



# County of Hamilton

**DUSTY RHODES**

**AUDITOR**

COUNTY ADMINISTRATION BUILDING

138 EAST COURT STREET

CINCINNATI, OHIO 45202

**FOR IMMEDIATE RELEASE**

Dusty Rhodes, County Auditor (513-946-4047)

## **RHODES ASKS ADDITIONAL ACCOUNTING HELP**

Due to cumulative issues associated with the ongoing local Job and Family Services (JFS) investigation, County Auditor Dusty Rhodes has asked State Auditor Mary Taylor to consider extending the deadline for submission of 2009 financial statements or to list Hamilton County as currently "unauditable" with respect to the 2009 audit.

"We have struggled since 2005 because of the ongoing dispute between the state and federal governments over the human service agency's accounting practices while also dealing with the County Commissioners' systematic underfunding of our Finance Department," said Rhodes.

He said he was taking the unusual step to force attention on both issues in hopes of getting a resolution.

"The outside accounting firm hired by the State Auditor refused to sign off on the county financials for 2004, 2005 and 2006 forcing us to seek permission to release unaudited numbers for those years," he said.

"Since the State Auditor's staff took over our audits we have been able to complete the work for 2007 and we are almost finished with 2008. But we are just beginning the work for the 2009 numbers," he added. "Those will not be completed before the end of the year", he said.

Rhodes noted that while his office was never under investigation his staff has worked countless hours in addition to regular workloads to produce records and otherwise assist in the special audits.

“At one point last year we had fifteen (15) outside auditors in our office,” he said. “We have just four (4) accountants on our staff and the Commissioners have reduced our Finance Department budget over the past three years”.

He said the disagreement between state and federal officials has cost millions in outside accounting and legal fees with a potential liability for the county of millions more.

“I understand this is little more than an argument over accounting,” said Rhodes. “No one says any money has been stolen or misused. Yet the County has been tied in knots for over five years and our office has been caught in the crossfire.

“While attempting to deal with a problem caused by an agency under the control of prior County Commissions, the current County Commission has not provided adequate resources for us to do the work in a way to meet the Auditor of State’s timetable for 2009,” he added.

He said the State Auditor’s staff has been extremely helpful and noted that State Auditor Mary Taylor had even written to Health and Human Services Secretary Kathleen Sebelius in an attempt to resolve issues identified in the special audits.

“After all these years it’s time the County, State and Federal Governments conclude this matter,” said Rhodes. “I regret the necessity for this unusual request but we also have to get the attention of the County Commissioners.

“In the long term, we can not clean up this mess and meet future audit requirements without additional accounting help”, he said.



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(Copy of letter to State Auditor Taylor)

June 1, 2010

Honorable Mary Taylor, CPA  
Office of Auditor of State  
88 East Broad Street, 5th Floor  
Columbus, OH 43215

Dear Auditor Taylor:

Your staff has set a date for the 2009 post-audit conference requiring our work on the 2009 financial statements be completed by the end of October.

Based on our available resources we will be unable to finish this work until the end of this year at the earliest.

As we cannot meet your deadline I respectfully request an extension or, if you are unable to grant this, I ask that you consider declaring Hamilton County unauditible for 2009.

Sincerely,

Dusty Rhodes  
County Auditor

DR:dr