> |
| Unpaid Obligations/Open Purchase Orders | <u>\$ 163,655</u> | | | | | |

See Accompanying Notes to the Financial Statements

**RIVER CITY CORRECTIONAL CENTER
HAMILTON COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

1. Summary of Significant Accounting Policies

A. Description of the Entity

The River City Correctional Center (the Center) provides an alternative to prison incarceration for felony offenders. The Center is the last step in the continuum of increasing punishment before prison incarceration. The Center is a minimum security operation housing approximately 200 offenders as of June 30, 2014. The Center serves Hamilton County.

A Facility Governing Board oversees the Center's operations. Hamilton County common pleas judges comprise a Judicial Advisory Board. The Judicial Advisory Board appoints two-thirds of the members of the Facility Governing Board and advises the Facility Governing Board regarding Center matters.

For the years ended June 30, 2014 and 2013, the financial statements present all funds related to the Center.

B. Accounting Basis

These financial statements follow the accounting basis permitted by the Ohio Department of Rehabilitation and Correction. This basis is similar to the cash receipts and disbursements accounting basis.

Except for ODRC 501-501 grant awards which the Center records as intergovernmental cash receipts in the fiscal year for which such grant awards were intended to finance (regardless of when such awards were received in cash), the Center recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e. when an encumbrance is approved).

These statements include adequate disclosure of material matters the Ohio Department of Rehabilitation and Correction requires.

C. Deposits and Investments

The Hamilton County Treasurer is the custodian of the Center's grant funds and State appropriations. The County holds these Center assets in the County's deposit and investment pool, valued at the County Treasurer's reported carrying amount. The Center holds offenders' cash in demand deposit accounts.

D. Fund Accounting

The Center uses fund accounting to segregate amounts that are restricted as to use. The Center has the following funds:

State Appropriations and Grants

Ohio Department of Rehabilitation and Correction (ODRC) 501-501 Funding: ODRC grants this funding, appropriated from the State's General Fund, to the Center to support general operating costs.

Probation Improvement and Incentive Grant: ODRC grants this funding to the Center to support evidence-based practices to reduce the number of felony offenders on probation supervision who violate the conditions of supervision.

**RIVER CITY CORRECTIONAL CENTER
HAMILTON COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

Federal: Reports amounts received from the Federal government, including amounts passed through various state agencies. This fund consists of the following grants:

| Grant Name | Pass-Through Entity | Description of Grant |
|---------------------------|------------------------------------|--|
| ABLE | ODRC | Funding for adult basic literacy and education program |
| Title I | ODRC | Federal funding to help academically at risk students |
| National School Lunchroom | Ohio Department of Education (ODE) | Funding to provide nutritious meals for children |

Offender Funds

Resident Program Fund: This fund reports revenues received by the Center from commissions on telephone systems, commissary operations, reimbursable costs such as per diem and medical services, and similar services. Disbursements from this fund are to be made in accordance with Ohio Revised Code Section 2301.58(A).

Offender Personal Funds: This fund reports amounts the Center receives and holds in a custodial capacity for each offender while confined. The Center holds personal funds, including salaries offenders earn while confined, and maintains separate balances for each offender. The Center makes payments as directed by the offender or per program requirements. Upon release, the Center pays remaining funds to the offender.

E. Budgetary Process

1. Appropriations

The Center must budget its intended uses of ODRC 501-501 funding as part of its funding application to ODRC. After ODRC approves the budget, the Board formally adopts it. The Center cannot spend or obligate (i.e., encumber) more than the appropriation. Facilities must obtain approval from ODRC to transfer amounts between budget categories.

2. Encumbrances

Disbursements from State appropriations and Grants are subject to Hamilton County's payment approval process. The County Auditor must approve (i.e., certify and encumber) certain payments when the Center commits to make a payment. The budgetary disbursement amounts reported in Note 2 include cash disbursed against the current year budget plus amounts spent within ninety days of June 30 to liquidate year-end commitments. Amounts not liquidated within ninety days of June 30 are subject to refund to ODRC, unless ODRC approves an extension. (See Note 4.)

A summary of 2014 and 2013 budgetary activity appears in Note 2.

F. Property, Plant, and Equipment

The Center records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these acquisitions as assets.

**RIVER CITY CORRECTIONAL CENTER
HAMILTON COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

G. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

2. Budgetary Activity

Budgetary activity for ODRC 501-501 funding for the years ending June 30, 2014 and 2013 is as follows:

| 2014 Budgeted vs. Actual Budgetary Basis Expenditures | | |
|---|------------------------|------------|
| Budget | Budgetary Expenditures | Variance |
| \$ 5,958,274 | \$ 5,856,603 | \$ 101,671 |
| 2013 Budgeted vs. Actual Budgetary Basis Expenditures | | |
| Budget | Budgetary Expenditures | Variance |
| \$ 5,779,525 | \$ 5,755,398 | \$ 24,127 |

3. Collateral on Deposits and Investments

State Appropriations and Grants

The County Treasurer is responsible for collateralizing deposits and investments for State appropriations and grants the County holds as custodian for the Center.

Offender Funds

Deposits

The Center has Federal Deposit Insurance Corporation coverage insuring 100 percent of the balance of Offender Funds at June 30, 2014 and 2013. Accordingly, there were no uncollateralized amounts at June 30, 2014 and 2013.

**RIVER CITY CORRECTIONAL CENTER
HAMILTON COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

4. Refund To ODRC

The agreement between the Center and ODRC permits the Center to retain a maximum of one-twelfth of the grant award after liquidating encumbrances outstanding at June 30. The Center must refund any excess over this amount to ODRC. The schedule below computes the refund to ODRC for the years ending June 30. Disbursements below include cash paid to liquidate encumbrances outstanding at June 30 and exclude disbursements made during the fiscal year against amounts encumbered the prior June 30. The Center refunds amounts computed below in the fiscal year following the computation below.

| | 2014 | 2013 |
|---|-----------------------|-----------------------|
| Cash, July 1, Restated | \$ 261,622 | \$ 199,085 |
| Disbursements Against Prior Year Budget | (163,655) | (125,245) |
| Payable to ODRC, July 1 | (24,170) | (43) |
| Sub-Total | 73,797 | 73,797 |
| 501 Cash Receipts | 5,958,274 | 5,779,525 |
| Budgetary Basis Disbursements | (5,856,603) | (5,755,398) |
| Amount Subject to Refund, June 30 | <u>\$ 175,468</u> | <u>\$ 97,924</u> |
| One-Twelfth of 501 Award | <u>\$ 496,523</u> | <u>\$ 481,627</u> |
| Refundable to ODRC | <u>\$ -</u> | <u>\$ -</u> |

Calculation of Payable to ODRC

| | 2014 | 2013 |
|-----------------------------|-----------------------|----------------------|
| Payable, July 1 | \$ 24,170 | \$ 43 |
| Cash Refunded | - | - |
| Refundable to ODRC, June 30 | 101,671 | 24,127 |
| Payable, June 30 | <u>\$ 125,841</u> | <u>\$ 24,170</u> |

5. Retirement Systems

The Center's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes plan benefits, including postretirement healthcare, and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2014 and 2013, OPERS members contributed 10 percent of their gross salaries and the Center contributed an amount equaling 14 percent of participants' gross salaries. The Center has paid all contributions required through June 30, 2014.

**RIVER CITY CORRECTIONAL CENTER
HAMILTON COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

6. Risk Management

Commercial Insurance

The Center is included in Hamilton County's commercial insurance policies for the following risks:

- Comprehensive property and general liability
- Vehicles
- Errors and omissions

7. Contingent Liabilities

The Center is a defendant in several lawsuits. Although management cannot presently determine the outcome of these suits, the Center's management believes the resolution of these matters will not materially adversely affect the Center's financial condition.

8. Restatement of Opening Fund Cash Balances

The Center's fund cash balances at June 30, 2012 have been restated to accurately report the allocation of fund cash balances between the ODRC 501-501 program and the Federal program.

The restatement of fund cash balances at June 30, 2012 is as follows:

| | June 30, 2012 (As Originally Issued) | Reclassification | June 30, 2012 (Restated) |
|---------------------|---|------------------|-----------------------------|
| Fund Cash Balances: | | | |
| ODRC 501-501 | \$ 213,091 | \$ (14,006) | \$ 199,085 |
| Federal | (23,575) | 14,006 | (9,569) |

Hurst, Kelly & Company LLC
Certified Public Accountants
3293 U.S. 22/3
Loveland, Ohio 45140
513.234.0977
www.hurstkelly.com

**Report on Internal Control Over Financial Reporting and on Compliance and
Other Matters Based on an Audit of Financial Statements Performed in
Accordance With *Government Auditing Standards***

INDEPENDENT AUDITOR'S REPORT

River City Correctional Center
Hamilton County
3220 Colerain Avenue
Cincinnati, Ohio 45225

To the Facility Governing Board:

We have audited the financial statements of the River City Correctional Center, Hamilton County, (the Center) as of and for the years ended June 30, 2014 and 2013, and have issued our report thereon dated January 14, 2015, in which it is noted that the Center prepared its financial statements on a basis of accounting permitted by the Ohio Department of Rehabilitation and Correction, which is a basis other than accounting principles generally accepted in the United States of America. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Center's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control. Accordingly, we do not express an opinion on the effectiveness of the Center's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a deficiency in internal control, described in the accompanying schedule of findings and responses as item 2014-001, that we consider to be a significant deficiency.

Compliance and Other Matters

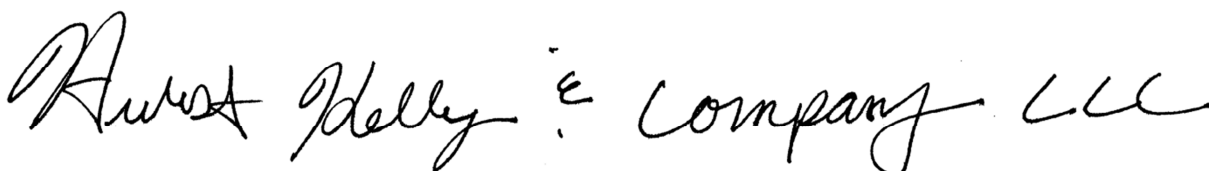
As part of obtaining reasonable assurance about whether the Center's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The Center's Response to Findings

The Center's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. The Center's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Robert Kelly & Company LLC". The signature is written in a cursive, flowing style.

Loveland, Ohio
January 14, 2015

**RIVER CITY CORRECTIONAL CENTER,
HAMILTON COUNTY, OHIO**

**SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2014 AND 2013**

FINDING NUMBER 2014-001 – SIGNIFICANT DEFICIENCY – PROPERLY CLASSIFYING CASH BASIS ACTIVITY

Criteria:

The Center is required to appropriately post cash receipts and cash disbursements to its accounting records in order to facilitate the accurate assembly of the Center's financial activity in monthly and year-end financial statements.

Condition:

As a result of audit procedures performed on the June 30, 2013 financial statements, the following reclassifications (audit adjustments) were noted (and posted) to the June 30, 2013 financial statements:

| | <u>Debit/(Credit)</u> |
|---------------------------------------|-----------------------|
| ODRC 501-501: | |
| Fund Cash Balances, Beginning of Year | \$ 14,006 |
| Federal Grants: | |
| Intergovernmental Receipts | (5,466) |
| Operating Costs | 5,466 |
| Fund Cash Balances, Beginning of Year | (14,006) |
| | <u>\$ -</u> |

Cause:

The Center had incorrectly posted various cash receipts and cash disbursements.

Effect:

Reclassifications (audit adjustments) were made to the June 30, 2013 financial statements.

Recommendation:

The Center should appropriately post cash receipts and cash disbursements to its accounting records in order to facilitate the accurate assembly of the Center's financial activity in monthly and year-end financial statements.

View of Responsible Officials and Planned Corrective Actions:

We are in agreement with the finding and have adopted the recommendations of the auditor.

RIVER CITY CORRECTIONAL CENTER,
HAMILTON COUNTY, OHIO

SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2012 AND 2011

| Finding Number | Finding Summary | Fully Corrected? | Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain |
|----------------|---|------------------|---|
| 2012-001 | Material Weakness – Controls Over Payroll Disbursements | Yes | Corrected |
| 2012-002 | Significant Deficiency – Properly Classifying Cash Receipts | No | Repeated as a Component of Finding 2014-001 |

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Dave Yost • Auditor of State

RIVER CITY CORRECTIONAL CENTER

HAMILTON 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 7, 2015**