



# JOSH MANDEL

## STATE TREASURER OF OHIO

COLUMBUS &dash; Ohio Treasurer Josh Mandel announced today that for the third fiscal year in a row, his administration was issued a "clean" audit by Ohio Auditor of State Dave Yost. The Auditor's office undertook a thorough review of accounts and transactions as well as an inventory of assets and custodial funds of the state treasury in accordance with Government Auditing Standards.

"This year's inventory of the state treasury determined a clean audit," said Auditor Yost. "Treasurer Mandel and his staff have continued to demonstrate sound financial reporting."

"As Ohio's Treasurer my main mission is to ensure our tax dollars are safe and secure," said Treasurer Mandel. "Upon taking office I immediately launched a top-bottom review to root out waste, fraud and abuse and began working to protect Ohioans' hard earned money. Having received a clean audit each year since taking office shows that the hard work of our talented and dedicated staff on behalf of taxpayers is paying off."

Auditing standards require the Auditor's office to review and report significant internal control deficiencies, fraud, or illegal acts &dash; including noncompliance with laws and regulations. The audit also reviewed whether abuse or noncompliance occurred with contracts and grant agreements that could affect financial accounts.

At least once a year the Auditor of State is required to audit the accounts and transactions of the Treasurer's office. The Auditor's office performed testing procedures related to cash, securities, deposits, investments, revenue, taxes, collateral on lent securities/obligations under securities lending, monitoring of service organizations, bank account reconciliations, GAAP package schedules, compliance with certain state laws and regulations, and the Bankmate, QED and BAM systems.

**Audit Reviews Internal Controls, Inventory and Procedures**

A key part of the audit is an annual inventory of the state treasury. This inventory counts all cash and reconciles it with the daily ledger report, physically inspects securities held in trust by the Treasurer as custodian for other agencies, confirms financial institution statements on cash deposits and investment account balances, and reconciles these amounts with the Treasurer's accounting records.

The scope of the audit included testing procedures related to cash, securities, deposits, investments, revenue, taxes, collateral, monitoring of service organizations, bank account reconciliations, treasury financial systems, and compliance with certain state laws and regulations for the period July 1, 2012 through June 30, 2013.

**Auditor's "Clean" Audit Continues Strong Fiscal Performance of Ohio Treasury**

The Auditor's review of Treasury operations is the latest in positive achievements accomplished by the Treasurer's office:

After three fiscal years in office, Treasurer Mandel has generated a \$4.7 million surplus for Ohio taxpayers.

Treasurer Mandel trimmed staff by ten percent, reducing budgeted payroll by \$1.7 million.

The Ohio Treasury's liquidity portfolio has grown by \$3 billion since Treasurer Mandel took office.

Treasurer Mandel refinanced debt service, completing multiple economic refundings in state bond programs to save the state \$23 million.

Under Treasurer Mandel's leadership, Standard & Poor's has improved Ohio's credit rating outlook, issued the multibillion-dollar STAR Ohio investment fund the highest rating possible (even as multiple other local investment pools were downgraded), and upgraded the Ohio Enterprise Bond Fund for the first time in nearly a decade.



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View Management Letter from Auditor of State Dave Yost  
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