

AMENDED ORDINANCE NO. 2024-14

INTRODUCED BY MAYOR AND COUNCIL AS A WHOLE

**AN EMERGENCY ORDINANCE AUTHORIZING THE MAYOR OF THE VILLAGE OF OAKWOOD TO ENTER INTO A CONTRACT WITH THE OHIO AUDITOR OF STATE KEITH FABER TO CONDUCT A SPECIAL AUDIT OF THE VILLAGE'S NONPAYROLL DISBURSEMENTS FOR THE PERIOD JANUARY 1, 2017, TO MAY 31, 2022, AND DECLARING AN EMERGENCY.**


**WHEREAS**, the Ohio Auditor of State Keith Faber has provided a Letter of Arrangement concerning the special audit to be conducted by an Engagement Team comprised of a Forensic Auditor and Forensic Audit Managers as set forth in Exhibit A;

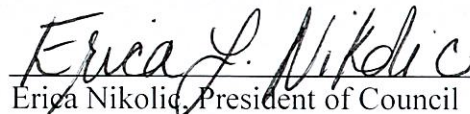
**NOW THEREFORE, BE IT ORDAINED** by the Council of the Village of Oakwood, County of Cuyahoga, and State of Ohio that:

**SECTION 1.** The Mayor be and hereby is authorized to execute the engagement letter substantially in the form attached hereto and incorporated herein as Exhibit "A".


**SECTION 2.** This Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health, safety, and welfare of the inhabitants of the Village, the reason for the emergency being the same that relates to the daily operation of a municipal department and the ability of the village to provide uninterrupted services to the citizens of the Village, therefore, provided it receives the two-thirds vote of all members of Council elected thereto. Said ordinance shall be in full force and effect immediately upon its adoption by this council and approval by the Mayor, otherwise from and after the earliest period allowed by law.

PASSED: 3.28.24

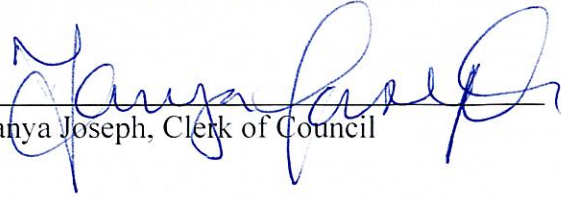
  
Tanya Joseph, Clerk of Council

  
Erica Nikolic, President of Council

Presented to the Mayor 3.29.24

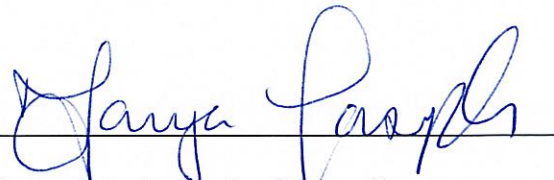
Approved: 3.29.24  
  
Mayor - Gary V. Gottschalk

I, Tanya Joseph, Clerk of Council of the Village of Oakwood, County of Cuyahoga, and State of Ohio, do hereby certify that the foregoing Ordinance No. 2024-14 was duly and regularly passed by this Council at the meeting held on the 28<sup>th</sup> day of March 2024.

  
Tanya Joseph, Clerk of Council

**POSTING CERTIFICATE**

I, Tanya Joseph, Clerk of Council of the Village of Oakwood, County of Cuyahoga, and State of Ohio, does hereby certify that Ordinance 2024-14 was duly posted on the 29<sup>th</sup> day of March 2024 and will remain posted in accordance with the Oakwood Village Charter.

  
Tanya Joseph, Clerk of Council

DATED: 3-29-24

# EXHIBIT A

## OHIO AUDITOR OF STATE KEITH FABER



88 East Broad Street  
Columbus, Ohio 43215  
FraudOhio@ohioauditor.gov  
(800) 282-0370  
Report fraud: 866-Fraud-OH

March 6, 2024

Brian Thompson, Finance Director  
Village of Oakwood  
24800 Broadway Ave.  
Oakwood, OH 44146

This engagement letter describes the arrangement between the Village of Oakwood (the Village) and the Auditor of State including the objective and scope of the services we will provide, the Village's required involvement and assistance in support of our services, the related fee arrangements, and other terms and conditions designed to ensure that our professional services satisfy the Village's special audit needs.

### **SUMMARY OF SERVICES**

We will conduct a special audit of the Village's nonpayroll disbursements for the period January 1, 2017 to May 31, 2022 (Period). We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. The objective of the special audit will be:

- Examine certain disbursements made by the Village during the Period to determine whether the disbursements were supported and for purposes related to the operations of the Village.

This objective will relate only to the items specified and will not extend to any financial statements of the Village as a whole. At the conclusion of this engagement, we will issue a special audit report and communicate the results of our procedures and related findings to the Village.

### **Engagement Team**

The engagement will be led by:

- \* Tiffany Ridenbaugh, Chief Forensic Auditor, who will be responsible for assuring the overall quality, value, and timeliness of our services to you;
- \* Melissa Barnett, Senior Forensic Audit Manager, who will be responsible for managing the delivery of our services to you; and
- \* Georgiana Mavros, Forensic Audit Manager, who will be responsible for our services to you for the special audit objectives.

### **OUR AUDITOR RESPONSIBILITIES**

The *Summary of Services* above describes our responsibilities for the Village's special audit.

We will conduct our audit in accordance with the Auditor of State Special Investigations Unit, Quality Standards.

### **Additional Auditor Responsibilities and Communication**

We are responsible for completing the objective noted above and for reporting any exceptions, as it relates

if other matters come to our attention indicating potential findings for recovery, federal questioned costs, or significant noncompliance with contract provisions, grant agreements, or local, state, and federal laws or regulations, we may determine that additional procedures are required. A description of the additional procedures and the results of applying those procedures will also be included in our report. Additional procedures applied will be included as an amendment to this letter of arrangement. As part of this engagement the Auditor of State will communicate certain matters (if applicable) to the appropriate members of management and to those charged with governance. These matters include:

- Status updates for the special audit
- Draft findings

### **TERMS AND CONDITIONS SUPPORTING FEE**

As a result of our planning process, the Village and the Auditor of State have agreed the Special Investigations Unit (SIU) will perform a special audit based on the objective noted on page 1 for an agreed-upon fee, subject to the following conditions.

#### **Our Auditor Responsibilities:**

In providing our services, we will consult with the Village regarding matters related to the special audit procedures. Accordingly, our fee includes estimated time necessary for this consultation. However, should a matter require research, consultation or audit work beyond this estimate, the Auditor of State and the Village will agree to an appropriate revision in services and fee. These revisions will also be set forth in the form of the attached *Amendment to Engagement Letter*.

#### **Your Management Responsibilities:**

The Village will provide in a timely manner all financial records and related information to us, including timely communication of all significant matters, as well as working space and clerical assistance as mutually agreed upon and as is normal and reasonable in the circumstances. When and if for any reason the Village is unable to provide these schedules, information and assistance, the Auditor of State and the Village will mutually revise the fee to reflect additional services, if any, we require to achieve these objectives. These revisions will be set forth in the form of the attached *Amendment to Engagement Letter*.

You should recognize that the Auditor of State has the statutory authority to issue subpoenas for records and documents necessary to complete the engagement. Should the Auditor of State incur significant costs associated with subpoenaing such documents; the costs of such process may be billed to you, in addition to the engagement fee stated below.

#### **Fee**

Except for any changes in fees and expenses which may result from the circumstances described above, we expect our fees and expenses for our special audit services will not exceed \$13,200.

Pursuant to Ohio Rev. Code § 117.13, you may charge all of this audit's cost to the general fund or you may allocate the cost among the general fund and other eligible funds. For more information, refer to the annual *Hourly Audit Rates and Allocation of Audit Costs* technical bulletin available at [www.ohioauditor.gov](http://www.ohioauditor.gov).

#### **eServices Portal and Billing**

The Auditor of State's billing statements are available through the office's eServices portal located at <https://eservices.ohioauditor.gov>. Clients are required to designate one, or more, authorized users who must complete the registration process to establish an eServices account. A confirmed account will have the ability to access and/or update information regarding their customer account, including Village contact information, billing and payments, and an electronic check option for online payments. Authorized users are encouraged to keep eServices contact information updated.

Auditor of State billing statements are prepared monthly and are sent to clients who have an outstanding balance through a paperless electronic billing system. The Village will receive an email notification at the beginning of the month that a statement is available for review. Clients are to access their billing statement upon receipt through eServices, and payment is due by the date identified on the statement.

### **Delinquent Accounts**

A failure to pay the Auditor of State in full within the forty-five days of the payment due date, identified on the monthly statement, shall constitute a delinquent account. Continued failure to make payment will result in the delinquent account being certified to the Ohio Attorney General's Office, Collection Enforcement, for collection under Ohio Rev. Code § 131.02(A). Alternatively, Ohio Rev. Code § 117.13(D) authorizes the Director of the Office of Budget and Management or the county auditor, in order to satisfy certified balances owed to the office of the Auditor of State, to withhold from a public office with delinquent accounts any amounts that are available up to the amount owed by the public office from those funds lawfully payable and due to the public office.

Audit clients experiencing difficulty meeting these requirements should contact the Auditor of State's Finance Department to make arrangements to pay delinquent balances prior to certification. Outstanding delinquent accounts may impact audit eligibility for reduced services, including agreed upon procedures and basic audits.

### **REPORTING**

Any findings of the Special Audit will be reported to the Village in a special audit report.

### **ACCESS TO OUR REPORTS AND WORKING PAPERS**

Under Revised Code § 117.26, an audit report becomes a public record under Ohio Rev. Code § 149.43 when we file copies of the report with the public officers enumerated in the Revised Code. When we file the reports, our working papers become available to the public upon request, subject to information protected for criminal investigations, by attorney-client privilege or by local, state or federal law. AU-C 905 does not affect public access to our reports or working papers.

Under generally accepted auditing standards, we must retain working papers for five years after the release date of our opinion. However, AOS policy requires we retain working papers for seven years or longer, as needed.

### **PEER REVIEW REPORT**

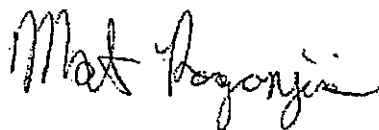
As required by *Government Auditing Standards*, we have made our most recent external quality control review report (Peer Review) publicly available, at [https://ohioauditor.gov/publications/Peer\\_Opinion.pdf](https://ohioauditor.gov/publications/Peer_Opinion.pdf). Audit organizations can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. The Auditor of State received a peer review rating of *pass*.

### **ACKNOWLEDGEMENT AND AGREEMENT**

Please sign and return this letter to indicate your acknowledgement of, and agreement with, the arrangements for our special audit including our respective responsibilities. If you have any questions, please call Melissa Barnett, Senior Forensic Audit Manager at 614-779-1520.

Sincerely,

KEITH FABER  
Auditor of State



Mate Rogonjic  
Assistant Chief Forensic Auditor, Special Investigations Unit

Attachment

cc: Council President Erica Nikolic; Council-At-Large Johnnie Warren; Council Members Taunya Scruggs,  
Eloise Hardin, Paggie Matlock, Mary Davis, and Candace Williams; and Mayor Gary Gottschalk

\_\_\_\_\_  
ACKNOWLEDGED AND AGREED TO BY

\_\_\_\_\_  
DATE

TITLE \_\_\_\_\_